

ELLORA PAPER MILLS LIMITED

37th ANNUAL REPORT

2011-12

ELLORA PAPER MILLS LIMITED

37th Annual Report 2011-12

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

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

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

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

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



Nagpur Office:
379, Pt. Jawaharlal Nehru Marg,
Sitabuldi, Nagpur 440012.
Ph.: 0712 2550496, 2550497.
Fax: 0712 2550498.
Email: ellora_ngp@sanchamet.in,
ellorapaper@elh.net

NOTICE

NOTICE is hereby given that the 37th Annual General Meeting of the Members of Ellora Paper Mills Limited will be held on Saturday, 29th September 2012, at 3:00 P.M. at the Registered Office of the company at 379, Pandit Jawaharlal Nehru Marg, Ashoka Vault Building, Sitabuldi, Nagpur – 440 012 to transact the following businesses:

ORDINARY BUSINESS:



- 1) To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2012, the statement of Profit and Loss for the year ended on that date and the reports of the Auditors and Directors thereon.
- 2) To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to provisions of Section 224 of the Companies Act, 1956, M/s. Bhattad Rathi & Co., Chartered Accountants, Nagpur be and is hereby appointed as Statutory Auditor of the Company to hold the office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting on a remuneration as may be agreed upon between the Board of Directors and Auditors."

- 3) Shri Sunil Goenka, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting. He has not opted for the re-appointment as Director and accordingly, not being re-appointed as Director of the Company.

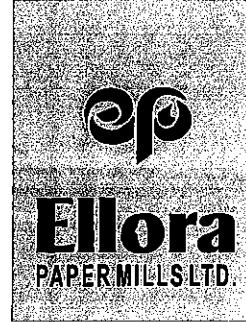
28th May, 2012
Nagpur

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



Sudhir Goenka
Executive Director

NOTES:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. The instrument appointing proxy in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before commencement of the 37th Annual General Meeting of the Company.
- 2) The register of members of the Company will remain closed from 25th September, 2012 to 29th September, 2012 (both days inclusive).
- 3) Corporate members intending to send their authorised representatives to attend the 37th Annual General Meeting are requested to send a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 4) Members are requested to notify immediately the change, if any, in their registered address.
- 5) Members / proxies are requested to bring their attendance slip along with their copy of Annual Report to the Annual General Meeting.



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ellorapaper@eth.net

REPORT OF THE BOARD OF DIRECTOR'S TO THE MEMBERS

To,
The Shareholders of
Ellora Paper Mills Limited

The Directors are pleased to present the 37th Annual Report along with the Audited Balