



Shree Rajeshwaranand Paper Mills Limited
MANUFACTURERS OF NEWS PRINT, WRITING & PRINTING PAPER

[CIN: L21093GJ1991PLC057244]

Registered Office: Bharuch - Jhagadia Road, Village-Govali, Dist.: Bharuch, Gujarat - 393 001

Phone: (02645) 227705 / 6 / 7 / 8 **Fax:** 91 2645 227709 **Mail:** s_rajeshwaranand@hotmail.com

22nd September, 2018

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001.

Ref: Company Code No. 516086

Dear Sirs;

Sub: Submission of Adopted Annual Report 2017-18

Please note that the members in their 27th Annual General Meeting held on 22nd September, 2018 have approved and adopted the Annual Report 2017-18.

We are sending herewith approved and adopted Annual Report 2017-18 pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015.

Kindly take the same in on records.

Thanking you,

Yours faithfully,

for SHREE RAJESHWARANAND PAPER MILLS LIMITED

Prakash R. Vora
PRAKASH R. VORA
MANAGING DIRECTOR



Encl: As above.

PS.: Scanned copy of approved & adopted Annual Report 2017-18 is uploaded on listing module of BSE Limited.

Correspondence Add: C/o. Shree Ambeshwar Transport Corporation, 2nd Floor, S-63, Hexzone Arcade, Nr. Jayaben Mody Hospital, Valia Road, GIDC, Ankleshwar - 393002 (Gujarat) India. **Tel:** (02646) 220346, 220368

**27th ANNUAL REPORT
2017-18**



**Shree Rajeshwaranand Paper
Mills Limited**

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SHREE RAJESHWARANAND PAPER MILLS LIMITED

[CIN: L21093GJ1991PLC057244]

27TH ANNUAL REPORT 2017-18

BOARD OF DIRECTORS	:	Mr. Amrish R. Patel Mr. Prakash R. Vora Mr. Udayan D. Velvan Mr. Ashok Kumar V. Shah Mr. Ashok Gosavi Ms. Anal R. Desai	Chairman Managing Director Executive Director Director Director Director
CFO	:	Mr. Karunashankar Vora	
BANKERS	:	State Bank of India, Vadodara Bank of India, Vadodara	
STATUTORY AUDITORS	:	M/s. Kanak Rathod & Co., Chartered Accountants, Mumbai	
COST AUDITOR	:	M/s. V. H. Savaliya & Associates, Cost Accountants, Ahmedabad	
SECRETARIAL AUDITORS	:	M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad	
INTERNAL AUDITORS	:	M/s. Atul N. Shah & Associates Chartered Accountants, Surat	
REGISTERED OFFICE & FACTORY	:	Village: Govali, Bharuch – Jhagadia Road, Tal: Jhagadia, Dist: Bharuch Gujarat – 393 001	
REGISTRAR & SHARE TRANSFER AGENTS	:	Sharex Dynamic (India) Pvt. Ltd., Unit-1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai - 400 072.	

NOTICE

NOTICE is hereby given that the **27TH ANNUAL GENERAL MEETING** of the Members of **SHREE RAJESHWARANAND PAPER MILLS LIMITED** will be held as scheduled below:

Date : 22nd September, 2018
Day : Saturday
Time : 1.00 p.m.
Place : At the Registered Office of the Company at:
Village: Govali, Bharuch – Jhagadia Road,
Tal: Jhagadia, Dist: Bharuch
Gujarat – 393 001

to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt audited Financial Statements of the Company for the financial year ended 31st March, 2018 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Prakash R. Vora (DIN - 00612357), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 148 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(s) thereof, for the time being in force), M/s. V. H. Savaliya & Associates, Cost Accountants, Ahmedabad (Firm Registration No. 100346), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2018-19 be paid remuneration of ` 50,000/- plus taxes as may be applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 188, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company do hereby accord its approval to the re-appointment of Mr. Prakash R. Vora as Managing Director of the Company, liable to retire by rotation, for a period of 3 years with effect from 1st October, 2018 to 30th September, 2021 on the terms and conditions and the remuneration (which have been approved by Nomination and Remuneration Committee) and that he be paid remuneration (even in the year of losses or inadequacy of profit) by way of Salary, perquisites and Commission not exceeding the amount thereof as set out in the Explanatory Statement which is permissible under Section II of Part II of Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the extent and scope of Salary and Perquisites as specified in the Explanatory Statement be altered, enhanced, widened or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Executive Director without the matter being referred to the Company in General Meeting again.”

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

“RESOLVED THAT pursuant to the provisions of Section 188, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company do hereby accord its approval to the re-appointment of Mr. Udayan D. Velvan as Executive Director of the Company, liable to retire by rotation, for a period of 3 years with effect from 1st October, 2018 to 30th September, 2021 on the terms and conditions and the remuneration (which have been approved by Nomination and Remuneration Committee) and that he be paid remuneration (even in the year of losses or inadequacy of profit) by way of Salary, perquisites and Commission not exceeding the amount thereof as set out in the Explanatory Statement which is permissible under Section II of Part II of Schedule V of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the extent and scope of Salary and Perquisites as specified in the Explanatory Statement be altered, enhanced, widened or varied by the Board of Directors in accordance with the relevant provisions of the Companies Act, 2013 for the payment of managerial remuneration in force during the tenure of the Executive Director without the matter being referred to the Company in General Meeting again.”

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

“RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with applicable provisions of Companies (Meetings of Board and its powers) Rules, 2014, as amended from time to time (including any other applicable rules and regulations framed under the Companies Act, 2013), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) to make investment or to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate whether Indian or overseas, to give loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with any loan taken by any other body corporate or person, as may be required from time to time, exceeding 60% of the paid up Share Capital and Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company, whichever is more, as the Board of Directors may think fit, in one or more tranches, not exceeding ` 30 Crores (Rupees Thirty Crores) only over and above the limits prescribed under the above referred Section or any other provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to take from time to time all decisions and steps in respect of the above investment/loan/guarantee/security including the timing, amount and other terms and conditions of said act and varying the same either in part or in full as it may deem appropriate, and to do and perform all such acts, deeds, matters and things as may deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to the aforesaid resolution.”

Registered Office:

Village: Govali,
Bharuch – Jhagadia Road,
Tal: Jhagadia, Dist: Bharuch
Gujarat – 393 001
Date: 20th July, 2018

By Order of the Board,

Prakash R. Vora
Managing Director

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business in the Notice is annexed hereto.
2. The Register of Members and Share Transfer Books will remain closed from 7th **September, 2018 to 22nd September, 2018** (both days inclusive) for the purpose of Annual General Meeting.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.

The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.

4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/ Authorisation document authorising their representative to attend and vote on their behalf at the AGM.
5. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA).
6. Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Directors seeking re-appointment/appointment/ confirmation at the ensuing Annual General Meeting is provided in the Corporate Governance Report forming part of the Annual Report. The Directors have furnished the requisite declarations for their appointment / re-appointment.
7. 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 the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
8. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
9. The Shareholders holding Shares in Physical form are advised to seek their shareholding changed to dematerialized form since in terms of SEBI and Stock Exchange guidelines no physical shares can be traded in the Stock Exchanges.
10. This is to bring to the notice of the Shareholders that the request for effecting transfer of securities held in Physical form (except in case of transmission or transposition) would not be entertained and shall not be processed by the Company/ RTA of the Company w.e.f. 5th December, 2018 pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018. Hence Shareholders are advised to get their physical shares transferred / dematerialized.
11. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
12. Members/Proxies are requested to bring duly filled attendance slip along with their copy of Annual Report at the Meeting. Copies of Annual Report will not be distributed at the Meeting.

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13. All documents referred to in the Notice and Explanatory Statement shall be available for inspection by members at the Registered Office of the Company during the business hours between 11.00 a.m. to 1.00 p.m. on all working days of the Company up to the date of the Annual General Meeting.
14. To support the “Green Initiative”, Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar & Share Transfer Agents of the Company for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
15. In support of the ‘Green Initiative’ announced by the Government of India, electronic copies of the Annual Report for 2017-18 and this Notice inter alia indicating the process and manner of e-voting along with Attendance Form and Proxy Form are being sent by email to all the Members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes, unless any Member has requested only for a hard copy of the same. For Members who have not registered their email address, physical copies will be sent to them in the permitted mode. The Notice of AGM will also be available on website of the Central Depository Services (India) Limited (“CDSL”), www.cdslindia.com, www.evotingindia.com
16. Members and proxies thereof are requested to bring their Folio No. / DP Id-Client Id for identification.

17. VOTING THROUGH ELECTRONIC MEANS:

- (a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. 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’) is provided by Central Depository Services (India) Limited.
- (b) 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. **E-voting facility will not be made available at the AGM venue.**
- (c) 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.
- (d) The remote e-voting period commences **at 9.00 a.m. on Wednesday, 19th September, 2018 and ends at 5:00 p.m. on Friday, 21st September, 2018.** During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 15th September, 2018**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
- (e) The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.

The procedure and instructions for remote e-voting are, as follows:

- (i) Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com.
- (ii) Now click on “Shareholders” to cast your votes.
- (iii) Now, fill up the following details in the appropriate boxes:

User ID	a. For CDSL: 16 digits Beneficiary ID
	b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
	c. Members holding shares in Physical Form should enter Folio Number registered with the Company

- (iv) Next, enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(vi) If you are holding shares in demat form and has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(vii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Address Slip/ email pertaining to the notice of this Annual General Meeting.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of Birth (DOB)	If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on Electronic Voting Sequence Number (EVSN) of SHREE RAJESHWARANAND PAPER MILLS LIMITED.

(xii) On the voting page, you will see 'Resolution Description' and against the same, the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.

(xiv) After selecting the Resolution, you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.

(xv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on 'Click here to print' option on the Voting page.

(xvii) Shareholders can also use Mobile app - "m - Voting" for e voting . m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).

(xviii) Note for Non – Individual Members and Custodians:

- ◆ Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- ◆ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- ◆ After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

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- ◆ The list of accounts should be mailed to helpdesk.evoting@cDSLindia.com and on approval of the accounts they would be able to cast their vote.
 - ◆ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (f) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cDSLindia.com.
- (g) Mr. Kashyap R. Mehta, Proprietor, M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad** has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (h) 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. **E-voting facility will not be made available at the AGM venue.**
- (i) The Scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than two days from the conclusion of meeting, a consolidated Scrutiniser’s Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
- (j) The Results declared along with the Scrutinizer’s Report shall be placed on the website of CDSL- www.evotingindia.com, www.cdslindia.com immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESSES MENTIONED IN THE NOTICE OF 27TH ANNUAL GENERAL MEETING DATED 20TH JULY, 2018.

In respect of Item No. 3:

The Board of Directors of the Company, on the recommendation of the Audit Committee, appointed that M/ s. V. H. Savaliya & Associates, Cost Accountants, Ahmedabad (Firm Registration No. 100346), as Cost Auditors for the financial year 2018-19.

As per Section 148 of Companies Act, 2013 and applicable rules there under, the remuneration payable to the cost auditors is to be ratified by the members of the Company.

The Board considers the remuneration payable to the cost auditors as fair and recommends the resolution contained in item no. 3 of the notice for approval of the members.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

The Board recommends the resolution for your approval as an Ordinary Resolution.

In respect of Item No. 4:

Shareholders may recall that in the 24th Annual General Meeting held on 26th September, 2015, Mr. Prakash R. Vora was reappointed as Managing Director of the Company for a period of three years from 1st October, 2015.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, in their meeting held on 20th July, 2018 have reappointed Mr. Prakash R. Vora as Managing Director for a period of 3 years i.e. from 1st October, 2018 to 30th September, 2021.

The major terms of the remuneration of Managing Director are as under:

I. PERIOD:

The term of the Managing Director shall be for a period of three years from 1st October, 2018 to 30th September, 2021.

II. REMUNERATION:**A. SALARY:**

The Managing Director shall be entitled to monthly salary up to ₹ 5,00,000/-.

B. PERQUISITES:

1. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure.
4. Reimbursement of medical expenses as applicable to other senior executive of the Company
5. Free use of Company's car with driver for Company's business and free telephone facility at residence.
6. Leave travel concession for himself and family once in a year in accordance with rules Specified by the Company.

III. The Managing Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

IV. The Managing Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company without the prior approval of the Central Government.

V. DUTIES:

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Managing Director shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The headquarter of the Managing Director shall be at Goval, Bharuch, Gujarat or at such place as the Board of Directors may decide from time to time.

VI. TERMINATION:

The Managing Director may be removed from his office for gross negligence, breach of duty or trust if the Company in its General Meeting to that effect passes a Special Resolution. The Managing Director may resign from his office by giving 90 days' notice to the Company.

VII. COMPENSATION:

In the event of termination of office of Managing Director takes place before the expiration of tenure thereof, Managing Director Shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under section 202 of the Companies Act, 2013.

As per the provisions of Sections 188,196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, Special Resolution is necessary for holding office as Managing Director of the Company on remuneration.

The following is the details of interest of Directors/ Key Managerial Personnel/ Relative of Director/ Relative of Key Managerial Personnel:

Sr. No	Category	Name of Interested Director / KMP	Financial Interest	Non- Financial Interest
1.	Director	Mr. Prakash R. Vora	Relates to his reappointment as Managing Director, he may be deemed to be concerned or interested in the business	
2.	Key Managerial Personnel	-	-	-
3.	Relative of Director	-	-	-
4.	Relative of Key Managerial Personnel	-	-	-

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The following are the information required under Section II of Part II of Schedule V of the Companies Act, 2013:

Sr. No	Particulars	Information
I GENERAL INFORMATION		
1	Nature of industry	Manufacturing of Newsprint Paper and tools.
2	Date or expected date of commencement of commercial production	Already Commenced
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4	Financial performance based on given indicators	₹ 11235.76 lakh turnover (2017-18)
5	Exports performance and net foreign exchange collaborations	NIL
6	Foreign investments or collaborations, if any.	NIL
II INFORMATION ABOUT THE APPOINTEE		
1	Background details	B. Com
2	Past remuneration	₹ 5.00 lakh p.m. + Perquisites
3	Recognition or awards	-
4	Job profile and his suitability	35 Years experience in the field of Management / Industry
5	Remuneration proposed	Up to ₹ 5.00 lakh p.m. + Perquisites
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w. r. t the country of his origin.)	Remuneration is in commensurate with experience & qualifications.
7	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Mr. Prakash R. Vora is the Managing Director of the Company.
III OTHER INFORMATION		
1	Reasons of loss or inadequate profits	High Interest Cost High Market competition
2	Steps taken or proposed to be taken for improvement	Rationalisation of existing product Range and Opening new Markets
3	Expected increase in productivity and profits in measurable terms	Turnover expected to increase drastically
IV DISCLOSURES		
1	The shareholders of the Company shall be informed of the remunerations package of the managerial person	The shareholders have been informed in the notice of 27 th Annual General Meeting.
2	The following disclosure shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report:	Yes

2(i) All elements of remuneration package such as salary, benefits, bonuses, stock, stock options, pension, etc, of all the directors;	As mentioned above
2(ii) Details of fixed component and performance linked incentives along with the performance criteria;	No performance linked incentives.
2(iii) Service contracts, notice period, severance fees;	90 days' Notice.
2(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable;	NA

In respect of Item No. 5:

Shareholders may recall that in the 24th Annual General Meeting held on 26th September, 2015, Mr. Udayan D. Velvan was reappointed as Executive Director of the Company for a period of three years from 1st October, 2015.

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, in their meeting held on 20th July, 2018 have reappointed Mr. Udayan D. Velvan as Executive Director for a period of 3 years i.e. from 1st October, 2018 to 30th September, 2021.

The major terms of the remuneration of Executive Director are as under:

I. PERIOD:

The term of the Executive Director shall be for a period of three years from 1st October, 2015 to 30th September, 2018.

II. REMUNERATION:

A. SALARY:

The Executive Director shall be entitled to monthly salary up to ` 5,00,000/-.

B. PERQUISITES:

1. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
2. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
3. Encashment of leave at the end of the tenure.
4. Reimbursement of medical expenses as applicable to other senior executive of the Company
5. Free use of Company's car with driver for Company's business and free telephone facility at residence.
6. Leave travel concession for himself and family once in a year in accordance with rules Specified by the Company.

III. The Executive Director shall be entitled to reimbursement of expenses incurred by him in connection with the business of the Company.

IV. The Executive Director shall not, so long as he functions as such, become interested or otherwise concerned directly or through his wife and/or minor children in any selling agency of the Company without the prior approval of the Central Government.

V. DUTIES:

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Executive Director shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to him by the Board of Directors from time to time. The headquarter of the Executive Director shall be at Govali, Bharuch, Gujarat or at such place as the Board of Directors may decide from time to time.

VI. TERMINATION:

The Executive Director may be removed from his office for gross negligence, breach of duty or trust if the Company in its General Meeting to that effect passes a special Resolution. The Executive Director may resign from his office by giving 90 days' notice to the Company.

Shree Rajeshwaranand Paper Mills Limited

VII. COMPENSATION:

In the event of termination of office of Executive Director takes place before the expiration of tenure thereof, Executive Director Shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under section 202 of the Companies Act, 2013. As per the provisions of Sections 188,196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, Special Resolution is necessary for holding office as Executive Director of the Company on remuneration.

The following is the details of interest of Directors/ Key Managerial Personnel/ Relative of Director/ Relative of Key Managerial Personnel:

Sr. No	Category	Name of Interested Director / KMP	Financial Interest	Non- Financial Interest
1.	Director	Mr. Udayan D. Velvan	Relates to his reappointment as Executive Director, he may be deemed to be concerned or interested in the business	
2.	Key Managerial Personnel	-	-	-
3.	Relative of Director	-	-	-
4.	Relative of Key Managerial Personnel	-	-	-

The following are the information required under Section II of Part II of Schedule V of the Companies Act, 2013:

Sr. No	Particulars	Information
I GENERAL INFORMATION		
1	Nature of industry	Manufacturing of Newsprint Paper and tools.
2	Date or expected date of commencement of commercial production	Already Commenced
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4	Financial performance based on given indicators	~ 11235.76 lakh turnover (2017-18)
5	Exports performance and net foreign exchange collaborations	NIL
6	Foreign investments or collaborations, if any.	NIL
II INFORMATION ABOUT THE APPOINTEE		
1	Background details	B.Com
2	Past remuneration	~ 5.00 lakh p.m. + Perquisites
3	Recognition or awards	-
4	Job profile and his suitability	35 Years experience in the field of Trading / Industry / Management
5	Remuneration proposed	Up to ~ 5,00,000/- + Perquisites
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w. r. t the country of his origin.)	Remuneration is in commensurate with experience & qualifications.
7	Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any	Mr. Udayan D. Velvan is the Executive Director of the Company.

III OTHER INFORMATION

1	Reasons of loss or inadequate profits	High Interest Cost High Market competition
2	Steps taken or proposed to be taken for improvement	Rationalisation of existing product Range and Opening new Markets
3	Expected increase in productivity and profits in measurable terms	Turnover expected to increase drastically

IV DISCLOSURES

1	The shareholders of the Company shall be informed of the remunerations package of the managerial person	The shareholders have been informed in the notice of 27 th Annual General Meeting.
2	The following disclosure shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report:	Yes
2(i)	All elements of remuneration package such as salary, benefits, bonuses, stock, stock options, pension, etc, of all the directors;	As mentioned above
2(ii)	Details of fixed component and performance linked incentives along with the performance criteria;	No performance linked incentives.
2(iii)	Service contracts, notice period, severance fees;	90 days' Notice.
2(iv)	Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable;	N.A.

In respect of Item No. 6:

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can:

- make loan(s) and/or
- give guarantees or provide security (ies) in connection with loan(s) taken by any other body corporate or person and
- make investments in shares, debentures and/or any other securities of any other body Corporates,

beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if Special Resolution is passed by the members/ shareholders of the Company.

As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment(s)/giving loan/providing guarantee/ security from time to time, in one or more tranches, up to the maximum limit of ₹ 30 Crores (Rupees Thirty Crores) only over and above the limits prescribed under the said section.

The Board recommends the resolution for your approval as a Special Resolution.

None of the Directors, Key Managerial Personnel (KMP) of the Company or any relatives of such Director or KMPs are in any way concerned or interested or deemed to be concern or interested, financially or otherwise, in the proposed resolution.

Registered Office:

Village: Govali,
Bharuch – Jhagadia Road,
Tal: Jhagadia, Dist: Bharuch
Gujarat – 393 001
Date: 20th July, 2018

By Order of the Board,

Prakash R. Vora
Managing Director

DIRECTORS' REPORT

Dear Shareholders,

The Directors present the 27TH ANNUAL REPORT together with the Audited Financial Statement for the Financial Year 2017-18 ended 31st March, 2018.

1. FINANCIAL RESULTS:

(` in lakh)

Particulars	2017-18	2016-17
Profit before Interest and Depreciation	1646.51	1838.22
Less: Interest	892.68	810.80
Profit before Depreciation	753.83	1027.42
Less: Depreciation	688.13	671.50
Profit before Tax	65.70	355.92
Less: Provision for Taxation	116.76	140.38
Less : Prior period adjustments	28.32	5.47
Add : Adjustment for Deferred Tax Asset	87.71	41.35
Net Profit	8.33	251.42
Other Comprehensive Income	4.11	(0.01)
Total Comprehensive Income	12.44	251.40
Add: Balance Brought Forward	1707.31	1455.91
Balance carried to Balance Sheet	1719.75	1707.31

There are no material changes and commitment affecting the financial position of the Company which have occurred between 1st April, 2018 and date of this report.

2. DIVIDEND:

With a view to conserve the resources for the working capital requirement of the Company, the Board of Directors has not recommend any dividend on the Equity Shares for the year under review ended 31st March, 2018.

3. REVIEW OF OPERATIONS:

The Company achieved production of 29333 MT of Newsprint/Writing and Printing paper during the year under review compared to 34546 M.T. during 2016-17. The Company achieved sales of 30314 MT during the year under review compared to 34213 M.T. during 2016-17. The Company had to shut down its production facilities for 15 days for maintenance.

An additional 55-60 days were directly affected due to implementation of demonetisation and introduction of Goods & Service Tax. All clients / press holder had booked their advance quantity to compete Globalise market and therefore it directly affected our production of news print selling in the market.

The Company has earned Profit before Interest and Depreciation of ` 1646.51 Lakh during the year under review compared to ` 1838.22 Lakh during 2016-17. After providing for Depreciation, Prior period adjustments and Taxation, the Net Profit for the year under review stood ` 8.33 Lakh compared to ` 251.42 Lakh during 2016-17.

4. NEW PROJECTS:**4.1 NEWS PRINT DIVISION:**

The Company has spent substantial amount during the year under review for increasing the installed capacity to 130 M.T. per day as well as for providing facilities for better quality of production.

During this second phase of expansion, the Company has installed various machineries which will increase the production with improvement in quality of the product. The Company has also installed various other balancing equipments to increase the production.

4.2 TOOLS DIVISION:

The Company commenced production of Abrasive Tools, Core Drill, big size Core Pipe and Ceramic industry Sizing Wheel. The diversification is partly funded from Company's internal accruals and partly from the Financial Assistance from the Bankers of the Company. The necessary arrangements have also been made with the Bankers of the Company for Working Capital Finance.

5. FUTURE PLANS:

As informed earlier, the installed capacity to manufacture Newsprint/Writing & Printing Paper is increased to 130 M.T. per day. The Management is further planning to improve the better quality by further modernise/ modification the plant.

The expansion will be funded out of internal accruals and term loans from Banks and Financial Institution. The Company will be able to undertake good quality of Writing and Printing paper in addition to Newsprint with this substantial expansion production.

6. LISTING :

The Equity Shares of the Company are listed on BSE Limited. The Company is regular in payment of Annual Listing Fees. The Company has paid Listing fees up to the year 2018-19.

7. DIRECTORS:

7.1 Mr. Prakash R. Vora retires by rotation in terms of the Articles of Association of the Company. However, being eligible offers himself for reappointment.

7.2 The Board of Directors duly met 10 times during the financial year under review.

7.3 The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (the Act) that they meet with the criteria of their independence laid down in Section 149(6) of the Act.

7.4 FORMAL ANNUAL EVALUATION:

The Nomination and Remuneration Committee adopted a formal mechanism for evaluating the performance of the Board of Directors as well as that of its Committees and individual Directors, including Chairman of the Board, Key Managerial Personnel/ Senior Management etc. The exercise was carried out through an evaluation process covering aspects such as composition of the Board, experience, competencies, governance issues etc.

7.5 DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134 of the Companies Act, 2013, it is hereby confirmed:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at 31st March, 2018 being end of the financial year 2017-18 and of the profit of the Company for the year;
- (iii) that the Directors had taken proper and sufficient care for 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;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.
- (v) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

9. MANAGERIAL REMUNERATION:

REMUNERATION OF DIRECTORS:

Sr. No.	Name of the Director & Designation	Remuneration for the year	% increase over last year	Parameters	Median of Employees Remuneration	Ratio	Commission received from Holding/ Subsidiary
1.	Mr. Prakash R. Vora - Managing Director	₹ 15,00,000	-	Higher responsibility and time involvement due to current expansion & modernisation	₹ 1,60,981/-	9.3:1	-
2.	Mr. Udayan D. Velvan - Executive Director	₹ 15,00,000	-		₹ 1,60,981/-	9.3:1	-

The Board of Directors has framed a Remuneration Policy that assures the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to enhance the quality required to run the Company successfully. All the Board Members and Senior Management personnel have affirmed time to time implementation of the said Remuneration policy.

The Nomination and Remuneration Policy are available on the Company's website- www.shreerajeshwaranandgroup.com

10. KEY MANAGERIAL PERSONNEL:

% INCREASE IN REMUNERATION OF DIRECTORS AND KMP:

Sr. No.	Name of the Director & KMP	Designation	Percentage Increase (If any)
1.	Prakash R. Vora	Managing Director	-
2.	Udayan D. Velvan	Executive Director	-
3.	Karunashankar G. Vora	CFO	-

11. PERSONNEL AND H. R. D.:

11.1 INDUSTRIAL RELATIONS:

The industrial relations continued to remain cordial and peaceful and your Company continued to give ever increasing importance to training at all levels and other aspects of H. R. D.

The Number of permanent Employees of the Company is 92. The relationship between average increase in remuneration and Company's performance is as per the appropriate performance benchmarks and reflects short and long term performance objectives appropriate to the working of the Company and its goals.

11.2 PARTICULARS OF EMPLOYEES:

There is no Employee drawing remuneration requiring disclosure under Rule 5(2) of Companies Appointment & Remuneration of Managerial personnel) Rules, 2014.

12. RELATED PARTY TRANSACTION AND DETAILS OF LOANS, GUARANTEES, INVESTMENT & SECURITIES PROVIDED:

Details of Related Party Transactions and Details of Loans, Guarantees and Investments covered under the provisions of Section 188 and 186 of the Companies Act, 2013 respectively are given in the notes to the Financial Statements attached to the Directors' Report.

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transactions with related parties which could be considered as material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at www.shreerajeshwaranandgroup.com

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

The information required under Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of Companies (Accounts) Rules, 2014, relating to the conservation of Energy and Technology Absorption forms part of this report and is given by way of **Annexure- A**.

14. CORPORATE GOVERNANCE AND MDA:

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report on Corporate Governance, Management Discussion and Analysis (MDA) and a certificate regarding compliance with the conditions of Corporate Governance are appended to the Annual Report as **Annexure - B**.

15. SECRETARIAL AUDIT REPORT:

Your Company has obtained Secretarial Audit Report as required under Section 204(1) of the Companies Act, 2013 from M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad. The said Report is attached with this Report as **Annexure – C**. As regards the observation of the Auditors, the Company is in the process of identifying and appointing Whole-time Company Secretary and also developing functional website of the Company.

16. EXTRACT OF ANNUAL RETURN:

The extract of Annual return in Form – MGT-9 has been attached herewith as **Annexure – D**.

17. AUDIT COMMITTEE/ NOMINATION AND REMUNERATION COMMITTEE/ STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The details of various committees and their functions are part of Corporate Governance Report.

18. GENERAL:**18.1. AUDITORS:****STATUTORY AUDITORS:**

At the 26th Annual General Meeting held on 23rd September, 2017 M/s. Kanak Rathod & Co., Chartered Accountants, Mumbai were appointed as Statutory Auditors of the Company to hold office for the period of 5 years i.e. for the financial years 2017-18 to 2021-22.

The remarks of Auditor are self explanatory and have been explained in Notes on Accounts.

COST AUDITORS:

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has been carrying out audit of cost records every year.

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The Board of Directors, on the recommendation of Audit Committee, has appointed M/s V. H. Savaliya & Associates, Cost Accountants, (Firm Registration No. 100346) as Cost Auditor to audit the cost accounts of the Company for the financial year 2018-19. As required under the Companies Act, 2013, a resolution seeking Shareholders' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

18.2 INSURANCE:

The Company's properties including building, plant and machinery, stocks, stores etc. continue to be adequately insured against risks such as fire, riot, strike, civil commotion, malicious damages, machinery breakdown etc.

18.3 DEPOSITS:

The Company has not accepted during the year under review any Deposits and there were no overdue deposits.

18.4 RISKS MANAGEMENT POLICY:

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company.

18.5 SUBSIDIARIES/ ASSOCIATES/ JVs:

The Company does not have any Subsidiaries/ Associate Companies / JVs.

18.6 CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

18.7 SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There has been no significant and material order passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

18.8 ENVIRONMENT AND SAFETY:

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

18.9 DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy, in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Company did not receive any complaint.

18.10 INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

19. DISCLOSURE OF ACCOUNTING TREATMENT:

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

20. DEMATERIALIZATION OF EQUITY SHARES:

Shareholders have an option to dematerialise their shares with either of the depositories viz NSDL and CDSL. The ISIN No. allotted is INE617D01017.

21. FINANCE:

21.1 The Company's Income-tax Assessment has been completed up to the Assessment Year 2014-15 and Sales-tax Assessment is completed up to the Financial Year 2015-16.

21.2 The Company is enjoying Working Capital facilities, Corporate Loan and Term Loan from State Bank of India and Bank of India. The Company is regular in payment of interest and principal.

22. ACKNOWLEDGMENT:

Your Directors express their sincere thanks and appreciation to Promoters and Shareholders for their constant support and co-operation. Your Directors also place on record their grateful appreciation and co-operation received from Bankers, Financial Institutions, Government Agencies and employees of the Company.

For and on behalf of the Board,

Place : Jhagadia
Date : 20th July, 2018

Amrish R. Patel
Chairman

Disclosure of particulars with respect to Conservation of Energy

A. CONSERVATION OF ENERGY-

Steps taken or impact on conservation of energy	Energy Conservation is an active focus area since it is a major cost in the manufacturing process. The Company has taken several initiatives in line with policy of Conservation of natural resources by optimizing proper use of steam, coal etc.
Steps taken by the company for utilizing alternate sources of energy	-
Capital investment on energy conservation equipments	-

B. TECHNOLOGY ABSORPTION :

1. No research & development is carried out by the Company.
2. No new technology is adopted or innovated.

	<u>2017-18</u>	<u>2016-17</u>
C. FOREIGN EXCHANGE EARNINGS & OUTGO:		
1. Total Foreign exchange earnings (` in lakhs)	10.86	13.03
2. Total Foreign Exchange used (` in lakhs)	459.77	375.95

For and on behalf of the Board,

Place : Jhagadia
Date : 20th July, 2018

Amrish R. Patel
Chairman

REPORT ON CORPORATE GOVERNANCE

INTRODUCTION:

Corporate Governance is important to build confidence and trust which leads to strong and stable partnership with the Investors and all other Stakeholders. The Directors, hereunder, present the Company's Report on Corporate Governance for the year ended 31st March, 2018 and also up to the date of this Report.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and ability.

Effective Corporate Governance is the key element ensuring investor's protection; providing finest work environment leading to highest standards of management and maximization of everlasting long-term values. Your Company believes in the philosophy on practicing Code of Corporate Governance that provides a structure by which the rights and responsibility of different constituents such as the board, employees and shareholders are carved out.

A Report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulation) is given below.

2. BOARD OF DIRECTORS:

a) Composition and Category of Directors as on 31st March, 2018 and on the date of report is:

Name of Directors	Category of Directorship	No. of other Directorships@	No. of Committee position in other Companies**		No. of Board Meetings attended during the year	Attendance at the AGM held on 23-09-2017 Yes(Y)/No(N)
			Member	Chairman		
Prakash R. Vora Managing Director	Promoter - Executive	-	-	-	10	Y
Udayan D. Velvan Executive Director	Promoter-Executive	1	1	-	10	Y
Amrish R. Patel Chairman	Independent	-	-	-	10	Y
Ashok Kumar V. Shah	Independent	-	-	-	10	N
Ashok Gosavi	Independent	-	-	-	10	N
Anal R. Desai	Independent	1	-	2	9	Y

@ Private Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 are excluded

** for the purpose of reckoning the limit of committees, only chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee has been considered.

None of the Directors are related to each other.

Shree Rajeshwaranand Paper Mills Limited

b) Details of the Directors seeking Appointment/Reappointment in forthcoming Annual General Meeting:

Name of Directors	Mr. Udayan D. Velvan	Mr. Prakash R. Vora
Date of Birth	31-07-1959	25-12-1956
Date of Appointment	01-01-2008	03-08-2006
Qualifications	B. Com	B. Com
Expertise in specific functional areas	Management and Administration	Management and Administration
List of Public Limited Companies in which Directorships held	Prism Finance Limited	-
List of Private Limited Companies in which Directorships held	-	Kankavati Investments Private Limited
Chairman/Member of the Committees of the Board of Directors of our Company	-	Stakeholders' Relationship Committee
Chairman/Member of the Committees of Directors of other Companies	Prism Finance Limited Audit Committee	-
Shareholding in the Company	13,79,895 Equity Shares	49,700 Equity Shares

c) Board Procedures:

The Board of Directors meets once a quarter to review the performance and Financial Results. A detailed Agenda File is sent to all the Directors well in time of the Board Meetings. The Chairman/Managing Director briefs the Directors at every Board Meeting, overall performance of the Company. All major decisions/ approvals are taken at the Meeting of the Board of Directors such as policy formation, business plans, budgets, investment opportunities, Statutory Compliance etc. The meetings of the Board of Directors for a period from 1st April, 2017 to 31st March, 2018 were held 10 times on 12-05-2017; 30-05-2017; 20-07-2017; 14-09-2017; 08-11-2017; 04-12-2017; 14-12-2017; 19-01-2018; 29-01-2018 and 14-02-2018.

d) Shareholding of Non- Executive Directors as on 31st March, 2018:

No Non-Executive Director holds any Equity Shares or convertible securities in the Company.

e) Familiarisation Program for Independent Directors:

The details of the familiarization program are available on the Company's website – www.shreerajeshwaranandgroup.com

'Disclosure under SEBI (LODR):

The Independent Directors of the Company are seasoned professionals and have detailed knowledge and understanding of the industry, business model & operations and also of their roles, responsibilities and duties.

Presentations are regularly made to the Independent Directors on various matters covering Company's business, operations, industry, updates, strategy, finance, risk management, role, rights and responsibilities of Independent Directors under various statutes. A familiarisation programme was conducted during the year.'

3. AUDIT COMMITTEE:

The Audit Committee consists of the following Directors as on the date of the Report:

Name of the Directors	Expertise	Terms of reference & functions of the Committee	No. of Meetings attended during 2017-18
Ashok Kumar V.Shah Chairman	All members are Non-executive. Chairman is Independent Director and Majority are independent. One member has thorough financial and accounting knowledge.	The functions of the Audit Committee are as per Company Law and Listing Regulations prescribed by SEBI which include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies.	4 of 4
Ashok Gosavi			4 of 4
Amrish R. Patel			4 of 4

The Audit Committee met 4 times during the Financial Year 2017-18. The maximum gap between two meetings was not more than 120 days. The Committee met on 30-05-2017; 14-09-2017; 14-12-2017 & 14-02-2018. The necessary quorum was present for all Meetings. The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company.

4. NOMINATION & REMUNERATION COMMITTEE:

Name of the Directors	Functions of the Committee	No. of Meetings attended during 2017-18
Mr. Ashok Kumar V. Shah Chairman	All members are Non executive. The Committee is vested with the responsibilities to function as per SEBI Guidelines and recommends to the Board Compensation Package for the Managing Director. It also reviews from time to time the overall Compensation structure and related policies with a view to attract, motivate and retain employees.	During the year under review, no meeting of Nomination & Remuneration Committee was held.
Mr. Ashok Gosavi		
Mr. Amrish R. Patel		

Terms of reference and Nomination & Remuneration Policy:

The Committee identifies and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

The Committee fixes remuneration of the Directors on the basis of their performance and also practice in the industry. The terms of reference of the Nomination & Remuneration Committee include review and recommendation to the Board of Directors of the remuneration paid to the Directors. The Committee meets as and when required to consider remuneration of Directors.

Performance Evaluation Criteria for Independent Directors:

The Board evaluates the performance of independent directors (excluding the director being evaluated) on the basis of the contributions and suggestions made to the Board with respect to financial strategy, business operations etc.

5. REMUNERATION OF DIRECTORS:

1. Mr. Prakash R. Vora, Managing Director was paid ` 15,00,000/- as managerial remuneration during the financial year 2017-18.
2. Mr. Udayan D. Velvan, Executive Director was paid ` 15,00,000/- as managerial remuneration during the financial year 2017-18.
3. No Sitting Fees was paid during the financial year 2017-18.
4. No Commission or Stock Option has been offered to the Directors.
5. The terms of appointment of Managing Director / Whole-time Director are governed by the resolutions of the members and applicable rules of the Company. None of the Directors are entitled to severance fees.
6. Commission based on performance criteria, if any, as approved by the Board and subject to maximum limit specified in the Act.
7. The Nomination and Remuneration Policy of the Company is given in Directors' Report which specifies the criteria of making payments to Non Executive Directors.
8. Service contract and notice period are as per the terms and conditions mentioned in their Letter of Appointments.
9. There are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors except those disclosed in the financial statements for the financial year ended on 31st March, 2018.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board has constituted a Stakeholders' Relationship Committee for the purpose of effective Redressal of the complaints and concerns of the shareholders and other stakeholders of the Company.

The Committee comprises the following Directors as members as on the date of the Report:

- | | |
|----------------------------|----------|
| 1. Mr. Ashok Kumar V. Shah | Chairman |
| 2. Mr. Prakash R. Vora | Member |

The Company received three complaints which were disposed off during the year. There was no valid request for transfer of shares pending as on 31st March, 2018.

Mr. Prakash R. Vora is the Compliance Officer for the above purpose.

7. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings of the Company are given below:

Financial Year	Date	Time	Venue
2014-15	26-09-2015	1.00 p.m.	Village: Govali, Bharuch – Jhagadia Road, Tal: Jhagadia Dist: Bharuch, Gujarat – 393 001 Special Resolutions: 1. Re-appointment of Prakash R. Vora as Managing Director for a period of 3 years w.e.f. 1 st October, 2015 to 30 th September, 2018. 2. Re-appointment of Udayan D. Velvan as Executive Director, for a period of 3 years w.e.f. 1 st October, 2015 to 30 th September, 2018.
2015-16	24-09-2016	1.00 p.m.	Village: Govali, Bharuch – Jhagadia Road, Tal: Jhagadia Dist: Bharuch, Gujarat – 393 001 Special Resolution: 1. Authority to Board of Directors to make Investment under Section 186.
2016-17	23-09-2017	1.00 p.m.	Village: Govali, Bharuch – Jhagadia Road, Tal: Jhagadia Dist: Bharuch, Gujarat – 393 001 No Special Resolution was passed.

Pursuant to the relevant provisions of the Companies Act, 2013, there was no matter required to be dealt by the Company to be passed through postal ballot during 2017-18.

8. MEANS OF COMMUNICATION:

In compliance with the requirements of the SEBI (LODR) Regulations, the Company regularly intimates Unaudited / Audited Financial Results to the Stock Exchanges immediately after they are taken on record by the Board of Directors. These Financial Results are normally published in 'Western Times' (English and Gujarati). Results are also displayed on Company's website www.shreerajeshwaranandgroup.com.

The reports, statements, documents, filings and any other information are electronically submitted to the recognized stock exchanges, unless there are any technical difficulties while filing the same. All important information and official press releases are displayed on the website for the benefit of the public at large.

During the year ended on 31st March, 2018, no presentations were made to Institutional Investors or analyst or any other enterprise.

9. GENERAL SHAREHOLDERS' INFORMATION:

- a) Registered Office : Village : Govali, Bharuch - Jhagadia Road,
Tal : Jhagadia, Dist : Bharuch,
Gujarat - 393 001
- b) Annual General Meeting : Day : Saturday
Date : 22-09-2018
Time : 1.00 p.m.
Venue : Village : Govali,
Bharuch - Jhagadia Road,
Tal : Jhagadia, Dist : Bharuch,
Gujarat - 393 001

Shree Rajeshwaranand Paper Mills Limited

- c) Financial Calendar :
1st Quarter Results :Mid-August, 2018.
Half-yearly Results :Mid-November, 2018.
3rd Quarter Results :Mid-February, 2019.
Audited yearly Results :End-May, 2019.
- d) Book Closure Dates : From : Friday, the 7th September, 2018
To : Saturday, the 22nd September, 2018.
(Both days inclusive).
- e) Dividend Payment Date : Not applicable.
- f) Listing of Shares on Stock Exchanges : **BSE Limited**,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001.
The Company has paid the annual listing fees for the financial year 2018-19 to both the Stock Exchanges where its securities are listed
- g) Stock Exchange Code : **Stock Exchange Code**
BSE 516086
- h) Registrar and Share Transfer Agents. : The Company has appointed the below mentioned agency as Registrars and Share Transfer Agents (RTA) for both Physical and Demat Segment of Equity Shares of the Company:
Sharex Dynamic (India) Pvt. Ltd.
Unit – 1, Luthra Industrial Premises,
Andheri Kurla Road, Safed Pool, Andheri (E),
Mumbai – 400 072.
Tele. No. :(022) 2851 5606, 2851 5644
Fax No. :(022) 2851 2885
E-mail address: sharexindia@vsnl.com
- i) Share Transfer System: : The transfer of shares in physical form is processed and completed by M/s. Sharex Dynamic (India) Pvt. Ltd. within a period of 15 days from the date of receipt thereof.

Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, the request for effecting transfer of securities held in Physical form (except in case of transmission or transposition) would not be entertained and shall not be processed by the Company/ RTA of the Company w.e.f. 5th December, 2018. Hence, Shareholders are advised to get their shares transferred / dematerialized.

In case of Shares in electronic form, the transfers are processed by NSDL/ CDSL through the respective Depository Participants.

j) Stock Price Data :

The shares of the Company were traded on the BSE Limited.

The information on stock price data, BSE Sensex details are as under:

Month	BSE			BSE Sensex
	High (₹)	Low (₹)	No. of Shares Traded	
April, 2017	8.24	6.51	16756	29,918.40
May, 2017	8.48	6.40	16237	31,145.80
June, 2017	8.08	7.05	9400	30,921.61
July, 2017	12.70	7.01	189997	32,514.94
August, 2017	11.66	8.42	33842	31,730.49
September, 2017	12.79	9.76	276319	31,283.72
October, 2017	18.18	12.50	250195	33,213.13
November, 2017	20.10	12.35	297419	33,149.35
December, 2017	18.39	13.84	204671	34,056.83
January, 2018	21.50	15.15	214183	35,965.02
February, 2018	16.90	13.50	36241	34,184.04
March, 2018	16.25	12.21	29205	32,968.68

k) Distribution of Shareholding as on 31st March, 2018:

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
Up to 500	10283	87.94	1459232	11.72
501 to 1000	723	6.18	655833	5.27
1001 to 2000	274	2.34	447343	3.59
2001 to 3000	173	1.48	446393	3.59
3001 to 4000	54	0.46	198000	1.59
4001 to 5000	46	0.40	220438	1.77
5001 to 10000	61	0.52	429877	3.45
10001 & above	79	0.68	8592884	69.02
Grand Total	11693	100.00	12450000	100.00

l) Category of Shareholders as on 31st March, 2018:

Category	No. of Shares held	% of Shareholding
Promoters	1429595	11.48
Financial Institutions/Banks	3100	0.02%
Mutual Funds	-	-
Bodies Corporate	3238238	26.00%
NRIs	11760	0.10%
Public	7767307	62.40%
Grand Total	12450000	100.00

m) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity: The Company has not issued any GDRs/ADRs.

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- n) Dematerialisation of Shares and liquidity : The Company has entered into Shares Agreement with NSDL/CDSL for Dematerialisation of Shares.
- As on 31st March, 2018, a total of 63,38,915 Equity Shares of the Company which form 50.91 % of the Equity Share Capital of the Company stands dematerialised. ISIN for dematerialisation of the Equity Shares of the Company is INE617D01017.
- o) Commodity Price Risks and Commodity Hedging Activities:
- Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board. The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices.
- p) Plant Location:
- Village: Govali, Bharuch-Jhagadia Road, Tal.-Jhagadia, Dist.-Bharuch, Gujarat – 393 001.
- q) Address for Correspondence:
- For any assistance regarding correspondence dematerialisation of shares, share transfers, transactions, change of address, non receipt of dividend or any other query relating to shares, Shareholders' correspondence should be addressed to the Company's Registrar and Share Transfer Agent at:
- Sharex Dynamic (India) Pvt. Ltd.
Unit – 1, Luthra Industrial Premises,
Andheri Kurla Road,
Safed Pool, Andheri (E),
Mumbai – 400 072.
- Tele. No. :(022) 2851 5606, 2851 5644
Fax No. :(022) 2851 2885
e-mail Address:sharexindia@vsnl.com
- Compliance Officer : Mr. Prakash R. Vora, Managing Director

10. MANAGEMENT DISCUSSION AND ANALYSIS:

a. Industry Structure and Developments:

The News Paper / Printing Paper Industry is reverting into a good condition which was passing through competitive phase for a very long time. Presently due to the environmental impact of China & also due to Globalization & International Market, News Paper / Printing Paper Industry is growing well in the economy.

b. Opportunities and Threats:

The News Paper/Printing Paper industry is subject to competition among various manufactures within the country. The Print media industry is growing with 6-7% growth which will provide opportunity to Company to increase its sales and capture more market share.

c. Segment wise Performance:

The Company is operating mainly in News Print Manufacturing. The Company is also in manufacturing of Tools.

d. Recent Trend and Future Outlook:

The Management is confident of improvement in the demand of Newsprint Paper in the near future with increase in preference of reading Newspapers by general public and more thrust put by the Corporates in publishing advertisements in the Newspapers.

e. Risks and Concerns:

Like any other industry, Newsprint Paper industry is also exposed to risk of competition, government policies, natural factor etc. As the Company is importing very few materials and not exporting finished product, the Company has little risk on account of Exchange Rate fluctuations. The Company has taken necessary measures to safeguard its assets/interests etc.

f. Internal Control Systems and their Adequacy:

The Company has adequate systems of Internal Controls commensurate with its size and operations to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information. The Company has appointed an external firm of Chartered Accountants to supplement efficient Internal Audit.

g. Financial Performance with respect to Operational Performance:

The financial performance of the Company for the year 2017-18 is described in the Directors' Report under the head 'Review of Operation'.

h. Material Developments in Human Resources and Industrial Relations Front:

The Company has continued to give special attention to Human Resources/Industrial Relations development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock out etc.

i. Cautionary Statement:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

11. DISCLOSURES:

- a) The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management that may have any potential conflict with the interest of the Company. The Company has no subsidiary.
- b) There has neither been any non compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years.
- c) The Company has implemented Vigil Mechanism and Whistle Blower Policy and it is hereby affirmed that no personnel have been denied access to the Audit Committee.
- d) The Company is in compliance with all mandatory requirements under Listing Regulations. Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time to time.
- e) The policy on related party transactions is disclosed on the Company's website viz. www.shreerajeshwaranandgroup.com

12. DETAILS OF NON COMPLIANCE CORPORATE GOVERNANCE REQUIREMENT:

There was no non-compliance during the year and no penalties were imposed or strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authority.

13. NON-MANDATORY REQUIREMENTS OF REGULATION 27 (1) & PART E OF SCHEDULE II OF THE LISTING REGULATIONS:

- i. The Company has a Non – Executive Chairman.
- ii. The quarterly / half yearly results are not sent to the shareholders. However, the same are published in the newspapers and also posted on the Company's website viz. www.shreerajeshwaranandgroup.com

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- iii. The Company's financial statements for the financial year 2017–18 do not contain any audit qualification.
 - iv. The internal auditors report to the Audit Committee.
14. The Company is in compliance with the corporate governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Regulations.

For and on behalf of the Board,

Place : Jhagadia
Date : 20th July, 2018

Amrish R. Patel
Chairman

DECLARATION

All the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the provisions of the code of conduct of Board of Directors and Senior Management for the year ended on 31st March, 2018.

For Shree Rajeshwaranand Paper Mills Limited

Place : Jhagadia
Date : 20th July, 2018

Prakash R. Vora **Karunashankar Vora**
Managing Director **CFO**

CERTIFICATE

To
The Members of
Shree Rajeshwaranand Paper Mills Limited,

We have examined the compliance of conditions of Corporate Governance by M/s. Shree Rajeshwaranand Paper Mills Limited, for the year ended on 31st March, 2018 and also up to the date of this report as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(LODR).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance as stipulated in LODR. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 & Part E of Schedule II of LODR.

As per representation received from the Registrars of the Company, we state that as per records maintained by the Stakeholders' Relationship Committee, no investor grievance remaining unattended/ pending for more than 30 days.

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 KASHYAP R. MEHTA & ASSOCIATES
Company Secretaries

KASHYAP R. MEHTA
Proprietor
COP No. 2052
FCS No. 1821
FRN: S2011GJ166500

Place : Ahmedabad
Date : 20th July, 2018

FORM NO. MR-3**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 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,
Shree Rajeshwaranand Paper Mills Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shree Rajeshwaranand Paper Mills Limited** [CIN: L21093GJ1991PLC057244] ('hereinafter called the Company') having Registered Office at Bharuch - Jhagadia Road, Village-Govali, Dist.: Bharuch, Gujarat – 393 001. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2018** 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 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 thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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, 2015.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Requirements, 2014
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable during the audit period)
 - (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 (Not Applicable during the audit period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable during the audit period); and

- (vi) Various common laws applicable to the manufacturing and other activities of the Company such as Labour Laws, Pollution Control Laws, Land Laws etc. and sector specific laws such as Forest (Conservation) Act, 1980, Chemical Accidents(Emergency Planning, Preparedness and Response) Rules, 1996, Indian Boilers Act, 1923 for which we have relied on Certificates/ Reports/ Declarations/ Consents/ Confirmations obtained by the Company from the experts of the relevant field such as Advocate, Labour Law Consultants, Engineers, Occupier of the Factories, Registered Valuers, Chartered Engineers, Factory Manager, Chief Technology Officer of the Company, Local Authorities, Effluent Treatment Adviser etc. and have found that the Company is generally regular in complying with the provisions of various applicable Acts.

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

- (i) Secretarial Standards SS – 1 & SS – 2 issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with BSE Limited

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

The following are our observations during the Audit:

- 1. The Company does not have a whole time Company Secretary pursuant to Section 203 of the Companies Act, 2013 and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**
- 2. The Company does not maintain a functional website containing basic information of the Company pursuant to Regulation 46 of SEBI (Listing Obligations and Disclosures Requirements).**

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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 the Company had satisfied a charge in the month of July, 2017 and has obtained Memorandum of Satisfaction of said Charge from ROC after complying the provisions of Section 87 of the Act for condonation of delay in filing two forms CHG-4 and payment of fees as imposed by the Regional Director.

For KASHYAP R. MEHTA & ASSOCIATES

Company Secretaries

KASHYAP R. MEHTA

Proprietor

COP No. 2052

FCS No. 1821

FRN: S2011GJ166500

Place : Ahmedabad
Date : 20th July, 2018

Note: This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

To,
The Members,
Shree Rajeshwaranand Paper Mills Limited

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 the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For KASHYAP R. MEHTA & ASSOCIATES

Company Secretaries

KASHYAP R. MEHTA

Proprietor

COP No. 2052

FCS No. 1821

FRN: S2011GJ166500

Place : Ahmedabad
Date : 20th July, 2018

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN AS ON 31ST MARCH, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

(1)	CIN	L21093GJ1991PLC057244
(2)	Registration Date	20-03-1991
(3)	Name of the Company	Shree Rajeshwaranand Paper Mills Limited
(4)	Category / Sub-Category of the Company	Public Company
(5)	Address of the registered Office and Contact Details	Bharuch - Jhagadia Road, Village-Govali, Dist.: Bharuch, Gujarat – 393 001 Mobile No: (02645) 227705 / 6 / 7
(6)	Whether Listed Company	Yes
(7)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd Address: Unit-1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072 Contact No.: 28515606/28515644 /28516338 Email id: sharexindia@vsnl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover
1	Newsprint Paper	21013	79.76
2	Tools / Abbrsives	2399	20.24

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company has no Holding/ Subsidiary/ Associate Company.

IV. SHARE HOLDING PATTERN:

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held as on 1 st April, 2017				No. of Shares held as on 31 st March, 2018				% Change during 2017-18	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/ HUF	800195	629400	1429595	11.48	800195	629400	1429595	11.48	-	
b) Central Govt.	-	-	-	-	-	-	-	-	-	
c) State Govt.(s)	-	-	-	-	-	-	-	-	-	
d) Bodies Corp	-	-	-	-	-	-	-	-	-	
e) Banks / FI	-	-	-	-	-	-	-	-	-	
f) Any other	-	-	-	-	-	-	-	-	-	
Total shareholding of Promoter (A)	800195	629400	1429595	11.48	800195	629400	1429595	11.48	-	

Shree Rajeshwaranand Paper Mills Limited

B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	200	200	0.00	2900	200	3100	0.02	0.02
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) VCF	-	-	-	-	-	-	-	-	-
f) Ins. Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign VCF	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	200	200	0.00	2900	200	3100	0.02	0.02
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	39618	2135900	2175518	17.47	1118904	2023700	3142604	25.24	7.77
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals holding < ` 1,00,000	1330090	2285085	3615175	29.04	1544581	2224685	3769266	30.28	1.24
ii) Individuals holding > ` 1,00,000	2789336	2428700	5218036	41.91	2841283	1228700	4069983	32.69	(9.22)
c) Others (specify)									
NRIs	2901	4300	7201	0.06	7360	4400	11760	0.09	0.03
OCB	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	4275	-	4275	0.03	23692	-	23692	0.19	0.16
Trusts	-	-	-	-	-	-	-	-	-
Others (HUF)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	4166220	6853985	11020205	88.52	5535820	5481485	11017305	88.50	(0.02)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	4166220	6854185	11020405	88.52	5538720	5481685	11020405	88.52	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4966315	7483685	12450000	100.00	6338915	6111085	12450000	100.00	-

ii) **Shareholding of Promoters:**

Sr. No.	Shareholder's Name	Shareholding as on 01-04-2017			Shareholding as on 31-03-2018			% 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	Udayan D. Velvan	1379895	11.08	2.43	1379895	11.08	2.43	NIL
2	Prakash R. Vora	49700	0.40	-	49700	0.40	-	NIL
	TOTAL	1429595	11.48	2.43	1429595	11.48	2.43	NIL

*Shares means Total Share Capital i.e. 12450000 Shares

iii) **Change in Promoters' Shareholding:**

There is no Change in Promoters' Shareholding during the year 2017-18.

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding as on 01-04-2017		Changes during the Year (increase due to transfer of Shares)	Shareholding as on 31-03-2018	
		No. of shares	% of total shares		No. of shares	% of total shares
	Top 10 as on 01-04-2017					
1	Diamond Textiles Mills Private Limited	500000	4.02	-	500000	4.02
2	Kasturi Towers Limited	500000	4.02	-	500000	4.02
3	S L Traders & Fin India (P) Limited	500000	4.02	-	500000	4.02
4	Vista Food Products (Private) Limited	500000	4.02	-	500000	4.02
5	Kashyap R. Mehta	395002	3.17	200	395202	3.17
6	Meera N. Patel	257025	2.06	-	257025	2.06
7	Kamlesh Kakkad HUF	250000	2.01	(250000)	-	-
8	Narendra M. Patel	211022	1.69	-	211022	1.69
9	Babubhai K. Patel	200000	1.61	-	200000	1.61
10	Velvan Margi Ketan	197200	1.58	(100000)	97200	0.78
	Total	3475075	28.20	-	3160449	25.39

Shree Rajeshwaranand Paper Mills Limited

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding, if any, of each Directors and each Key Managerial Personnel	Shareholding as on 01-04-2017		Changes during the Year (No. of shares)	Shareholding as on 31-03-2018	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1.	Udayan D. Velvan	1379895	11.08	-	1379895	11.08
2.	Prakash R. Vora	49700	0.40	-	49700	0.40
	TOTAL	1429295	11.48	-	1429295	11.48

V. INDEBTEDNESS :

(in `)

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

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
A.	Indebtedness as on 01-04-2017				
	i) Principal Amount	50,16,46,747	3,57,01,759	4,29,06,560	58,02,55,065
	ii) Interest due but not paid	8,48,024	0	0	8,48,024
	iii) Interest accrued but not due	1,479	3,28,437	1,11,36,247	1,14,66,162
	Total (i+ii+iii)	50,24,96,249	3,60,30,195	5,40,42,807	59,25,69,251
	Net Change	3,74,86,532	(21,10,439)	1,08,60,063	4,62,36,157
B.	Indebtedness as on 31-03-2018				
	i) Principal Amount	53,91,33,279	3,59,47,015	5,37,66,623	62,88,46,916
	ii) Interest due but not paid	20,78,190	0	0	20,78,190
	iii) Interest accrued but not due	0	3,77,382	1,12,06,787	1,15,84,169
	Total (i+ii+iii)	54,12,11,468	3,63,24,397	6,49,73,409	64,25,09,275

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of Managing Director	Name of Executive Director
		Mr. Prakash R. Vora	Mr. Udayan D. Velvan
1.	Gross salary		
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹ 15,00,000/-	₹ 15,00,000/-
(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	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission	NIL	NIL
5.	Others, Please specify	NIL	NIL
	Total (A)	₹ 15,00,000/-	₹ 15,00,000/-
	Ceiling as per the Companies Act	₹ 1,68,00,000/-	₹ 1,68,00,000/-

B. Remuneration to other Directors:

Other Directors have not been paid any remuneration.

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel
		Mr. Karunashankar Vora - CFO
1.	Gross salary	
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹ 4,20,855/-
(b)	Value of perquisites u/s 17(2)Income-tax Act, 1961	₹ 1,60,800/-
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission	-
5.	Others, Please specify	-
	Total	₹ 5,81,655/-

Shree Rajeshwaranand Paper Mills Limited

VII. PENALTIES/PUNISHMENT/ COMPOUNDING OF OFFENCES:

There are no such Penalties/ Punishment/ Compounding of Offences during the year 2017-18.

However, upto the date of this return, the Company has paid fees to ROC (as mentioned hereunder) pursuant of RD Orders in relation to condonation of delay in filing Form CHG-4:

Type	Section of Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made, if any
A. COMPANY					
Penalty / Fees	Section 87	Fees for condonation of delay in filing Form CHG-4 with ROC for satisfaction of Charge	Total Fees of ₹ 5000/- paid	Regional Directorate, North Western Region, Ahmedabad	N.A.
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment					
Compounding					

INDEPENDENT AUDITORS' REPORT

To,
The Members of
Shree Rajeshwaranand Paper Mills Limited.

Report on Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **SHREE RAJESHWARANAND PAPER MILLS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other Explanatory information (hereinafter referred to as "Ind AS financial statements")

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) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the Provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, which 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.

Auditors' 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, 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone 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 Ind AS 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 audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a

Shree Rajeshwaranand Paper Mills Limited

true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2018**, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e. On the basis of the written representations received from the directors as on **31st March, 2018**, and taken on record by the Board of Directors, none of the directors is disqualified as on **31st March, 2018**, from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - g. 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 litigations on its financial position in its Ind AS financial statements – Refer Note 33 to the Ind AS financial Statements
 - ii. The Company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For KANAK RATHOD & CO.
Chartered Accountants
Firm Registration No.: 104700W

Place : Mumbai
Date : 30th May, 2018.

KANAK RATHOD
PROPRIETOR
M.No.: 032833

ANNEXURE - A TO THE AUDITORS' REPORT.

The Annexure referred to in Independent Auditors' Report to the members of **SHREE RAJESHWARANAND PAPER MILLS LIMITED** ('the Company') on the Financial Statements for the year ended 31st March 2018, we report that:

- (i) In respect of the Company's fixed assets:
 - (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The company has a regular programme of physical verification of its property, plant and equipment by which all fixed assets are verified in a phased manner, designed to cover all the fixed assets over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets.
 - (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 the immovable properties are held in the name of the company.
- (ii) As informed to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification as compared to the book records.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, compliances with the provisions of section 185 and 186 of the Companies Act, 2013 is not applicable to the company since it has not given any loans, made any investments and given any guarantees and securities.
- (v) During the year under consideration, the company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 of the Act and the rules framed there under. Accordingly, the provisions of clause 3(v) of the Order are not applicable and hence not commented upon.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the notification of the Central Government for maintenance of cost record under section 148(1) of the Companies Act, 2013 and on the basis of such review, we are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) In our opinion and according to the information and explanation given to us in respect of statutory and other dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident fund, Income-tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Goods and Service Tax, Professional Tax, Cess and any other material statutory dues as applicable to it. According to the information and explanation given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

Shree Rajeshwaranand Paper Mills Limited

(b) According to the information and explanations given to us and the records of the company examined by us, the disputed dues in respect of Sales Tax are as under:

Nature of Dues	Amount	Period to which amount relates	Forum where dispute is pending
Sales Tax	82,28,792/-	F.Y. 2005-2006	GVAT Tribunal, Ahmedabad

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution or bank. The company did not have any outstanding dues to any debenture holders and government during the year.
- (ix) In our opinion and according to the information and explanations given to us, on an overall basis the term loans have been applied for the purpose for which they were raised. The company has not raised any money by initial public offer or further public offer.
- (x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- (xii) 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.
- (xiii) In our opinion and according to the information given to us all transactions with related parties are in compliance with sections 177 and 188 of the Companies Act where applicable and the details have been disclosed in the Ind AS Financial Statements, as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) To the best of our knowledge and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or the persons connected to him. Accordingly paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For KANAK RATHOD & CO.
Chartered Accountants
Firm Registration No.: 104700W

Place : Mumbai
Date : 30th May, 2018.

KANAK RATHOD
PROPRIETOR
M.No.: 032833

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **SHREE RAJESHWARANAND PAPER MILLS LIMITED** ('the Company') as of 31 March 2018 in conjunction with our audit of the standalone Ind AS 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 Companies Act, 2013.

Auditors' 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 the Institute of Chartered Accountants of India. 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 standalone Ind AS 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 the 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.

Shree Rajeshwaranand Paper Mills Limited

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 31 March 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 the Institute of Chartered Accountants of India.

For KANAK RATHOD & CO.
Chartered Accountants
Firm Registration No.: 104700W

Place : Mumbai
Date : 30th May, 2018.

KANAK RATHOD
PROPRIETOR
M.No.: 032833

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2018

PARTICULARS	Note	As at March 31, 2018 ()	As at March 31, 2017 ()	As at April 01, 2016 ()
ASSETS				
Non-current assets				
Property, Plant and Equipment	3	419,360,700	437,414,640	493,695,503
Capital work-in-progress	4	4,121,828	2,682,275	3,646,851
Other Intangible assets	5	747,307	1,023,632	1,079,876
Other non-current assets	6	16,235,454	15,597,460	2,083,089
Total Non - Current Assets		440,465,289	456,718,006	500,505,319
Current assets				
Inventories	7	151,906,442	149,184,823	173,843,254
Financial Assets				
Trade receivables	8	461,414,076	478,703,646	324,530,834
Cash and cash equivalents	9	336,225	1,929,884	1,185,819
Bank balances other than above	10	22,057,491	26,698,029	23,898,359
Other Financial Assets	11	869,931	683,736	1,827,926
Other current assets	12	138,677,601	126,325,193	84,322,754
Total Current Assets		775,261,766	783,525,311	609,608,947
TOTAL ASSETS		1,215,727,054	1,240,243,318	1,110,114,265
EQUITY AND LIABILITIES				
EQUITY				
Equity Share capital	13	124,500,000	124,500,000	124,500,000
Other Equity		171,975,370	170,731,065	145,591,409
Total Equity		296,475,370	295,231,065	270,091,409
LIABILITIES				
Non-current liabilities				
Financial Liabilities				
Borrowings	14	222,989,297	219,296,588	289,389,146
Provisions	15	97,376	285,986	14,868
Deferred tax liabilities (Net)	16	30,757,583	39,322,668	43,458,331
Other non-current liabilities	17	-	15,000,000	17,500,000
Total Non - Current Liabilities		253,844,256	273,905,242	350,362,346
Current liabilities				
Financial Liabilities				
Borrowings	18	324,809,355	307,191,591	302,720,665
Trade Payables	19	92,960,875	76,893,920	48,161,685
Other financial liabilities	20	96,389,782	87,558,237	47,976,141
Other current liabilities	21	140,782,984	187,700,346	86,713,830
Provisions	22	1,426,997	1,589,257	1,548,786
Current Tax Liabilities (Net)	23	9,037,435	10,173,660	2,539,403
Total Current Liabilities		665,407,428	671,107,011	489,660,510
Total Liabilities		919,251,684	945,012,253	840,022,856
TOTAL EQUITY AND LIABILITIES		1,215,727,054	1,240,243,318	1,110,114,265
CORPORATE INFORMATION	1			
SIGNIFICANT ACCOUNTING POLICIES	2			
The accompanying notes are an integral part of these financial statements	3-42			

As per our report attached of even date

For Kanak Rathod & Co.

Chartered Accountants

Firm Reg. No.104700W

KANAK RATHOD

Proprietor

Membership No. 032833

Place : Mumbai

Date : 30th May, 2018**For Shree Rajeshwaranand Paper Mills Ltd.**

Prakash R. Vora
Managing Director
DIN : 00612357

Udayan D. Velvan
Executive Director
DIN : 01876652

Karunashankar Vora
Chief Financial Officer

Place : Jhagadia

Date : 30th May, 2018

Shree Rajeshwaranand Paper Mills Limited

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note No.	Year ended March 31, 2018 (₹)	Year ended March 31, 2017 (₹)
INCOME			
Revenue From Operations	24	1,123,576,468	1,210,265,789
Other Income	25	1,371,577	46,209,505
Total Income		1,124,948,045	1,256,475,294
EXPENSES			
Cost of materials consumed	26	533,845,833	584,281,082
Excise Duty on Sale of Goods		790,599	2,511,806
Purchases of Stock-in-Trade	27	116,968,143	189,269,548
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	19,069,249	(41,176,350)
Employee benefits expense	29	44,470,959	46,251,017
Finance costs	30	89,267,728	81,080,120
Depreciation and amortization expense	3	68,813,222	67,149,939
Other expenses	31	245,152,180	291,516,625
Total Expenses		1,118,377,915	1,220,883,787
Profit/(loss) before exceptional items and tax		6,570,130	35,591,506
Exceptional Items		-	-
Profit/(loss) before tax		6,570,130	35,591,506
Tax expense:			
Current tax	16	11,675,595	14,038,077
Income Tax Relating To Previous Years	16	2,832,413	547,161
Deferred Tax / MAT Credit Entitlement	16	(8,771,097)	(4,134,876)
Total Tax expenses		5,736,911	10,450,362
Profit/(loss) after Tax		833,219	25,141,144
Other Comprehensive Income			
Other Comprehensive Income not to be reclassified to Profit & Loss in subsequent years		-	-
Remeasurement of Net Defined Benefit Obligations / Assets (Net of Tax)		411,086	(1,488)
Total Comprehensive Income for the period		1,244,305	25,139,656
Earnings per equity share - Basic & Diluted:	34	0.10	2.02
CORPORATE INFORMATION	1		
SIGNIFICANT ACCOUNTING POLICIES	2		
The accompanying notes are an integral part of these financial statements	3-42		

As per our report attached of even date

For Kanak Rathod & Co.

Chartered Accountants

Firm Reg. No.104700W

KANAK RATHOD

Proprietor

Membership No. 032833

Place : Mumbai

Date : 30th May, 2018

For Shree Rajeshwaranand Paper Mills Ltd.

Prakash R. Vora
Managing Director
DIN : 00612357

Udayan D. Velvan
Executive Director
DIN : 01876652

Karunashankar Vora
Chief Financial Officer

Place : Jhagadia

Date : 30th May, 2018

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2018

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	(`)	(`)	(`)	(`)
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit / (Loss) Before Tax		6,570,130		35,591,506
Add / (Less):- Adjustments for Non-Cash / Non-Operating Items:				
Depreciation & Amortization	68,813,222		67,149,939	
Finance Cost	89,267,728		81,080,120	
Interest Income	(1,360,823)		(33,120,078)	
(Profit) / Loss on Sale of Assets	-		(65,988)	
Foreign Exchange Loss / (Gain)	-		-	
		156,720,127		115,043,993
Operating Profit Before Changes in Working Capital		163,290,257		150,635,499
Adjustment For Changes in Working Capital :				
(Increase) / Decrease in Trade Receivables	17,289,570		(154,172,812)	
(Increase) / Decrease in Inventories	(2,721,619)		24,658,431	
(Increase) / Decrease in Other Current Financial Assets	-		-	
(Increase) / Decrease in Other Current Assets	(12,538,603)		(40,858,249)	
(Increase) / Decrease in Other Non - Current Financial Assets				
(Increase) / Decrease in Other Non - Current Assets	(637,994)		(13,514,371)	
Increase / (Decrease) in Trade Payables	16,066,957		28,732,234	
Increase / (Decrease) in Other Current Financial Liabilities	8,831,545		39,582,096	
Increase / (Decrease) in Other Current Liabilities	(46,917,362)		100,986,516	
Increase / (Decrease) in Provisions	60,216		310,101	
Increase / (Decrease) in Other Non - Current Liabilities	(15,000,000)		(2,500,000)	
		<u>(35,567,289)</u>		<u>(16,776,054)</u>
Cash Generated From Operations		127,722,968		133,859,445
Less: Taxes Paid (Net of refund received)		<u>(15,438,222)</u>		<u>(6,951,769)</u>
Net Cash From Operating Activities (A)		<u>112,284,746</u>		<u>126,907,677</u>
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Property, Plant & Equipment & Intangible Assets	(51,922,510)		(10,201,461)	
Sale of Property, Plant & Equipment & Intangible Assets	-		419,193	
Interest Received	1,360,823		33,120,078	
Net Cash From Investing Activities (B)		<u>(50,561,687)</u>		<u>23,337,810</u>

Shree Rajeshwaranand Paper Mills Limited

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
	(`)	(`)	(`)	(`)
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Long term Borrowing	3,692,709		(70,092,558)	
Increase / (Decrease) in Short Term Borrowings	17,617,764		4,470,926	
Deposits and Margin Money	4,640,538		(2,799,670)	
Finance Cost	(89,267,728)		(81,080,120)	
Net Cash From Financing Activities (C)		(63,316,717)		(149,501,422)
NET CASH FLOW FOR THE YEAR (A+B+C)		(1,593,659)		744,065
Add: Opening Balance of Cash & Cash Equivalents		1,929,884		1,185,819
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		336,225		1,929,884
RECONCILIATION OF CASH AND CASH EQUIVALENT				
TOTAL CASH AND BANK BALANCE AS PER BALANCE SHEET				
Balance with banks in current accounts		217,842		1,698,046
Cash on Hand		118,383		231,838
CASH AND CASH EQUIVALENT		336,225		1,929,884
Net effect of Unrealised Exchange Difference		-		-
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR		336,225		1,929,884

As per our report attached of even date

For Kanak Rathod & Co.

Chartered Accountants

Firm Reg. No.104700W

KANAK RATHOD

Proprietor

Membership No. 032833

Place : Mumbai

Date : 30th May, 2018

For Shree Rajeshwaranand Paper Mills Ltd.

Prakash R. Vora
Managing Director
DIN : 00612357

Udayan D. Velvan
Executive Director
DIN : 01876652

Karunashankar Vora
Chief Financial Officer

Place : Jhagadia

Date : 30th May, 2018

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

Particulars	As at 1 st April, 2016	
	No. of Shares	Amount
Balance as at the beginning of the reporting period	12,450,000	124,500,000
Add: Changes in Equity Capital during the year	-	-
Balance as at the end of the reporting period	12,450,000	124,500,000

Particulars	As at 31 st March, 2017	
	No. of Shares	Amount
Balance as at the beginning of the reporting period	12,450,000	124,500,000
Add: Changes in Equity Capital during the year	-	-
Balance at the end of the reporting period	12,450,000	124,500,000

Particulars	As at 31 st March, 2018	
	No. of Shares	Amount
Balance as at the beginning of the reporting period	12,450,000	124,500,000
Add: Changes in Equity Capital during the year	-	-
Balance as at the end of the reporting period	12,450,000	124,500,000

B. Other Equity

Particulars	Retained Earnings	Total
Balance as on April 01, 2016	145,591,409	145,591,409
Profit for the period	25,141,144	25,141,144
Other comprehensive income	-	-
Remeasurements gains / (loss) on defined benefit plans	(1,488)	(1,488)
As at March 31, 2017	170,731,065	170,731,065
Profit for the period	833,219	833,219
Other comprehensive income	-	-
Remeasurements gains / (loss) on defined benefit plans	411,086	411,086
As at March 31, 2018	171,975,370	171,975,370

CORPORATE INFORMATION 1

SIGNIFICANT ACCOUNTING POLICIES 2

The accompanying notes are an integral part of these financial statements 3-42

As per our report attached of even date

For Kanak Rathod & Co.

Chartered Accountants

Firm Reg. No.104700W

KANAK RATHOD

Proprietor

Membership No. 032833

Place : Mumbai

Date : 30th May, 2018**For Shree Rajeshwaranand Paper Mills Ltd.**

Prakash R. Vora
 Managing Director
 DIN : 00612357

Udayan D. Velvan
 Executive Director
 DIN : 01876652

Karunashankar Vora
 Chief Financial Officer

Place : Jhagadia

Date : 30th May, 2018

CORPORATE INFORMATION

Shree Rajeshwaranand Paper Mills Limited ('the Company') was incorporated on 20th March, 1991 under The Companies Act, 1956. The Company is in the Business of manufacturing of newsprint paper. The company has recently started Tools Division also.

SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the Significant Accounting Policies adopted in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 BASIS FOR PREPARATION OF ACCOUNTS

a) Statement of Compliance with Ind AS

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The Financial statements up to year ended 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These Financial Statements for the year ended 31st March, 2018 are the first financial statements of the Company under IND AS. The date of transition to Ind AS is 1st April, 2016. Accordingly, the Company has followed the provisions of Ind AS 101, 'First Time Adoption of Indian Accounting Standards', in preparing its opening Ind AS Balance Sheet as of the date of transition, i.e. 1st April 2016. Certain of the Company's Ind AS accounting policies used in the Opening Balance sheet differed from its previous GAAP policies applied as at 31st March 2016, and accordingly adjustments were made to restate the opening balances as per Ind AS. The resulting adjustments arose from events and transactions before the date of transition to Ind AS. Therefore, as required by Ind AS 101, those adjustments were recognized directly through retained earnings as at 1st April 2016.

Refer Note 32 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and Cash Flows.

b) Current versus Non-Current classification

All assets and liabilities have been classified as Current or Non Current as per the Company's normal operation cycle i.e. twelve months and other criteria set out in the Schedule III of the Act.

c) Historical Cost Convention

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with Generally Accepted Accounting Principles in India and the relevant provisions of the Companies Act, 2013 including Indian Accounting Standards notified there under, except for the following:

- Certain financial assets and liabilities that are measured at fair value
- Defined benefit plans - plan assets measured at fair value

2.2 USE OF ESTIMATES

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, impairment of trade receivables, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

2.3 REVENUE RECOGNITION**a) Sale of Goods**

Revenue from the sale of goods is recognised when property in the goods, or all significant risks and rewards of ownership of the goods have been transferred to the buyer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods as well as its collection. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, related discounts and volume rebates. It includes excise duty and subsidy and excludes Value Added Tax / Sales Tax/ GST.

b) Rendering of services

Revenue of services are recognized when the performance of agreed contractual obligation has been completed.

c) Dividend

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

d) Interest Income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

e) Insurance Claims

Insurance claims are accounted on acceptance of the claim and when it can be measured reasonably, and it is reasonable to expect the ultimate collection.

2.4 FOREIGN CURRENCY TRANSACTIONS**a) Functional and Presentation Currency**

The financial statements are presented in Indian Rupee (INR), which is company's functional and presentation currency.

b) Transactions and Balances

i) Transactions in foreign currencies are recorded in Indian Rupees using the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, recorded monetary balance are reported in Indian Rupees at the rates of exchange prevailing at the balance sheet date. All realised and unrealised exchange adjustment gains and losses are dealt with in the Statement of Profit and Loss.

ii) In order to hedge exposure to foreign exchange risks arising from foreign currency borrowings, the Company enters into forward contracts. Any profit or loss arising on the cancellation or renewal of a forward exchange contract is recognised as income or expenses for the year.

iii) Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/ (losses).

iv) Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

2.5 PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS**a) Property, plant and equipment****i) Recognition and measurement**

Freehold land is carried at cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenses directly attributable to the acquisition of the assets. The cost of an item of a PPE comprises its purchase price including import duty, and other non-refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition of its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

ii) Subsequent expenditure

Expenditure incurred on substantial expansion upto the date of commencement of commercial production are capitalised. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item 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 derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

b) Capital Work-In-Progress And Pre-Operative Expenses During Construction Period

Capital work-in progress includes expenditure directly related to construction and incidental thereto. The same is transferred or allocated to respective Property, Plant and Equipment on their completion / commencement of commercial production.

c) Intangible assets

Intangible asstes are held on the balance sheet at cost less accumulated amortisation and impairment loss if any.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment, including intangible assets, recognised as at 1st April 2016, as per the previous GAAP and used that carrying value as its deemed cost of such property, plant and equipment and intangible assets

2.6 IMPAIRMENT OF NON- FINANCIAL ASSETS

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU on a pro rata basis.

An impairment loss in respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.7 DEPRECIATION AND AMORTISATION

Depreciation is calculated to systematically allocate the cost of Property, Plant and Equipment and Intangible Asset net of the estimated residual values over the estimated useful life. Freehold land is not depreciated. Depreciation is computed using Straight Line Method (SLM) over the useful lives of the assets as specified in Schedule II to the Companies Act, 2013, except for certain Plant & Machinery, which are determined by the management by the internal technical assessment. However in case such assessment suggests a life significantly different from those prescribed by Schedule II - Part 'C', the useful life is assessed and certified by a technical expert.

The residual values are not more than 5% of the original cost of the item of Property, Plant and Equipment. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Useful lives of the items of Property, Plant and Equipment are as follows:

Asset	Estimated Useful Life
Building	30 Years
Plant & Machinery	8 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers	3 Years
Other equipment	5 Years

Intangible Assets are amortized over their individual estimated useful lives on a Straight Line basis, commencing from the year in which the same are available to the Company for its intended use. The useful life so determined is as follows:

Assets	Amortisation period
Software Licenses	5 years

The assets; residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Depreciation and amortization on property, plant and equipment added/disposed off during the year has been provided on pro-rata basis with reference to the date of addition/disposal.

2.8 NON-DERIVATIVE FINANCIAL INSTRUMENTS

Financial Assets and Liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets and Financial Liabilities (other than financial assets and financial liabilities valued at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of Financial Asset or Financial Liability.

Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and Cash Equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial Assets at Amortised cost

Financial Assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual Cash Flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

Financial Assets at Fair Value Through Profit or Loss (FVTPL)

Financial Assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

Financial Liabilities

Financial Liabilities are measured at amortised cost using the effective interest method.

Equity Investment

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

Loan and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Trade and Other Payables

These amounts represent liability for good and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Derivatives and Hedging activities

The Company uses derivative financial instruments, to hedge its interest rate and foreign currency risk. Such derivative financial instruments are initially recognised at fair values on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Any gains or losses arising from changes in fair value of derivatives are taken directly in the Statement of Profit and Loss.

The fair values of all such derivative financial instruments are recognized as assets or liabilities at the Balance Sheet date. Such derivative financial instruments are used as risk management tools only and not for speculative purposes.

Accordingly, the resultant gains and losses on fair valuation/ settlement of the derivative contracts covered under Ind AS 109 are recognized in the Statement of Profit and Loss or Balance Sheet as the case may be after applying the test of hedge effectiveness. Where the cash flow hedge is effective, the gains or losses are recognized in the "Hedge Reserve" which forms part of "Other Equity" in the Balance Sheet, while the same is recognized in the Statement of Profit and Loss where the hedge is ineffective. The amount recognized in the "Hedge Reserve" is transferred to the Statement of Profit and Loss in the period in which the underlying hedged item affects the Statement of Profit and Loss.

For derivative financial instruments designated as Fair Value hedges, the fair value of both the derivative financial instrument and the hedged item are recognized as the Profit or Loss till the period the relationship is found to be effective. If the hedging relationship ceases to be effective or it becomes probable that the expected transaction will no longer occur, future gains or losses on the derivative financial instruments are recognized in Profit and Loss.

If no hedging relationship is designated, the fair value of the derivative financial instruments is marked to market through in the Statement of Profit and Loss.

2.9 INVENTORIES

Inventories are stated at the lower of cost and net realizable value.

Cost of Raw Material is determined on a First In First Out (FIFO) basis.

Stores and Consumables are valued at cost or net realizable value (NRV) whichever is lower.

Waste/ Scrap inventory is valued at Net Realisable Value (NRV).

NRV is estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

Finished goods are valued at cost or net realizable value whichever is lower. Cost comprises direct materials and where applicable, direct labour costs, those overheads but excluding borrowing cost that have been incurred in bringing the inventories to their present location and condition. Cost is arrived on weighted average cost basis.

Work in Progress is valued at cost or net realizable value whichever is less. Cost comprises direct materials and appropriate portion of direct labour costs, manufacturing overheads but excluding borrowing cost that have been incurred in bringing the inventories to their present location and condition.

2.10 BORROWING COSTS

Borrowing Costs that are interest and other costs that the company incurs in connection with the borrowings of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest cost measured at EIR and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets, wherever applicable, till the assets are ready for their intended use. Such capitalisation is done only when it is probable that the asset will result in future economic benefits and the costs can be measured reliably. Capitalisation of borrowing cost is suspended and charged to statement when active development is interrupted

Capitalisation of borrowing costs commences when all the following conditions are satisfied:

- i. Expenditure for the acquisition, construction or production of a qualifying asset is being incurred;
- ii. Borrowing costs are being incurred; and
- iii. Activities that are necessary to prepare the asset for its intended use are in progress.

A qualifying asset is one which necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to revenue account.

2.11 EMPLOYEE BENEFITS

a) Short term employee benefit obligations

Liabilities for wages, salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are to be settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

b) Post-employment obligations

The Company operates the following post-employment schemes:

- A. Defined benefit plans such as Gratuity
- B. Defined contribution plan such as Provident Fund

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plans

The Company pays provident fund contributions to publicly administered funds as per the local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expenses when they are due. Contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

2.12 ACCOUNTING FOR TAXES ON INCOME

a) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in Deferred Tax Assets and Liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Current tax assets and liabilities are offset only if, the Company : i) has legally enforceable right to set off the recognised amounts; and ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b) Deferred Taxes

Deferred tax is recognised in respect of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences only if it is probable that future taxable profits will be available against which they can be used. Accordingly, in the absence of certainty of sufficient future taxable income, net deferred tax asset has not been recognised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefits will be realised; such reductions are reversed when the probability of future taxable profits improves

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and Deferred Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Any tax credit including MAT credit available is recognised as Deferred Tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the Statement of Profit and Loss and shown under the head deferred tax asset.

The carrying amount of Deferred Tax Assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the Deferred Tax Asset to be utilised. Unrecognised Deferred Tax Assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset only if, the Company : i) has legally enforceable right to set off the recognised amounts; and ii) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

2.13 PROVISIONS AND CONTINGENT LIABILITIES

a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

b) Contingent Liability

Contingent liabilities are not provided for and if material, are disclosed by way of notes to accounts. Contingent Liability is disclosed in the case of:

- i. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- ii. A present obligation arising from the past events, when no reliable estimate is possible;
- iii. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Contingent assets are not recognized in financial statements as this may result in the recognition of income that may never be realised. However, Contingent assets (if any) are disclosed in the notes to the financial statements

2.14 EARNING PER SHARE

a) Basic Earnings Per Share

Basic Earnings Per Share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the company's earnings per share is the net profit for the period after deducting preference dividends, if any, and any attributable distribution tax thereto for the period.

b) Diluted Earnings Per Share

Diluted Earnings Per Share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

2.15 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents comprise cash and deposits with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known of cash to be cash equivalents.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.16 STATEMENT OF CASH FLOWS

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing Cash Flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide 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 the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

2.17 DIVIDEND

The Company recognises a liability for dividends to equity holders of the Company when the dividend is authorised and the dividend is no longer at the discretion of the Company. As per the corporate laws in India, a dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.18 ROUNDING OFF

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

2.19 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

2.20 EVENTS OCCURRING AFTER THE REPORTING DATE

Adjusting events (that provides evidence of condition that existed at the balance sheet date) occurring after the balance sheet date are recognized in the financial statements. Material non adjusting events (that are inductive of conditions that arose subsequent to the balance sheet date) occurring after the balance sheet date that represents material change and commitment affecting the financial position are disclosed in the Directors' Report.

2.21 EXCEPTIONAL ITEMS

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

2.22 OPERATING CYCLE

All assets and liabilities have been classified as current or non-current as per each Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

NOTE 3: PROPERTY, PLANT & EQUIPMENT

(in `)

For the Year Ended 31st March, 2018.

S. Particulars N	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.17	Addition during the year	Deduction during the year	As on 31.03.18	As on 01.04.17	Depreciation for the year	Deduction/ Written Back during the year	As on 31.03.18	As on 31.03.18	As on 31.03.17
1 Land	3,278,417	-	-	3,278,417	-	-	-	-	3,278,417	3,278,417
2 Office Premises	800,000	-	-	800,000	-	-	-	-	800,000	800,000
3 Residential Building	1,573,771	15,934	-	1,589,705	61,496	62,157	-	123,653	1,466,052	1,512,275
4 Building	52,069,669	138,614	-	52,208,283	1,924,162	1,938,717	-	3,862,879	48,345,404	50,145,507
5 Plant & Machinery (Paper)										
Pulp Section	78,445,866	-	-	78,445,866	10,220,714	10,334,621	-	20,555,335	57,890,531	68,225,152
Paper Machine Section	237,576,836	16,683,893	-	254,260,729	36,220,083	36,727,725	-	72,947,808	181,312,921	201,356,753
Boiler	6,532,469	1,280	-	6,533,749	936,922	945,838	-	1,882,760	4,650,989	5,595,547
Finishing Section	1,801,950	-	-	1,801,950	522,945	524,275	-	1,047,220	754,730	1,279,005
Electrifications	2,151,073	2,630,665	-	4,781,738	310,988	374,282	-	685,270	4,096,468	1,840,085
Utility	11,918,504	-	-	11,918,504	1,849,269	1,850,382	-	3,699,651	8,218,853	10,069,235
ETP	6,430,236	-	-	6,430,236	846,137	912,377	-	1,758,514	4,671,722	5,584,099
6 Plant & Machinery (Tools)										
Main Machine Section	92,627,995	30,764,820	-	123,392,815	12,399,447	13,423,809	-	25,823,256	97,569,559	80,228,548
Finishing Section	741,654	-	-	741,654	31,074	88,108	-	119,182	622,472	710,580
Electrification	797,757	183,504	-	981,261	102,192	113,832	-	216,024	765,237	695,565
Laboratory Equipment	1,989,765	-	-	1,989,765	201,211	201,211	-	402,422	1,587,343	1,788,554
7 Furniture	1,229,173	9,250	-	1,238,423	142,775	143,111	-	285,886	952,537	1,086,398
8 Office Equipment	849,005	-	-	849,005	232,597	212,339	-	444,936	404,069	616,408
9 Computer	637,269	54,997	-	692,266	387,326	161,732	-	549,058	143,208	249,943
10 Vehicle	2,874,950	-	-	2,874,950	522,381	522,381	-	1,044,762	1,830,188	2,352,569
Total	504,326,359	50,482,957	-	554,809,316	66,911,719	68,536,897	-	135,448,616	419,360,700	437,414,640

NOTE 4: CAPITAL WORK IN PROGRESS

(in `)

For the Year Ended 31st March, 2018.

S. Particulars N	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.17	Addition during the year	Deduction during the year	As on 31.03.18	As on 01.04.17	Depreciation for the year	Deduction/ Written Back during the year	As on 31.03.18	As on 31.03.18	As on 31.03.17
1 Capital Work in Progress	2,682,275	51,922,510	50,482,957	4,121,828	-	-	-	-	4,121,828	2,682,275
	2,682,275	51,922,510	50,482,957	4,121,828	-	-	-	-	4,121,828	2,682,275

NOTE 5: OTHER INTANGIBLE ASSETS

(in `)

For the Year Ended 31st March, 2018.

S. Particulars N	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.17	Addition during the year	Deduction during the year	As on 31.03.18	As on 01.04.17	Depreciation for the year	Deduction/ Written Back during the year	As on 31.03.18	As on 31.03.18	As on 31.03.17
1 Computer Software	1,261,852	-	-	1,261,852	238,220	276,325	-	514,545	747,307	1,023,632
	1,261,852	-	-	1,261,852	238,220	276,325	-	514,545	747,307	1,023,632

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Year ended March 31, 2018 (`)	Year ended March 31, 2017 (`)	Year ended March 31, 2016 (`)
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NOTE 6: OTHERS NON CURRENT ASSETS

I. Unsecured, Considered good

a. Capital Advances	16,235,454	15,121,574	940,614
b. Others			
- Preliminary Expense	-	475,886	1,142,475
Total	16,235,454	15,597,460	2,083,089

NOTE 7: INVENTORIES

a. Raw materials

Paper Division

- Indian Waste Paper	21,656,942	9,854,337	72,622,803
- Imported Waste Paper	3,754,247	-	2,190,141

Tools Division

- Indian Diamond Powder & Others	10,641,989	6,356,654	3,685,054
- Imported Diamond Powder	16,424,451	16,577,845	16,228,568

b. Colours & Chemicals

	1,334,512	1,907,880	2,048,485
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c. Work in Progress

Paper Division	2,584,594	2,813,075	2,915,464
Tools Division	9,425,684	7,381,226	-

d. Finished Goods (other than those acquired for trading purpose)

Paper Division	4,713,955	30,715,497	20,437,047
Tools Division	24,915,873	20,686,919	17,704,683

e. Packing Material

Paper Division	661,902	2,241,795	2,419,229
Tools Division	989,465	638,935	206,005

f. Stores and Spares

Paper Division	24,576,031	24,470,299	23,523,534
Tools Division	2,409,905	682,863	359,790

g. Fuel

	6,292,705	4,220,670	9,502,450
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h. Stock In Trade

	21,524,188	20,636,827	-
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Total	151,906,442	149,184,823	173,843,254
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NOTE 8: FINANCIAL ASSETS : TRADE RECEIVABLES

Unsecured, Considered good

Trade Receivables	465,446,009	482,049,011	324,866,842
Less: Provision For Doubtful Debts	(4,031,933)	(3,345,365)	(336,008)
Total	461,414,076	478,703,646	324,530,834

Notes :

- The Company has called for balance confirmation of Trade Receivables on random basis. Out of which the Company has received response from some of the parties, which are subject to reconciliation with Company's account. The other balances of Trade Receivables are subject to confirmation.
- Refer Note - 36 for information about Credit Risk and Market Risk of Trade Receivables.
- There are no outstanding dues from directors or other officers of the Company.

Particulars	Year ended March 31, 2018 ([₹])	Year ended March 31, 2017 ([₹])	Year ended March 31, 2016 ([₹])
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NOTE 9: FINANCIAL ASSETS : CASH & CASH EQUIVALENTS

- Balances with Banks in Current Accounts	217,842	1,698,046	920,287
- Cash on hand	118,383	231,838	265,532
Total	336,225	1,929,884	1,185,819

NOTE 10: FINANCIAL ASSETS : BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS

- Fixed Deposits with maturity of more than three months but less than 12 months	22,057,491	26,698,029	23,898,359
Total	22,057,491	26,698,029	23,898,359

Notes : Fixed Deposit of ` 2,20,57,491/- as at 31st March 2018 (Previous Year as at 31st March 2017 ` 2,66,98,029/- and as at 1st April 2016 ` 2,38,98,359/-) as lien against borrowing with State Bank of India.

NOTE 11: FINANCIAL ASSETS : OTHERS (CURRENT)

- Security Deposits	473,222	456,222	456,222
- Interest Receivable	396,709	227,514	1,371,704
Total	869,931	683,736	1,827,926

NOTE 12: OTHER CURRENT ASSETS**Advances other than capital advances**

- Advances to Suppliers / Expense	123,146,890	101,441,957	72,577,127
- Advances to Employees	156,342	58,713	225,099

Others

- Prepaid Expenses	3,801,781	3,805,505	3,347,580
- Preliminary Expense	475,885	666,598	666,598
- Subsidy Receivable	-	13,004,965	-
- Balances With Revenue / Government Authorities			
VAT Refund	-	-	176,965
Sales Tax (2005-06)	3,000,000	3,000,000	3,000,000
Sales Tax (2014-15)	82,864	82,864	82,864
Excise	-	270,628	22,794
GST	8,013,839	3,993,964	4,223,728
Total	138,677,601	126,325,193	84,322,754

Shree Rajeshwaranand Paper Mills Limited

Particulars	Year ended March 31, 2018 (₹)	Year ended March 31, 2017 (₹)	Year ended March 31, 2016 (₹)
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NOTE 13: EQUITY SHARE CAPITAL

Authorised Capital :

1,30,00,000 (PY:1,30,00,000) Equity Shares of ₹ 10/- each.	130,000,000	130,000,000	130,000,000
Total	130,000,000	130,000,000	130,000,000

Issued, Subscribed and Fully Paid up : Equity Share Capital

1,24,50,000 (PY:1,24,50,000) Equity Shares of ₹ 10/- each fully paid up.	124,500,000	124,500,000	124,500,000
Total	124,500,000	124,500,000	124,500,000

a. Reconciliation of the number of shares outstanding :

Number of Shares at the beginning of the year	12,450,000	12,450,000	12,450,000
Add: Shares issued	-	-	-
Less: Shares Forfeited	-	-	-
Number of Shares at the end of the year	<u>12,450,000</u>	<u>12,450,000</u>	<u>12,450,000</u>

b. Rights, Preferences and restrictions attached to shares

The company has one class of equity shares having a par value Re 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

c. Shareholders holding more than 5% of Equity Shares:

13,79,895 (11.08%) {P.Y.13,79,895 (11.08%)} Equity Shares of ₹ 10/- each held by Mr.Udayan D. Velvan.

Particulars	Note No.	Year ended March 31, 2018 (₹)	Year ended March 31, 2017 (₹)	Year ended March 31, 2016 (₹)
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NOTE 14: FINANCIAL LIABILITIES :

NON CURRENT BORROWINGS

Secured Borrowings:

a. Term Loans

from banks

- SBI Corporate Loan - II	14.1	-	2,123	100
- SBI Corporate Loan - II (Foreign Currency)	14.2	-	13,103,658	29,628,201
- Bank of India - Paper Division	14.3	61,822,070	-	100,524,497
- Bank of India - Paper Division (Foreign Currency)	14.4	-	82,285,094	-
- Bank of India - Paper Division (New)	14.5	20,931,807	-	-
- Bank of India - Tool Division	14.6	42,001,812	-	68,363,373
- Bank of India - Tool Division (Foreign Currency)	14.7	-	55,941,475	-
- Bank of India - Tools Division (New)	14.8	22,383,142	-	-
- HDFC Tractor Loan (New)	14.9	-	-	-
- HDFC Tractor Loader Loan (New)	14.10	-	-	-
- HDFC Maruti Eco Loan	14.11	-	-	-
- HDFC Tractor Loan (GJ -16-BG-5420)	14.12	-	-	97,602
- HDFC NEW Maruti Van Loan	14.13	-	-	51,203

Particulars	Note No.	Year ended March 31, 2018 ()	Year ended March 31, 2017 ()	Year ended March 31, 2016 ()
Unsecured Borrowings:				
a. Term Loans				
from banks				
- Kotak Mahindra Bank Ltd	14.14	2,722,518	5,234,726	-
from other financial institution				
- Magma Fincorp Ltd (Year 2014)	14.15	-	505,491	1,857,637
- Religare Finvest Ltd (Year 2014)	14.16	-	-	524,608
- Bajaj Finance Ltd (Year 2014)	14.17	-	-	236,071
- Tata Capital Finance	14.18	-	-	2,797,257
- Bajaj Finance Ltd (Year 2015)	14.19	325,971	869,388	1,443,304
- Magma Fincorp Ltd (Year 2015)	14.20	-	273,760	1,010,776
- Religare Finvest Ltd (Year 2016)	14.21	-	1,577,333	2,896,591
- Edelweiss Retail Finance Ltd (Year 2016)	14.22	-	1,563,649	2,884,400
- Magma Fincorp Ltd (Year 2016)	14.23	710,966	1,967,202	-
- Tata Capital Finance (Year 2017)	14.24	1,644,729	3,324,047	-
- Zen Lefin Pvt. Ltd (Year 2018)	14.25	564,822	-	-
- Bajaj Finance Ltd (Year 2018)	14.26	1,575,168	-	-
- IFMR Capital Finance Pvt. Ltd (Year 2018)	14.27	2,259,285	-	-
- Megma Fincorp Ltd (Year 2018)	14.28	2,743,999	-	-
- Edelweiss Retail Finance Ltd (Year 2018)	14.29	2,251,877	-	-
- Capital First Ltd (Year 2018)	14.30	2,311,731	-	-
b. Deposits				
- Intercompany deposits	14.31	53,766,623	42,906,560	49,352,534
c. Loans and advances from Related Parties				
	14.32	4,972,778	9,742,082	27,720,991
Total		<u>222,989,297</u>	<u>219,296,588</u>	<u>289,389,146</u>

Secured Long Term Borrowings

14.1 [a] Loan from State Bank of India is secured by:

- a) First Pari-passu charge by way of hypothecation over entire movable fixed assets of the company for both Paper & Tools division along with Bank of India.
- b) First Pari-passu by way of registered mortgage with Bank of India over additional immovable property (Factory building and civil construction) created out of proposed projects for Paper & Tools Division.
- c) First Pari-passu charge by way of registered mortgage over Factory land & Building belonging to the company situated at Plot no. 442/B admeasuring 82216 sq. mtrs. & plot no. 451/B admeasuring 79662 sq. mtrs. at RS no. 206,238,239,240,294m & 295 at village: Govali. Jhagadia-Bharuch Road, Gujarat with Bank of India
- d) First Pari-passu charge by way of registered mortgage over office cum residential premises belonging to the company admeasuring 777.00 square ft situated at No.1002,10th floor, "Samudra Annex" Plot No. 322, TPS No.3, Village: Changispur, Ahmedabad, Gujarat with Bank of India.
- e) Lien on FDR of ₹ 30.00 Lakh in the name of company.
- f) Pledge of 3,03,000 shares of the company in the name of Mr. Prakash Vora / Udyan Velvan.
- g) Extension of second charge on entire current assets of the company of the Tools division of the company.
- h) Personal guarantee of the directors Mr.Prakash Vora and Mr.Udyan Velvan. The Loan has been converted into USD Loan and the same has been completely repaid in next financial year FY 2017-18.

14.1 [b] There was no default in repayment of this loan.

14.2 [a] Term Loan in foreign currency (USD) has been converted from the term loan with State bank of India. It is Secured by:

- a) First Pari-passu charge by way of hypothecation over entire movable fixed assets of the company for both Paper & Tools division along with Bank of India.

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- b) First Pari-passu by way of registered mortgage with Bank of India over additional immovable property (Factory building and civil construction) to be created out of proposed projects for Paper & Tools Division.
- c) First Pari-passu charge by way of registered mortgage over Factory land & Building belonging to the company situated at Plot no. 442/B admeasuring 82216 sq. mtrs. & plot no. 451/B admeasuring 79692 sq. mtrs. at RS no. 206,238,239,240,294 & 295 at village: Govali. Jhagadia-Bharuch Road, Gujarat with Bank of India
- d) First Pari-passu charge by way of registered mortgage over office cum residential premises belonging to the Company admeasuring 777.00 square ft situated at No.1002,10th floor, "Samudra Annex" Plot No. 322, TPS No.3, Village: Changispur, Ahmedabad, Gujarat with Bank of India.
- e) Lien on FDR of ` 30.00 Lakh in the name of company.
- f) Pledge of 3,03,000 shares of the company in the name of Mr. Prakash Vora / Udyan Velvan.
- g) Extension of second charge on entire current assets of the company of the Tools division of the company.
- h) Personal guarantee of the directors Mr.Prakash Vora and Mr.Udyan Velvan. The loan as on 31st March, 2018. is repayable in 5 equal installments of USD 19,000/- and thereafter single payment of USD 1,13,900/-. The interest rate is 4% over LIBOR.

14.2 [b] There was no default in repayment of this loan.

14.3 [a] Loan from Bank of India is secured by:

- a) First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Paper Division).
- b) First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Tools Division).
- c) First Pari Passu over Land & Building situated at RS No. 451B, 442B of Mouje Village Govali sim, Taluka Jhagdia; and RS No 206,238,239,240,294 & 295 of Mouje Village Mulad sim, Ta: Jhagadia in the name of the company on which business is carried out.
- d) First Pari Passu charge over existing plant & machinery of the company.
- e) First charge on Stocks of Tool Divisions.
- f) First charge on Book Debts of Tools Division.
- g) First Pari Passu charge over office situated at no. 1002, 10th floor, Samudra Annex, Plot No. 322 TPS No.3, Village Changispur, Ahmedabad
- h) Second Charge over current assets of Paper Division.

Repayment Schedule :

- a) from June 2015 to May 2016, 12 monthly installments of ` 4.89 Lakh each
- b) from June 2016 to May 2017, 12 monthly installments of ` 9.80 Lakh each.
- c) from June 2017 to May 2018, 12 monthly installments of ` 14.48 Lakh each.
- d) from June 2018 to May 2019, 12 monthly installments of ` 19.58 Lakh each.
- e) from June 2019 to April 2020, 12 monthly installments of ` 24.48 Lakh each.
- f) from June 2020 to April 2021, 5 monthly installments of ` 53.42 Lakh each and last installment of ` 26.74 lakh. The interest rate is 3.30% above MCLR rate (i.e. 13.00%).

14.3 [b] There was no default in repayment of this loan.

14.4 [a] Term Loan in foreign currency (USD) has been converted from the term loan with Bank of India. It is Secured by:

- a) First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Paper Division).
- b) First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Tools Division).
- c) First Pari Passu over Land & Building situated at RS No. 451B, 442B of Mouje Village Mulad sim, Taluka Jhagdia; and RS No 206,238,239,240,294 & 295 of Mouje Village Govali sim, Ta: Jhagadia in the name of the company on which business is carried out.
- d) First Pari Passu charge over existing plant & machinery of the company.
- e) First charge on Stocks of Tool Divisions.
- f) First charge on Book Debts of Tools Division.
- g) First Pari Passu charge over office situated at No.1002, 10th Floor, Samudra Anex Plot No.322 TPS No.3, Village Changispur, Ahmedabad.

- h) Second Charge over current assets of Paper Division.
- i) The loan was repaid in full as on March 31, 2018 and hence there are no installments payable as on 31st March 2018.
- 14.5 [a] Bank of India - Paper Division (New)
- First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Paper Division).
 - First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Tools Division).
 - First Pari Passu over Land & Building situated at RS No. 451B, 442B of Mouje Village Govali sim, Taluka Jhagdia; and RS No 206,238,239,240,294 & 295 of Mouje Village Mulad sim, Ta: Jhagadia in the name of the company on which business is carried out.
 - First Pari Passu charge over existing plant & machinery of the company.
 - First charge on Stocks of Tool Divisions.
 - First charge on Book Debts of Tools Division.
 - First Pari Passu charge over office situated at no. 1002, 10th floor, Samudra Annex, Plot No. 322 TPS No.3, Village Changispur, Ahmedabad
 - Second Charge over current assets of Paper Division.
 - Repayment Schedule :Repayable in 78 monthly installments of ` 8.87 Lakh each commencing from April 2018.
 - interest to be serviced as and when charged in the account during and after the moratorium period. The interest rate is 2.70% above BOI MCLR (i.e. 8.40%) plus BSS (0.30%) i.e applicable ROI of 11.40%p.a. with monthly rests.
- 14.5 [b] There was no default in repayment of this loan.
- 14.6 [a] Loan from Bank of India is secured by:
- First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Paper Division).
 - First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Tools Division).
 - First Pari Passu over Land & Building situated at RS No. 451B, 442B of Mouje Village Govali sim, Taluka Jhagdia; and RS No 206,238,239,240,294 & 295 of Mouje Village Mulad sim, Ta: Jhagadia in the name of the company on which business is carried out.
 - First Pari Passu charge over existing plant & machinery of the company.
 - First charge on Stocks of Tool Divisions.
 - First charge on Book Debts of Tools Division.
 - First Pari Passu charge over office situated at no. 1002, 10th floor, Samudra Annex, Plot No. 322 TPS No.3, Village Changispur, Ahmedabad
 - Second Charge over current assets of Paper Division.
Repayment Schedule
 - from June 2015 to May 2016, 12 monthly installments of ` 3.34 Lakh each.
 - from June 2016 to May 2017, 12 monthly installments of ` 6.67 Lakh each.
 - from June 2017 to May 2018, 12 monthly installments of ` 10.00 Lakh each.
 - from June 2018 to May 2019, 12 monthly installments of ` 13.33 Lakh each.
 - from June 2019 to May 2020, 12 monthly installments of ` 16.67 Lakh each.
 - from June 2020 to May 2021, 5 monthly installments of ` 36.34 Lakh each and last installment of ` 18.18 Lakh. The interest rate is 3.30% above MCLR (i.e. 13.00%).
- 14.6 [b] There was no default in repayment of this loan.
- 14.7 [a] Term Loan in foreign currency (USD) has been converted from the term loan with Bank of India. It is Secured by:
- First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Paper Division).
 - First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Tools Division).
 - First Pari Passu over Land & Building situated at RS No. 451B, 442B of Mouje Village Mulad sim, Taluka Jhagdia; and RS No 206,238,239,240,294 & 295 of Mouje Village Govali sim, Ta: Jhagadia in the name of the company on which business is carried out.
 - First Pari Passu charge over existing plant & machinery of the company.

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- e) First charge on Stocks of Tool Divisions.
 - f) First charge on Book Debts of Tools Division.
 - g) First Pari Passu charge over office situated at No.1002, 10th Floor, Samudra Anex Plot No.322 TPS No.3, Village Changispur, Ahmedabad.
 - h) Second Charge over current assets of Paper Division
 - i) The loan was repaid in full as on 31st March 2018.
- 14.7 [b] There was no default in repayment of this loan.
- 14.8 [a] Bank of India - Tools Division (New)
- a) First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Paper Division).
 - b) First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Tools Division).
 - c) First Pari Passu over Land & Building situated at RS No. 451B, 442B of Mouje Village Govali sim, Taluka Jhagdia; and RS No 206,238,239,240,294 & 295 of Mouje Village Mulad sim, Ta: Jhagadia in the name of the company on which business is carried out.
 - d) First Pari Passu charge over existing plant & machinery of the company.
 - e) First charge on Stocks of Tool Divisions.
 - f) First charge on Book Debts of Tools Division.
 - g) First Pari Passu charge over office situated at no. 1002, 10th floor, Samudra Annex, Plot No. 322 TPS No.3, Village Changispur, Ahmedabad
 - h) Second Charge over current assets of Paper Division.
 - i) Repayment Schedule Repayable in 78 monthly installments of ` 4.94 Lakh each commencing from April 2018.
 - j) interest to be serviced as and when charged in the account during and after the moratorium period. The interest rate is 2.70% above BOI MCLR (i.e. 8.40%) plus BSS (0.30%) i.e applicable ROI of 11.40%p.a. with monthly rests.
- 14.8 [b] There was no default in repayment of this loan.
- 14.9 [a] Loan from HDFC Bank for Tractor Loan was secured by hypothecation of the vehicle financed by the bank. The loan was repaid in full and hence there are no installments payable as on 31st March 2018.
- 14.10[a] Loan from HDFC Tractor Loader Loan is secured by hypothecation of the vehicle financed by the bank. The loan was repaid in full and hence there are no installments payable as on 31st March 2018.
- 14.11[a] Loan from HDFC NEW Maruti Van Loan is secured by hypothecation of the vehicle financed by the bank. The loan was repaid in full and hence there are no installments payable as on 31st March 2018.
- 14.12[a] Loan from HDFC Tractor Loan (GJ -16-BG-5420) is secured by hypothecation of the vehicle financed by the bank. The loan was repaid in full during the year and hence there are no installments payable as on 31st March 2018.
- 14.12[b] There was no default in repayment of this loan.
- 14.13[a] Loan from HDFC NEW Maruti Van Loan is secured by hypothecation of the vehicle financed by the bank. The loan was repaid in full and hence there are no installments payable as on 31st March 2018.
- 14.13[b] There was no default in repayment of this loan.
- Unsecured Long Term Borrowings**
- 14.14[a] Loan from Kotak Mahindra Bank Ltd. as at 31st March, 2018 is repayable in 23 equal monthly installments of ` 2,69,830/- (including interest). The Interest Rate is 17.65%.
- 14.14[b] There was no default in repayment of this loan.
- 14.15[a] Loan from Magma Fincorp Ltd (Year 2014) was repaid in full during the year and hence there are no installments payable as on 31st March 2018.
- 14.15[b] There was no default in repayment of this loan.
- 14.16[a] Loan from Religare Finvest Ltd (Year 2014) was repaid in full during the year and hence there are no installments payable as on 31st March 2018.
- 14.16[b] There was no default in repayment of this loan.
- 14.17[a] Loan from Bajaj Finance Ltd (Year 2014) was repaid in full during the year and hence there are no installments payable as on 31st March 2018.

- 14.17[b] There was no default in repayment of this loan.
- 14.18[a] Loan from Tata Capital Finance was repaid in full and hence there are no installments payable as on 31st March 2018.
- 14.18[b] There was no default in repayment of this loan.
- 14.19[a] Loan from Bajaj Finance Ltd (Year 2015) as at 31st March, 2018 is repayable in 20 equal monthly installments of ₹ 60,489/- (including interest). The Interest Rate is 19.10%.
- 14.19[b] There was no default in repayment of this loan.
- 14.20[a] Loan from Magma Fincorp Ltd (Year 2015) was repaid in full during the year and hence there are no installments payable as on 31st March 2018.
- 14.20[b] There was no default in repayment of this loan.
- 14.21[a] Loan from Religare Finvest Ltd (Year 2016) as at 31st March, 2017 is repayable in 12 equal monthly installments of ₹ 1,44,610 /- (including interest). The Interest Rate is 18%.
- 14.21[b] There was no default in repayment of this loan.
- 14.22[a] Loan from Edelweiss Retail Finance Ltd (Year 2016) was repaid in full during the year and hence there are no installments payable as on 31st March 2018.
- 14.22[b] There was no default in repayment of this loan.
- 14.23[a] Loan from Magma Fincorp Ltd (Year 2016) as at 31st March, 2018 is repayable in 18 equal monthly installments of ₹ 1,24,350 /- (including interest). The Interest Rate is 16.75%.
- 14.23[b] There was no default in repayment of this loan.
- 14.24[a] Loan from Tata Capital Finance (Year 2017) as at 31st March, 2018 is repayable in 22 equal monthly installments of ₹ 1,78,264/- (including interest). The Interest Rate is 17.79%.
- 14.24[b] There was no default in repayment of this loan.
- 14.25[a] Loan from Zen Lefin Pvt. Ltd (Year 2018) as at 31st March, 2018 is repayable in 30 equal monthly installments of ₹ 35,907/- (including interest). The Interest Rate is 17.51%.
- 14.25[b] There was no default in repayment of this loan.
- 14.26[a] Loan from Bajaj Finance Ltd (Year 2018) as at 31st March, 2018 is repayable in 30 equal monthly installments of ₹ 99,757/- (including interest). The Interest Rate is 17.00%.
- 14.26[b] There was no default in repayment of this loan.
- 14.27[a] Loan from IFMR Capital Finance Pvt. Ltd (Year 2018) as at 31st March, 2018 is repayable in 30 equal monthly installments of ₹ 1,43,628/- (including interest). The Interest Rate is 17.51%.
- 14.27[b] There was no default in repayment of this loan.
- 14.28[a] Loan from Magma Fincorp Ltd (Year 2018) as at 31st March, 2018 is repayable in 30 equal monthly installments of ₹ 1,73,127/- (including interest). The Interest Rate is 16.50%.
- 14.28[b] There was no default in repayment of this loan.
- 14.29[a] Loan from Edelweiss Finance Ltd (Year 2018) as at 31st March, 2018 is repayable in 30 equal monthly installments of ₹ 1,42,611/- (including interest). The Interest Rate is 17.00%.
- 14.29[b] There was no default in repayment of this loan.
- 14.30[a] Loan from IFMR Capital Finance Pvt. Ltd (Year 2018) as at 31st March, 2018 is repayable in 30 equal monthly installments of ₹ 1,47,502/- (including interest). The Interest Rate is 18.00%.
- 14.30[b] There was no default in repayment of this loan.
- 14.31[a] Intercompany Deposits would not be recalled before end of two years from 31st March, 2017.
- 14.31[b] There is no default as the repayment is not due.
- 14.32[a] Loan from related parties would not be recalled before end of two years from 31st March, 2017.
- 14.32[b] There is no default as the repayment is not due.

Particulars	Year ended March 31, 2018 (₹)	Year ended March 31, 2017 (₹)	Year ended March 31, 2016 (₹)
NOTE 15: PROVISIONS (NON-CURRENT)			
Provision For Employee Benefits			
- Gratuity	97,376	285,986	14,868
Total	97,376	285,986	14,868

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Particulars	As at March 31, 2018 ()	As at March 31, 2017 ()
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NOTE 16: TAX EXPENSE

A. COMPONENTS OF INCOME TAX EXPENSE

I. Tax expense recognised in statement of profit & loss

Current Tax

Current year	11,675,595	14,038,077
Adjustments/ (Credit) related to pervious years - (net)	2,832,413	547,161

Sub-Total

14,508,008	14,585,238
-------------------	-------------------

Deferred tax charge/ (credit)

Origination and reversal of tepemorary difference	(8,771,097)	(4,134,876)
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Sub-Total

(8,771,097)	(4,134,876)
--------------------	--------------------

Total

5,736,911	10,450,362
------------------	-------------------

II. Tax on other comprehensive income

Items that will not be reclassified to Profit and Loss

Remeasurement of the Defined Benefit Plans	206,012	(788)
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Total

206,012	(788)
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B. RECONCILIATION OF EFFECTIVE TAX RATES

Profit/(loss) before tax

6,570,130	35,591,506
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Tax using the company's domestic tax rate
(Current year and Previous year 33.063%)

2,172,282	11,767,620
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Expenses not deductible

2,193,927	72,310
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Expenses deductible at lower rate

-	8,431
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Income not taxable

-	(1,760,567)
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Excess Provision of Current year

2,832,413	547,161
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Other temporary differences including rate differences

(1,461,712)	(184,593)
-------------	-----------

Total

5,736,911	10,450,362
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Effective tax rate for the year

87.32%	29.36%
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C. MOVEMENT IN DEFERRED TAX ASSETS/(LIABILITIES)

Particular	Net deferred tax asset / (liabilities) as on 1 st April, 2017	Recognised in profit and loss	Recognised in other comprehensive income	Net deferred tax asset / (liabilities) as on 31 st March, 2018
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Deferred tax liabilities / (assets)

Property, plant and equipment	38,494,808	(7,390,042)	-	31,104,766
Provision for doubtful debts	(1,157,764)	(188,257)	-	(1,346,020)
Employee benefits	(98,974)	(139,546)	206,012	(32,508)
Deferred expenses / (income)	2,084,598	(1,053,253)	-	1,031,345
Deferred tax assets/ (liabilities)	39,322,668	(8,771,097)	206,012	30,757,583

MOVEMENT IN DEFERRED TAX ASSETS/(LIABILITIES)

Particular	Net deferred tax asset / (liabilities) as on 1 st April, 2016	Recognised in profit and loss	Recognised in other comprehensive income	Net deferred tax asset / (liabilities) as on 31 st March, 2017
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Deferred tax liabilities / (assets)

Property, plant and equipment	42,826,439	(4,331,632)	-	38,494,808
Provision for doubtful debts	(116,285)	(1,041,478)	-	(1,157,764)
Employee benefits	(5,146)	(93,041)	(788)	(98,974)
Deferred expenses / (income)	753,323	1,331,275	-	2,084,598
Deferred tax assets/ (liabilities)	43,458,331	(4,134,876)	(788)	39,322,668

Particulars	Year ended	Year ended	Year ended
	March 31, 2018	March 31, 2017	March 31, 2016
	()	()	()
D. DEFERRED TAX LIABILITIES			
Deferred Tax Liabilities			
Accelerated depreciation for tax purposes	31,104,766	38,494,808	42,826,439
Other items giving rise to temporary differences	1,031,345	2,084,598	847,626
	32,136,111	40,579,406	43,674,065
Deferred Tax Assets			
Provision for gratuity	32,508	98,974	5,146
Provision for loss allowances for doubtful debts	1,346,020	1,157,764	116,285
Other Items	-	-	94,303
	1,378,528	1,256,738	215,734
NET DEFERRED TAX LIABILITIES	30,757,583	39,322,668	43,458,331

**NOTE 17: FINANCIAL LIABILITIES :
OTHER NON CURRENT LIABILITIES**

Trade Deposits	-	15,000,000	17,500,000
Total	-	15,000,000	17,500,000

NOTE 18: CURRENT BORROWINGS

Secured Borrowings:

**a. Loan repayable on demand
from banks**

Cash Credit Facility

- State Bank of India	17.1	19,310,887	39,237,511	18,524,817
- Bank of India	17.2	50,003,046	7,021,058	49,348,828
- State Bank of India (Foreign Currency)	17.3	255,495,422	222,162,240	234,847,020
- Bank of India (Foreign Currency)	17.4	-	38,770,782	-
Total		324,809,355	307,191,591	302,720,665

17.1 [a] Cash Credit Facility from State bank of India is secured by:

- First Charge by way of hypothecation over entire current assets such as stocks of raw materials, finished goods, stores & spares, SIP, receivables, advance payment to suppliers etc. of Paper Division of the company.
- Lien on FDR of ₹ 30.00 lakh in the name of company.
- Pledge of 3,03,000 shares of the company in the name of Mr. Prakash Vora / Udyan Velvan.
- Second charge on entire current assets of tools division of the company.
- Second Pari Passu charge over company's movable and immovable fixed assets.
- Personal guarantee of the directors Mr. Prakash Vora and Mr. Udyan Velvan.

17.1 [b] The loan is repayable on demand. The interest rate is 2.75% above the MCLR (i.e. 12.60%).

17.2 [a] Loan from Bank of India is secured by:

- First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Paper Division).
- First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Tools Division).
- First Pari Passu over Land & Building situated at RS No. 451B, 442B of Mouje Village Govali sim, Taluka Jhagdia and RS No. 206, 238, 239, 240, 294 & 295 of Mouje Village Muluad sim, Ta: Jhagdia in the name of the Company.
- First Pari Passu charge over existing plant & machinery of the company.
- First charge on Stocks of Tool Divisions.
- First charge on Book Debts of Tools Division.
- First Pari Passu charge over office situated at no. 1002, 10th floor, Samudra Annex, Plot No. 322 TPS No.3, Village Changisapur, Ahmedabad.
- Second Charge over current assets of Paper Division.

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- 17.2[b] The loan is repayable on demand. The interest rate is 2.88% above the base rate (i.e.12.40%).
- 17.3 [a] Working Capital Loan in foreign currency (USD) from State Bank of India has been converted from the cash credit facility available with the bank.It is secured by:
- First Charge by way of hypothecation over entire current assets such as stocks of raw materials, finished goods, stores & spares, SIP, receivables, advance payment to suppliers etc. of Paper Division of the company.
 - Lien on FDR of ₹ 30.00 lakh in the name of company.
 - Pledge of 3,03,000 shares of the company in the name of Mr. Prakash Vora / Udyan Velvan.
 - Second charge on entire current assets of tools division of the company.
 - Second Pari Passu charge over company's movable and immovable fixed assets.
 - Personal guarantee of the directors Mr.Prakash Vora and Mr.Udyan Velvan.
- 17.3 [b] The loan is repayable in July 2018 of USD 39,00,000/- The interest rate is 4.00% over LIBOR.
- 17.4 [a] Working Capital Loan in foreign currency (USD) from Bank of India has been converted from the cash credit facility available with the bank.
It is secured by:
- First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Paper Division).
 - First Pari Passu Charge over Machinery. Utilities, Civil Construction, Site Development (Tools Division).
 - First Pari Passu over Land & Building situated at RS No. 451B, 442B of Mouje Village Govali sim, Taluka Jhagdia and RS No. 206, 238, 239, 240, 294 & 295 of Mouje Village Muluad sim, Ta: Jhagadia in the name of the Company.
 - First Pari Passu charge over existing plant & machinery of the company.
 - First charge on Stocks of Tool Divisions.
 - First charge on Book Debts of Tools Division.
 - First Pari Passu charge over office situated at no. 1002, 10th floor, Samudra Annex, Plot No. 322 TPS No.3, Village Changispur, Ahmedabad.
 - Second Charge over current assets of Paper Division.
- 17.4 [b] The loan is fully repaid as on 31st March, 2018.

Particulars	Year ended March 31, 2018 (`)	Year ended March 31, 2017 (`)	Year ended March 31, 2016 (`)
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NOTE 19: FINANCIAL LIABILITIES : TRADE PAYABLES

Trade Payables

- Due to Small and Micro Enterprises	-	-	-
- Other than Micro and Small Enterprises			
i. To Subsidiaries	-	-	-
ii. To Others	92,960,875	76,893,920	48,161,685
Total	92,960,875	76,893,920	48,161,685

- Based on the information in possession with the Company, no supplier has been identified as being covered under Micro, Small and Medium Enterprise Development Act, 2006 ("the Act"). Accordingly, no amount of dues outstanding as at 31st March 2018 have been identified as relating to Micro and Small Enterprises referred to in the said Act.
- The Company has called for balance confirmation of Trade Payables on random basis. Out of which the Company has received response from some of the parties, which are subject to reconciliation with Company's account. The other balances of Trade Payables are subject to confirmation.
- Trade Payables includes amount due to Related Parties NIL as at 31st March 2018. (Previous Year as at 31st March 2017 NIL and as 1st April 2016 NIL)

Particulars	Note No.	Year ended March 31, 2018 ()	Year ended March 31, 2017 ()	Year ended March 31, 2016 ()
NOTE 20: FINANCIAL LIABILITIES :				
OTHERS FINANCIAL LIABILITIES				
(OTHER THAN ABOVE)				
a. Current maturities of Long Term Debt (Secured)				
- SBI Corporate Loan-II	14.1	1,956	-	-
- SBI Corporate Loan-II (Foreign Currency)	14.2	13,588,137	15,000,000	12,000,000
- Bank of India - Paper Division	14.3	22,026,000	2,331,920	10,778,000
- Bank of India - Paper Division (Foreign Currency)	14.4	-	14,308,080	-
- Bank of India - Paper Division (New)	14.5	10,644,000	-	-
- Bank of India - Tool Division	14.6	14,997,000	1,585,064	7,338,000
- Bank of India - Tool Division (Foreign Currency)	14.7	-	9,748,936	-
- Bank of India - Tools Division (New)	14.8	5,928,000	-	-
- HDFC Tractor Loan (New)	14.9	-	-	80,549
- HDFC Tractor Loader Loan (New)	14.10	-	-	13,608
- HDFC Maruti Eco Loan	14.11	-	-	54,064
- HDFC Tractor Loan (GJ -16-BG-5420)	14.12	-	97,602	174,676
- HDFC NEW Maruti Van Loan	14.13	-	51,203	79,520
b. Current maturities of Long Term Debt (Unsecured)				
- Kotak Mahindra Bank	14.14	2,512,208	2,109,128	-
c. Current maturities of Long Term Debt (Unsecured)				
- Magma Fincorp Ltd. (Year 2014)	14.15	-	1,352,145	1,136,502
- Religare Finvest Ltd (Year 2014)	14.16	-	524,608	1,867,723
- Bajaj Finance Ltd (Year 2014)	14.17	-	236,071	840,473
- Tata Capital Finance	14.18	-	-	1,510,658
- Bajaj Finance Ltd (Year 2015)	14.19	543,417	573,916	851,137
- Magma Fincorp Ltd. (Year 2015)	14.20	-	737,017	625,614
- Religare Finvest Ltd. (Year 2016)	14.21	1,577,333	1,319,258	1,103,409
- Edelweiss Retail Finance Ltd (Year 2016)	14.22	-	1,320,751	1,115,600
- Magma Fincorp Ltd (Year 2016)	14.23	1,256,236	1,063,724	-
- Tata Capital Financial Services (Year 2017)	14.24	1,679,318	1,407,463	-
- Zen Lefin Pvt. Ltd (Year 2018)	14.25	302,529	-	-
- Bajaj Finance Ltd (Year 2018)	14.26	849,102	-	-
- IFMR Capital Finance Pvt. Ltd (Year 2018)	14.27	1,210,116	-	-
- Megma Fincorp Ltd (Year 2018)	14.28	1,488,415	-	-
- Edelweiss Retail Finance Ltd (Year 2018)	14.29	1,213,850	-	-
- Capital First Ltd (Year 2018)	14.30	1,230,647	-	-
d. Interest Accrued and due on Borrowings				
- SBI Corporate Loan - II		186	209	2,144
- SBI Corporate Loan - II (Foreign Currency)		77,693	131,486	174,151
- Bank of India Paper Division		825,250	115,930	-
- Bank of India Paper Division (Foreign Currency)		-	482,040	-
- Bank of India - Paper Division (New)		327,621	-	-
- Bank of India Tools Division		567,635	78,837	-
- Bank of India Tools Division (Foreign Currency)		-	39,522	-
- Bank of India - Tools Division (New)		279,805	-	-

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Particulars	Year ended March 31, 2018 (₹)	Year ended March 31, 2017 (₹)	Year ended March 31, 2016 (₹)
e. Interest Accrued but not due on Borrowings			
- HDFC Tractor Loan (New)	-	-	935
- HDFC Tractor Loader Loan (New)	-	-	158
- HDFC Maruti Eco Loan	-	-	407
- HDFC Tractor Loan (GJ -16-BG-5420)	-	1,063	2,964
- HDFC NEW Maruti Van Loan	-	416	1,062
- Kotak Mahindra Bank	69,413	104,335	-
- Magma Fincorp Ltd (Year 2014)	-	20,973	33,805
- Religare Finvest Ltd (Year 2014)	-	8,041	36,668
- Bajaj Finance Ltd (Year 2014)	-	3,136	14,300
- Tata Capital Financial Services	-	-	57,661
- Bajaj Finance Ltd (Year 2015)	12,434	21,380	33,987
- Magma Fincorp Ltd. (Year 2015)	-	10,760	17,420
- Religare Finvest Ltd. (Year 2016)	21,370	42,047	58,065
- Edelweiss Retail Finance Ltd. (Year 2016)	-	34,272	47,527
- Magma Fincorp Ltd. (Year 2016)	21,259	32,754	-
- Tata Capital Finance (Year 2017)	35,644	50,736	-
- Zen Lefin Pvt. Ltd (Year 2018)	11,431	-	-
- Bajaj Finance Ltd (Year 2018)	31,020	-	-
- IFMR Capital Finance Pvt. Ltd (Year 2018)	45,725	-	-
- Megma Fincorp Ltd (Year 2018)	45,054	-	-
- Edelweiss Retail Finance Ltd (Year 2018)	41,179	-	-
- Capital First Ltd (Year 2018)	42,852	-	-
- Inter Corporate Deposits & Others	11,206,787	11,136,247	5,486,105
f. Others			
- Derivatives Liability	1,679,160	21,477,165	2,439,248
Total	96,389,782	87,558,237	47,976,141

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund

NOTE 21: OTHER CURRENT LIABILITIES

Creditors for Capital goods	7,069,696	8,774,874	3,922,338
Others			
- Statutory Dues			
TDS	1,073,009	1,024,406	1,450,203
Service Tax	-	1,625,108	77,674
VAT & CST & GST	2,262,747	1,211,813	9,175
Profession Tax	15,790	16,740	16,610
Salary Payable	2,717,331	2,783,875	2,554,940
Received in advance from debtors	325,748	-	186,328.00
Dealer Deposits	113,477,000	160,877,000	64,877,000
Others Liabilities	13,841,662	11,386,530	13,619,562
Total	140,782,984	187,700,346	86,713,830

NOTE 22: PROVISIONS (CURRENT)

Provision for Employee Benefits			
- Provision for Bonus	1,082,205	1,218,624	1,189,546
- Provision for Provident Fund	344,792	370,633	359,240
Total	1,426,997	1,589,257	1,548,786

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Particulars	Year ended March 31, 2018 (`)	Year ended March 31, 2017 (`)	Year ended March 31, 2016 (`)
NOTE 23 : CURRENT TAX LIABILITIES (NET)			
Provision For Taxation	11,675,595	14,038,077	5,101,449
Less: TDS / TCS Receivable/Advance Tax	(2,638,160)	(3,864,417)	(892,305)
Less: MAT Credit Availment	-	-	(1,669,741)
Total	9,037,435	10,173,660	2,539,403

Particulars	Year ended March 31, 2018 (`)	Year ended March 31, 2017 (`)
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NOTE 24 : REVENUE FROM OPERATIONS

Sale of Products

Revenue from Sale of Products	1,123,576,468	1,199,821,013
Total of Sale of Products	1,123,576,468	1,199,821,013

Other Operating Revenue

Commission	-	10,444,776
Total of Other Operating Revenue	-	10,444,776
Total Revenue from Operations	1,123,576,468	1,210,265,789

NOTE 25 : OTHER INCOME

Interest Income	1,360,823	33,120,078
Gain on Foreign Currency Transactions	1,777	2,132
<u>Other Non - Operating Income:</u>		
- Profit on Sale of Assets	-	65,988
- Subsidy Received	-	13,004,965
- Duty Drawback	8,977	16,342
Total	1,371,577	46,209,505

NOTE 26 : COST OF MATERIALS CONSUMED

Indian Waste Paper Consumption

Opening Stock	9,854,337	72,622,803
<u>Add:</u> Purchases	471,200,848	447,499,011
<u>Less:</u> Closing Stock	(21,656,942)	(9,854,337)
Sub - Total	459,398,244	510,267,477

Imported Waste Paper Consumption

Opening Stock	-	2,190,141
<u>Add:</u> Purchases	49,577,733	33,191,457
<u>Less:</u> Closing Stock	(3,754,247)	-
Sub - Total	45,823,486	35,381,598

Colour & Chemical Consumption

Opening Stock	1,907,880	2,048,485
<u>Add:</u> Purchases	26,206,922	30,579,324
<u>Less:</u> Closing Stock	(1,334,512)	(1,907,880)
Sub - Total	26,780,290	30,719,929

Indian Diamond Powder & Other Material Consumption

Opening Stock	6,356,654	3,685,054
<u>Add:</u> Purchases	5,975,755	8,923,708
<u>Less:</u> Closing Stock	(10,641,989)	(6,356,654)
Sub - Total	1,690,419	6,252,108

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Particulars	Year ended March 31, 2018 (`)	Year ended March 31, 2017 (`)
Imported Diamond Powder Consumption		
Opening Stock	16,577,845	16,228,568
Add:Purchases	-	2,009,248
Less: Closing Stock	(16,424,451)	(16,577,845)
Sub - Total	153,394	1,659,970
Total	533,845,833	584,281,082
NOTE 27 PURCHASE OF STOCK-IN-TRADE		
Stock-in-Trade	116,968,143	189,269,548
Total	116,968,143	189,269,548
NOTE 28 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stocks:		
Finished Goods	51,402,416	38,141,730
Work-in-Progress	10,194,301	2,915,464
Stock In Trade	20,636,827	-
Sub - Total	82,233,544	41,057,194
Less: Closing Stocks:		
Finished Goods	29,629,828	51,402,416
Work-in-Progress	12,010,277	10,194,301
Stock In Trade	21,524,188	20,636,827
Sub - Total	63,164,294	82,233,544
Total	19,069,249	(41,176,350)
NOTE 29 : EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	35,830,211	36,946,332
Directors Remuneration	3,000,000	3,000,000
Bonus	1,082,205	1,218,928
Gratuity (Refer Note 38)	744,960	755,888
Contribution to Provident and Other Funds	2,322,488	2,495,796
Staff Welfare Expenses	1,491,096	1,834,073
Total	44,470,959	46,251,017
NOTE 30 : FINANCE COST		
Interest	60,190,456	50,766,713
Bank Charges & Commission	11,448,661	13,193,517
Net Loss on Foreign Currency Transactions	16,914,411	(18,310,845)
Premium on Forward Contract	714,201	35,430,736
Total	89,267,728	81,080,120

Particulars	Year ended March 31, 2018 ()	Year ended March 31, 2017 ()
NOTE 31 : OTHER EXPENSES		
Consumption of Stores and Spares		
<u>Paper Division</u>		
Opening Stock	24,470,299	23,523,534
Add:Purchases	10,202,680	12,416,056
Less: Closing Stock	(24,576,031)	(24,470,299)
Sub - Total	<u>10,096,948</u>	<u>11,469,291</u>
<u>Tools Division</u>		
Opening Stock	682,863	359,790
Add:Purchases	4,830,683	2,482,347
Less: Closing Stock	(2,409,905)	(682,863)
Sub - Total	<u>3,103,641</u>	<u>2,159,273</u>
<u>Packaging Materials consumed</u>		
<u>Paper Division</u>		
Opening Stock	2,241,795	2,419,229
Add:Purchases	11,891,940	23,087,906
Less: Closing Stock	(661,902)	(2,241,795)
Sub - Total	<u>13,471,834</u>	<u>23,265,339</u>
<u>Tools Division</u>		
Opening Stock	638,935	206,005
Add:Purchases	828,165	745,552
Less: Closing Stock	(989,465)	(638,935)
Sub - Total	<u>477,635</u>	<u>312,622</u>
<u>Fuel Consumption</u>		
Opening Stock	4,220,670	9,502,450
Add:Purchases	44,216,827	54,288,214
Less: Closing Stock	(6,292,705)	(4,220,670)
Sub - Total	<u>42,144,792</u>	<u>59,569,994</u>
Power Charges	130,903,305	147,824,897
Labour Charges	7,219,116	8,365,462
Carriage Inward	88,526	549,633
Factory Expenses	1,946,465	2,787,508
Felt & Wire Consumption	3,184,537	3,347,626
<u>Repairs and Maintenance of :</u>		
Buildings	124,614	468,743
Plant and Machinery	4,836,465	6,657,427
Others	38,329	250,644
Discount & Commission	12,952,097	7,132,631
Vehicle Expenses	2,175,246	1,684,241
Carriage Outward	1,632,264	59,707
AMC Charges	255,926	216,674
Lodging & Boarding - Refreshment A/C	90,224	78,046
Water Charges	261,700	310,100
Insurance	1,769,867	2,481,183
<u>Rates & Taxes :</u>		
Sales Tax 2% VAT Reduction	410,028	2,855,909
Sales Tax	680,875	-
Profession Tax	2,400	2,400
Property Tax	402,916	281,185

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Particulars	Year ended March 31, 2018 (`)	Year ended March 31, 2017 (`)
Payment to Auditors		
As Statutory Auditor	120,000	137,950
As Tax Auditor	-	5,738
For Reimbursement of Expenses	14,108	29,843
Legal & Professional Expenses	3,125,580	3,062,110
Postage, Telegram, Telefax etc	633,640	683,100
Travelling & Conveyance	336,304	211,488
Donation	-	68,500
Administrative Expenses	70,306	140,709
Printing & Stationery	423,945	434,062
Office Expense	198,013	259,620
AGM Expenses	6,050	29,873
Provision For Doubtful Debts (Net)	763,508	2,955,514
Advertisement / Other Selling Expenses	125,469	127,111
Penalty	1,000	-
Preliminary Expense Written off	666,599	666,599
Miscellaneous Expenses	397,908	573,872
Total	<u>245,152,180</u>	<u>291,516,625</u>

NOTE 32(i): FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS (IND AS)

“These are the Company’s first financial statements 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 31st March 2018, the comparative information presented in these financial statements for the year ended 31st March, 2017 and in the preparation of an opening Ind AS Balance Sheet at 1st April, 2016 (the Company’s date of transition).

In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company’s financial position, financial performance and Cash Flows is set out in the following tables and notes”

Exemptions applied

Ind AS 101 “First-time adoption of Indian Accounting Standards” allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

As per Ind AS 101, a first-time adopter has an option, inter alia, to use carrying values of property, plant and equipment and intangible assets as on the date of transition to Ind AS, if there has been no change in its functional currency on the date of transition. The Company has accordingly elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment and intangible assets.

Ind AS 101, permits an entity to continue the policy adopted for accounting of exchange differences arising from translation of long-term foreign currency monetary items recognized in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period as per the provision of Indian GAAP. The Company has accordingly elected to continue with the same.

Exceptions

1 Estimates

The estimates at 1st April 2016 and 31st March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences if any, in accounting policies) apart from the following items where application of Indian GAAP did not require estimation:

- FVOCI – unquoted equity shares
- Impairment of financial assets based on expected credit loss model

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April 2016 and as at 31st March 2017.

2 Classification and measurement of financial assets

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

NOTE 32(ii): RECONCILIATION OF EQUITY AS AT APRIL 01, 2016 AND MARCH 31, 2017

(in `)

Particulars	Note No.	As at March 31, 2017			As at April 01, 2016		
		Indian GAAP	Adjustments	Ind AS	Indian GAAP	Adjustments	Ind AS
ASSETS							
Non - Current Assets							
Property, Plant & Equipment		437,414,640	-	437,414,640	493,695,503	-	493,695,503
Capital Work - In - Progress		2,682,275	-	2,682,275	3,646,851	-	3,646,851
Other Intangible Assets		1,023,632	-	1,023,632	1,079,876	-	1,079,876
Other Non Current Assets		15,597,460	-	15,597,460	2,083,089	-	2,083,089
Total Non - Current Assets		456,718,006	-	456,718,006	500,505,319	-	500,505,319
Current Assets							
Inventories		149,184,823	-	149,184,823	173,843,254	-	173,843,254
Financial Assets							
Trade Receivables	1	482,049,011	(3,345,365)	478,703,646	324,866,842	(336,008)	324,530,834
Cash & Cash Equivalents		1,929,884	-	1,929,884	1,185,819	-	1,185,819
Bank Balance other than above		26,698,029	-	26,698,029	23,898,359	-	23,898,359
Other Financial Assets		683,736	-	683,736	1,827,926	-	1,827,926
Other Current Assets	2	133,056,923	(6,731,730)	126,325,193	92,348,000	(8,025,246)	84,322,754
Total Current Assets		793,602,406	(10,077,095)	783,525,311	617,970,200	(8,361,254)	609,608,947
TOTAL ASSETS		1,250,320,413	(10,077,095)	1,240,243,318	1,118,475,519	(8,361,254)	1,110,114,265
EQUITY AND LIABILITIES							
Equity							
Equity Share Capital		124,500,000	-	124,500,000	124,500,000	-	124,500,000
Other Equity		139,837,316	30,893,748	170,731,065	120,586,578	25,004,831	145,591,409
Total Equity		264,337,316	30,893,748	295,231,065	245,086,578	25,004,831	270,091,409
Liabilities							
Non - Current Liabilities							
Financial Liabilities							
Borrowings	3	251,949,038	(32,652,450)	219,296,588	317,564,839	(28,175,693)	289,389,146
Provisions	4	-	285,986	285,986	-	14,868	14,868
Deferred Tax Liabilities (Net)	5	36,772,952	2,549,716	39,322,668	40,910,833	2,547,498	43,458,331
Other Non - Current Liabilities		15,000,000	-	15,000,000	17,500,000	-	17,500,000
Total Non - Current Liabilities		303,721,990	(29,816,748)	273,905,242	375,975,672	(25,613,327)	350,362,346
Current Liabilities							
Financial Liabilities							
(i) Borrowings		307,191,591	-	307,191,591	302,720,665	-	302,720,665
(ii) Trade Payables		76,893,920	-	76,893,920	48,161,685	-	48,161,685
(iii) Other Financial Liabilities		98,712,332	(11,154,095)	87,558,237	55,728,899	(7,752,758)	47,976,141
Other Current Liabilities		187,700,346	-	187,700,346	86,713,830	-	86,713,830
Provisions		1,589,257	-	1,589,257	1,548,786	-	1,548,786
Current Tax Liabilities (Net)		10,173,660	-	10,173,660	2,539,403	-	2,539,403
Total Current Liabilities		682,261,106	(11,154,095)	671,107,011	497,413,268	(7,752,758)	489,660,510
Liabilities associated with groups of assets held							
Total Liabilities		985,983,096	(40,970,844)	945,012,253	873,388,940	(33,366,085)	840,022,856
TOTAL EQUITY AND LIABILITIES		1,250,320,413	(10,077,095)	1,240,243,318	1,118,475,519	(8,361,254)	1,110,114,265

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NOTE 32(iii): RECONCILIATION OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note. No.	For the year ended March 31, 2017		
		Indian GAAP	Adjustment	Ind AS
Income				
Revenue from Operations		1,207,753,983	2,511,806	1,210,265,789
Other Income		46,209,505	-	46,209,505
Total Income		1,253,963,488	2,511,806	1,256,475,294
Expenses				
Excise Duty on Sale of Goods		-	2,511,806	2,511,806
Cost of Material Consumed		584,281,082	-	584,281,082
Purchase of Stock In Trade		189,269,548	-	189,269,548
Changes in Inventories of				
Finished Goods / Stock in Trade		(41,176,350)	-	(41,176,350)
Employee Benefit Expenses	4	45,982,175	268,842	46,251,017
Finance Cost	2, 3	90,251,732	(9,171,611)	81,080,120
Depreciation and Amortization		67,149,939	-	67,149,939
Other Expenses	1	288,507,267	3,009,357	291,516,625
Total Expenses		1,224,265,393	(3,381,606)	1,220,883,787
Profit Before Tax		29,698,094	5,893,412	35,591,506
Tax Expenses				
Current Tax		14,038,077	-	14,038,077
Deferred Tax - MAT Credit Entitlement	5	(4,137,881)	3,006	(4,134,876)
(Excess) / Short Provision of Earlier Years		547,161	-	547,161
Profit After Tax		19,250,738	5,890,406	25,141,144
Other Comprehensive Income not to be reclassified to Profit & Loss in subsequent years				
Re-measurement of Gains / (Losses) on Defined Benefit Plans (Net of Tax)	4	(0)	(1,488)	(1,488)
Total Other Comprehensive				
Income for the year		(0)	(1,488)	(1,488)
Total Comprehensive Income for the year		19,250,737	5,888,918	25,139,656

NOTE 32 (iv): NOTES TO RECONCILIATION OF EQUITY AS AT APRIL 01, 2016 AND MARCH 31, 2017 AND PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2017

1 Expected Credit Loss Allowance

Under previous GAAP, the group had recognised provision on trade receivables based on the expectation of the company. Under Ind AS, the group provides loss allowance on receivables based on Expected Credit Loss (ECL) model which is measured following the "Simplified Approach" at an amount equal to the lifetime ECL at each reporting date. Consequently, trade receivable have been reduced with a corresponding decrease in retained earnings on the date of transition and there has been an incremental provision for the year ended 31st March, 2017

2 Premium on Forward contracts and Deferred Tax Effects

The premium paid on forward contracts is recognised as an expense in Statement of Profit and Loss in the year of acquisition of the contract which was amortised over the period of contract under Indian GAAP. Accordingly, unamortized premium on Forward Contracts has been charged off to Statement of Profit and Loss.

Further, as required under Ind AS 109 "Financial Instruments", Forward Contracts outstanding as at the year end have been fair valued.

Deferred Tax Asset / (Liability) arising on above adjustments have been recognized.

3 Borrowings**i. Transaction Cost**

Under previous GAAP, transaction costs incurred in connection with the borrowings were charged to profit and loss or capitalised to qualifying as the case may be. Under Ind AS, transaction costs are deducted from the initial recognition amount of financial liability and charged to statement of profit and loss over the tenure of the borrowings using effective interest rate method.

ii. Initial Measurement

Under previous GAAP, borrowings and other financial liabilities were recognised at historical cost / transaction value. Under Ind AS financial liabilities are measured at fair value at the inception less any transaction costs directly attributable to the issue of the liability which is not a FVPTL. The difference in transaction value and fair value, if any, is recognised in the profit and loss account (commonly referred to as day one gain / (loss)). Accordingly the company has measured all its financial liabilities at fair value on initial recognition and day one gain / (loss) has been recognised in retained earnings.

After initial measurement the Company measures the financial liabilities at amortised cost or fair value based on their classification criteria. Subsequently financial expense on the financial liability measured at amortised cost is recognised by way of Effective Interest Rate method.

4 Remeasurement of Defined Benefit Employee Plans

Under previous GAAP company measured the defined benefit obligations internally. On adoption of Ind AS the company has obtained actuarial valuation for its defined benefit obligation. The difference defined benefit obligation as per actuarial valuation under Ind AS 19 and as measured under previous GAAP is recognised under retained earnings on transition to Ind AS. Consequently, provisions for employee benefit has been reduced with a corresponding increase in retained earnings on the date of transition and there has been further reduction in provision in the year ended 31st March, 2017.

Further under previous GAAP the company actuarial gains and losses in the statement of profit and loss in the period in which they occur. Under Ind AS, the company recognised all measurement gains and losses arising from defined benefit plans in Other Comprehensive Income in the period in which they occur.

5 Other Comprehensive Income

Under Ind AS, all actuarial gains and losses on employee benefits are recognised in Other Comprehensive Income (OCI) instead of Statement of Profit & Loss as required under Indian GAAP.

6 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. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

7 Other adjustments

Assets and Liabilities as well as items of Income and Expenses have been regrouped / re-classified wherever necessary to align with the provisions of Ind AS.

8 Reconciliation of Equity

The impact of the above Ind AS adjustment on the Equity is as below

Particulars	Note	As at March 31, 2017	As at April 1, 2016
Indian GAAP Equity		264,337,315	245,086,578
Impairment (Mainly based on expected credit loss)	1	(3,345,365)	(336,008)
Fair Valuation of Forward Contract as per Ind AS 109	2	4,422,365	(272,488)
Measurement of Financial Liabilities at amortised cost as per EIR Method	3	32,652,450	28,175,693
Re-Measurement of net defined (liability) / asset recognised in P&L	4	(283,710)	(14,868)
Tax Adjustments on above	6	(2,551,992)	(2,547,498)
Net Impact on Retained Earnings		30,893,748	25,004,831
Ind AS Equity		295,231,063	270,091,409

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NOTE 33: CONTINGENT LIABILITIES AND COMMITMENTS

1 Letter of Credit, Bank Guarantees and Bill Discounting

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Performance Guarantees	20,586,300	20,586,300	20,586,300
Total	20,586,300	20,586,300	20,586,300

2 Disputed Liabilities on account of Sales Tax, Entry Tax, Excise Duty and Service Tax as at March 31, 2018

Statute	Financial Year to which matter pertains	Forum where matter is pending	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Sales tax	F.Y 2005-06	GVAT Tribunal Ahmedabad	5,228,792.00	5,228,792.00	5,228,792.00
Sales tax	F.Y 2008-09	Appeal Asst Commissioner vadodra	-	180,875.00	180,875.00
Sales tax Interest	F.Y 2008-09	Appeal Asst Commissioner vadodra	-	1,876,870.00	1,876,870.00
TOTAL			5,228,792.00	7,286,537.00	7,286,537.00

Notes :-

- (i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/authorities
- (ii) The Company does not expect any reimbursements in respect of the above contingent liabilities
- (iii) The Group's pending litigations comprise of proceedings pending with Sales tax/VAT. The Management has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Management does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

NOTE 34: EARNINGS PER SHARE

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit for the year as per Statement of Profit & Loss	1,244,305	25,139,655.57
Weighted Average No. of Equity Shares for of Face Value ` 10 each	12,450,000	12,450,000.00
Earnings Per Share - Basic & Diluted	0.10	2.02

NOTE 35: CAPITAL MANAGEMENT

The Company's objective for Capital Management is to maximise shareholder value, safeguard business continuity, and support the growth of the Company. Capital includes, Equity Capital, Securities Premium and other reserves and surplus attributable to the equity shareholders of the Company. The Company determines the capital requirement based on annual operating plans and long term and strategic investment and capital expenditure plans. The funding requirements are met through a mix of equity, operating cash flows generated and debt. The operating management, supervised by the Board of Directors of the Company regularly monitors its key gearing ratios and other financials parameters and takes corrective actions wherever necessary. The relevant quantitative information on the aforesaid parameters are disclosed in these financial statements.

Particulars	Year ended	Year ended
	March 31, 2018	March 31, 2017
Total interest bearing financial liabilities	604,607,702	580,255,065
Less : Cash and Cash Equivalents	336,225	1,929,884
Adjusted Net Debt	604,271,477	578,325,181
Total Equity	296,475,370	295,231,065
Adjusted Equity	296,475,370	295,231,065
Adjusted Net Debt to adjusted Equity Ratio	2.04	1.96

NOTE 36: FINANCIAL RISK MANAGEMENT & POLICIES

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the managing board. The details of different types of risk and management policy to address these risks are listed below:

(a) Market Risk:-

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings. The market risk to which the Company is exposed can be classified as Interest Rate Risk, Price Risk and Currency Risk

(a) (i) Market Risk - Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates primarily to the Company's borrowings, both short term and long term obligations with floating interest rates.

The company is also exposed to interest rate risk on its financial assets that include fixed deposits (which are part of cash and cash equivalents) since all these are generally for short durations, there is no significant interest rate risks pertaining to these deposits.

Exposure to interest rate risk

Particulars	As at March 31, 2018	As at March 31, 2017
Variable-rate instruments		
Non-Current Borrowings	147,138,831	151,332,350
Current Portion of Long Term Borrowings	67,185,093	43,122,805
Total	214,323,924	194,455,155

Sensitivity analysis to interest rate risk

A reasonably possibly change of 100 basis points in interest rates at the reporting date would have increased / (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remains constant

Particulars	Profit or Loss		Equity, Net of Taxes	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31st March 2018				
Non-Current Borrowings	(1,471,388)	1,471,388	(486,485)	486,485
Current Portion of Long Term Borrowings	(671,851)	671,851	(222,134)	222,134
Total	(2,143,239)	2,143,239	(708,619)	708,619
31st March 2017				
Non-Current Borrowings	(1,513,324)	1,513,324	(500,350)	500,350
Current Portion of Long Term Borrowings	(431,228)	431,228	(142,577)	142,577
Total	(1,944,552)	1,944,552	(642,927)	642,927

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(a) (ii) Market Risk - Price Risk

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security against guarantee issued by bank to company's trade payables. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

(a) (iii) Market Risk - Currency Risk

The fluctuation in foreign currency exchange rates may have a potential impact on the statement of profit and loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The company is exposed to currency risk on account of its borrowings in foreign currency. The functional currency of the company is Indian Rupees. The company uses forward exchange contracts to hedge its currency risk, most with a maturity of less than over year from the reporting date. The company does not use derivative financial instruments for trading or speculative purposes.

Category	Instrument	Currency	Buy/Sell	Foreign Currency	Indian Rupee
Hedges of highly probable forecasted transactions	Forward Contract	USD	Buy	4,108,900	274,044,578

Exposure to Currency risk

The summary quantitative data about the Company's exposure to currency risk are reported to management of the company are as follows:

Particulars	Amount in Foreign Currency			
	Foreign Currency	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Financial Liabilities				
Non-Current Borrowings	USD	4,130,237	7,020,992	4,179,322
Less : Forward contract for buying of foreign currency	USD	4,108,900	6,992,100	4,162,100
Total		21,337	28,892	17,222

Sensitivity analysis to currency risk

Foreign Currency	Amount in INR			
	Impact on Profit or Loss			
	As at March 31, 2018		As at March 31, 2017	
	3% increase	3% Decrease	3% increase	3% Decrease
USD	(41,718)	41,718	(55,733)	55,733
Total	(41,718)	41,718	(55,733)	55,733

(b) Credit Risk

Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of Financial Assets represents the maximum credit exposure

Trade Receivables

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, industry information, business intelligence and in some cases bank references.

Trade Receivables of the Company are typically unsecured, except to the extent of the security deposits received from the customers or financial guarantees provided by the market organizers in the business. Credit Risk is managed through credit approvals and periodic monitoring of the creditworthiness of customers to which the Company grants credit terms in the normal course of

business. The Company performs ongoing credit evaluations of its customers' financial condition and monitors the creditworthiness of its customers to which it grants credit terms in the normal course of business. The Company has no concentration of Credit Risk as the customer base is geographically distributed in India.

Expected credit loss for trade receivable:

The allowance for impairment of Trade receivables is created to the extent and as and when required, based upon the expected collectability of accounts receivables. On account of adoption of Ind AS 109, the Company uses lifetime Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, the Company uses a provision matrix to compute the expected credit loss amount for trade receivables. Loss rates are based on actual credit loss experience and past trends. The provision matrix takes into account external and internal credit risk factors and historical experience / current facts available in relation to defaults and delays in collection thereof. The movement of the expected loss provision (allowance for bad and doubtful loans and receivables etc.) made by the company are as under:

Particulars	As at March 31, 2018	As at March 31, 2017
Opening balance of expected loss provision	3,345,365	336,008
Add : Provisions made (net)	686,568	3,009,357
Closing balance	4,031,933	3,345,365

Other Financial Assets

The company maintains its Cash and Cash equivalents and Bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

Expected credit loss on financial assets other than trade receivable:

With regards to all financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from whom these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for expected credit loss has been provided on such financial assets. Break up of financial assets other than trade receivables have been disclosed on balance sheet.

The Company's maximum exposure to credit risk as at 31st March, 2018, 2017 and 1st April, 2016 is the carrying value of each class of financial assets.

(c) Liquidity Risk

Liquidity Risk is the risk that the Company will face in meeting its obligation associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach in managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Any short term surplus cash generated, over and above the amount required for working capital and other operational requirements is retained as Cash and Cash Equivalents (to the extent required).

Exposure to Liquidity Risk

The following table shows the maturity analysis of the Company's Financial Liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet Date.

Shree Rajeshwaranand Paper Mills Limited

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months	Less than 12 months	More than 12 months
Term loans from banks, financial institutions and ICD (including accrued interest)	83,126,454	222,989,297	54,614,910	219,296,588	39,745,828	289,389,146
Working Capital Loans from Banks	324,809,355	-	307,191,591	-	302,720,665	-
Trade Payables	92,960,875	-	76,893,920	-	48,161,685	-
Interest accrued but not due	11,584,168	-	11,466,161	-	5,791,064	-
Forward Exchange Contracts payable	1,679,160	-	21,477,165	-	2,439,248	-
Total	514,160,012	222,989,297	471,643,746	219,296,588	398,858,490	289,389,146

(d) Collateral

The Company has pledged its Non-Current as well as Current Assets to a consortium of lenders as collateral towards borrowings by the Company. Refer Note No. 14 and Refer Note No. 18 for the detailed terms and conditions of the collaterals pledged.

NOTE 37: FINANCIAL INSTRUMENTS : CLASSIFICATION AND FAIR VALUE MEASUREMENT

(a) Financial Assets and Liabilities

The carrying value of financial instruments by categories as at March 31, 2018 is as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Financial Assets			
<u>Amortised Cost</u>			
Trade Receivables	461,414,076	478,703,646	324,530,834
Cash & Cash Equivalents	336,225	1,929,884	1,185,819
Other Bank Balances	22,057,491	26,698,029	23,898,359
Total	<u>483,807,792</u>	<u>507,331,559</u>	<u>349,615,013</u>
Financial Liabilities			
<u>Derivative Instruments</u>			
Forward Contract Payable	1,679,160	21,477,165	2,439,248
<u>Amortised Cost</u>			
Borrowings	546,119,492	505,011,014	589,670,563
Trade Payable	92,960,875	76,893,920	48,161,685
Other Financial Liabilities	96,389,782	87,558,237	47,976,141
Total	<u>737,149,310</u>	<u>690,940,336</u>	<u>688,247,637</u>

Carrying amounts of Loans, Trade Receivables, Cash and Cash Equivalents, Other Bank Balances, Other Financial Assets, Borrowings, Trade Payables and Other Financial Liabilities as at 31st March, 2018, 31st March, 2017 and 01st April, 2016 approximate the fair value because of the short term nature.

(b) Fair Value Hierarchy

The Fair Value Hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs are other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly or indirectly.

Level 3 - Inputs are not based on observable market data (unobservable inputs).

The Financial Instruments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market.

For Liabilities which are measured at Fair Values as at the Balance Sheet date, the classification of fair value calculations by category is summarized below:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Financial Liability			
<u>Level 2</u>			
Borrowings	56,073,526	52,648,641	58,739,402
Derivative Financial Liability	1,679,160	21,477,165	2,439,248
Total	57,752,686	74,125,806	61,178,650

NOTE 38: EMPLOYEE BENEFITS

(a) Retirement Benefits

As per Ind AS 19 the Company has recognized "Employees Benefits", in the financial statements in respect of Employee Benefits Schemes as per Actuarial Valuation as on 31st March 2018

(A) Defined benefit plans

I Components of Employer Expenses

Particulars	Gratuity		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current Service Cost	673,053	725,550	708,627
Interest Cost	414,796	348,761	-
Expected Return on Plan Assets	(383,826)	(348,688)	(321,583)
Actuarial (Gain)/Loss	(617,098)	2,276	4,343,948
Total Expenses/(Gain) recognized in the Profit & Loss A/c	86,925	727,899	4,730,992

II Net Asset/ (Liability) recognized in Balance Sheet

Present value of Funded Obligation	5,349,896	5,386,964	4,712,985
Fair Value of Plan Assets	5,252,520	5,100,978	4,698,117
Assets/(Liability) recognized in the Balance Sheet	97,376	285,986	14,868

III Change in Defined Benefit Obligations (DBO)

Opening Balance of Present Value of Obligation	5,386,964	4,712,985	-
Current Service Cost	673,053	725,550	708,627
Interest Cost	414,796	348,761	-
Benefit Paid	(507,979)	(429,014)	(373,711)
Actuarial (Gain)/Loss	(616,938)	28,682	4,378,069
Closing Balance of Present Value of Obligation	5,349,896	5,386,964	4,712,985

IV Changes in the Fair Value of Plan Assets

Opening Balance of Present Value of Obligation	5,100,978	4,698,117	4,010,402
Expected Return on Plan Assets	383,826	348,688	321,583
Contribution by Employer	275,535	456,781	705,722
Benefit Paid	(507,979)	(429,014)	(373,711)
Actuarial Gain/(Loss)	160	26,406	34,121
Fair Value of Plan Assets as at 31st March	5,252,520	5,100,978	4,698,117

V Acturaial Assumption

Discount Rate (Per Annum)	7.7%	7.4%	7.7%
Expected Rate of Return on Assets Per Annum			
Annual Increase in Salary Costs Per Annum	6.5%	6.5%	6.5%
Attrition Rate	5% TO 1%	5% TO 1%	5% TO 1%

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.

Shree Rajeshwaranand Paper Mills Limited

Particulars	Gratuity			
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016	
VI Major Categories of plan assets as a percentage of total plan assets				
Government of India Securities	-	-	-	
High Quality Corporate Bonds	-	-	-	
Equity Shares of listed companies	-	-	-	
Property	-	-	-	
Insurance Company	100%	100%	100%	
VII Movement in net liability recognized in Balance Sheet				
Net Opening Liability	285,986	14,868	(4,010,402)	
P & L Charges	86,925	727,899	4,730,992	
Contribution paid	(275,535)	(456,781)	(705,722)	
Closing Net Liability	97,376	285,986	14,868	
VIII Gratuity - Sensitivity Analysis				
Particulars	Gratuity			
	As at March 31, 2018		As at March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount Rate (1% movement)	4,988,313	5,773,469	4,989,185	5,854,337
Salary Growth Rate (1% movement)	5,774,323	4,981,346	5,853,865	4,982,576
Withdrawal Rate (1.0% movement)	5,367,494	5,331,085	5,401,347	5,371,579

(B) Defined Contribution Plans

Amount recognised as expenses on account of "Contribution / Provision to and for Provident and other Funds" of Statement of Profit and Loss - ₹ 23,22,488/- (Previous year ₹ 24,95,796/-)

NOTE 39: RELATED PARTY

List of Related Parties :	Particulars
Key Managerial Personnel	1) Prakash R. Vora
	2) Udayan D. Velvan
	3) Karunashankar Vora
Enterprise in which key managerial personnel, and their relatives have significant influence	1) Kankavati Investment Pvt. Ltd.
Relative of key managerial personnel.	1) Hemali Vora
	2) Shripal Vora
	3) Sonal Velvan
	4) Parth Velvan

Transaction for the year ended 31st March 2018

S. N.	Particulars	Subsidiaries / Associates	Enterprise in which management personnel and relatives have significant influence	Key Management personnel & their relative	Total
1	Loan Received	-	-	4,950,000	4,950,000
		-	-	-	-
2	Loan Repaid	-	-	14,400,000	14,400,000
		-	-	(24,300,000)	(24,300,000)
3	Loan Received Outstanding	-	-	7,550,000	7,550,000
		-	-	(17,000,000)	(17,000,000)
4	Interest paid on Loan	-	-	-	-
		-	-	(1,780,751)	(1,780,751)
5	Interest Payable	-	-	270,000	270,000
		-	-	1,602,676	1,602,676
	Salary & Directors Remuneration Payable	-	-	305,841	305,841
		-	-	542,070	542,070
6	Salary	-	-	6,841,552	6,841,552
		-	-	(6,841,634)	(6,841,634)
7	Director Remuneration	-	-	3,000,000	3,000,000
		-	-	(3,000,000)	(3,000,000)

Note: Related Parties Relationship is as identified by the company and relied upon by the auditors. Figures in the brackets represent previous year figures.

NOTE 40: SEGMENT REPORTING**1 Information about Primary segment (by business segment)****Manufacturing of Paper****Manufacturing of Tools****Trading**

The Company's business segments are organized around product lines which have been identified taking into account the nature of products, the different risks and returns the organizational structure and internal reporting systems. Segment revenue, segment results, segment assets and segment liabilities include the respective amount identifiable to each of the segment as also the amount allocated on reasonable basis. The incomes which are not directly relatable to the business segment are shown as unallocable income.

Shree Rajeshwaranand Paper Mills Limited

BUSINESS SEGMENT

PARTICULARS		Newsprint Paper	Tools	Trading	Total
Segment Revenue	CY	896,146,133	112,738,385	114,691,949	1,123,576,468
	PY	877,638,861	165,063,561	167,563,367	1,210,265,789
Segment Expenses	CY	856,179,906	146,117,226	116,080,782	1,118,377,915
	PY	863,648,322	188,602,744	168,632,721	1,220,883,787
Segment Results Before & Unallocable Income	CY	39,966,227	(33,378,841)	(1,388,833)	5,198,553
	PY	13,990,538	(23,539,183)	(1,069,354)	(10,617,999)
Add:Unallocable Income	CY				1,371,577
	PY				46,209,505
Profit Before Tax	CY				6,570,130
	PY				35,591,506
Taxes	CY				5,736,911
	PY				10,450,362
Profit After Tax	CY				833,219
	PY				25,141,144

OTHER INFORMATION:

Segment Assets	CY	976,066,349	130,015,265	109,645,440	1,215,727,054
	PY	936,453,990	174,778,512	129,010,815	1,240,243,318
Segment Liabilities	CY	976,066,349	130,015,265	109,645,440	1,215,727,054
	PY	936,453,990	174,778,512	129,010,815	1,240,243,318
Capital Expenditure	CY	18,668,337	33,254,173	-	51,922,510
	PY	5,571,156	4,630,305	-	10,201,461
Depreciation	CY	54,025,104	14,788,118	-	68,813,222
	PY	53,494,085	13,655,854	-	67,149,939

NOTE 41: The balances of Trade Receivables, Trade Payables, Deposits, Loans & Advances received or given, are subject to confirmation & subsequent reconciliation. Management is confident of receiving all the sums due. The provisions for all known liabilities and for depreciation is adequate and not in excess of the amounts reasonably necessary.

NOTE 42: In the opinion of the board the current assets, loans and advances are approximately of the values stated in the Balance Sheet, realized in the ordinary course of business.

CORPORATE INFORMATION **1**

SIGNIFICANT ACCOUNTING POLICIES **2**

The accompanying notes are an integral part of these financial statements **3-42**

As per our report attached of even date

For Kanak Rathod & Co.

Chartered Accountants

Firm Reg. No.104700W

KANAK RATHOD

Proprietor

Membership No. 032833

Place : Mumbai

Date : 30th May, 2018

For Shree Rajeshwaranand Paper Mills Ltd.

Prakash R. Vora
Managing Director
DIN : 00612357

Udayan D. Velvan
Executive Director
DIN : 01876652

Karunashankar Vora
Chief Financial Officer

Place : Jhagadia

Date : 30th May, 2018

SHREE RAJESHWARANAND PAPER MILLS LIMITED**[CIN: L21093GJ1991PLC057244]**

Registered Office: Village: Govali, Bharuch – Jhagadia Road,

Tal: Jhagadia, Dist: Bharuch, Gujarat- 393 001

FORM MGT-11

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

Name of the member (s):	
Registered Address:	
Email Id:	
Folio No./ DPID-Client ID:	

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

1. Name:.....

Address:.....

Email Id: Signature: or failing him

2. Name:.....

Address:.....

Email Id: Signature:

as my/ our proxy to attend and vote for me as me/us and on my/ our behalf at the 27th Annual General Meeting of the Company, to be held on Saturday, the 22nd September, 2018 at 1.00 p.m. at the Registered Office of the Company at Village: Govali, Bharuch – Jhagadia Road, Tal: Jhagadia, Dist: Bharuch, Gujarat – 393 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional	
		For	Against
Ordinary Business			
1	Ordinary Resolution for adoption of the Audited Financial Statements of the Company for the financial year ended 31 st March, 2018, the reports of the Board of Directors and Auditors thereon.		
2	Ordinary Resolution for re-appointment of Mr. Prakash R. Vora, liable to retire by rotation and being eligible, offers himself for re-appointment.		
Special Business			
3	Ordinary Resolution for consideration of Remuneration payable to Cost Auditors pursuant to Section 148 of the Companies Act, 2013.		
4	Special Resolution for re-appointment of Mr. Prakash R. Vora as Managing Director of the Company		
5	Special Resolution for re-appointment of Mr. Udayan D. Velvan as Executive Director of the Company		
6	Special Resolution for authorising the Board of Directors under Section 186 of the Companies Act, 2013.		

Signed this day of 2018

Signature of Shareholder

Signature of Proxyholder (1).....(2).....

Affix Revenue Stamp here

Note: 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.

AGM VENUE MAP - 2018



SHREE RAJESHWARANAND PAPER MILLS LIMITED**[CIN: L21093GJ1991PLC057244]**

Registered Office: Village: Govali, Bharuch – Jhagadia Road,

Tal: Jhagadia, Dist: Bharuch, Gujarat- 393 001

FORM MGT-12

ATTENDANCE FORM / BALLOT FORM**(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/THROUGH PROXY AT THE MEETING AND HAVE NOT OPTED FOR E-VOTING)**

1	Name and Address of the Sole/ First named Shareholder	
2	Name(s) of the Joint Holder(s) (if any)	
3	Registered Folio No./ DPID-Client ID	
4	Number of Shares(s) held	
5	I/We hereby exercise my/our attendance at the meeting and vote(s) in respect of the resolutions set out in the Notice of 27 th Annual General Meeting (AGM) of the Company held on Saturday, the 22 nd September, 2018, by placing the tick (✓) mark at the appropriate box below:	

Resolution No.	Resolutions	No. of Shares	(FOR) I/We assent to the resolution	(AGAINST) I/We dissent the resolution
	Ordinary Business			
1	Ordinary Resolution for adoption of the Audited Financial Statements of the Company for the financial year ended 31 st March, 2018, the reports of the Board of Directors and Auditors thereon.			
2	Ordinary Resolution for re-appointment of Mr. Prakash R. Vora, liable to retire by rotation and being eligible, offers himself for re-appointment.			
	Special Business			
3	Ordinary Resolution for consideration of Remuneration payable to Cost Auditors pursuant to Section 148 of the Companies Act, 2013.			
4	Special Resolution for re-appointment of Mr. Prakash R. Vora as Managing Director of the Company			
5	Special Resolution for re-appointment of Mr. Udayan D. Velvan as Executive Director of the Company			
6	Special Resolution for authorising the Board of Directors under Section 186 of the Companies Act, 2013.			

Place:

Date:

(Signature of the Shareholder/Proxy)

Note: This Form is to be used for exercising attendance / voting at the time of 27th Annual General Meeting to be held on Saturday, the 22nd September, 2018 by shareholders/proxy. Duly filled in and signed form should be dropped in the Ballot box kept at the venue of AGM.

If undelivered, please return to

Shree Rajeshwaranand Paper Mills Limited

Registered Office:

Village : Govali, Bharuch - Jhagadia Road,
Tal : Jhagadia, Dist : Bharuch,
Gujarat - 393 001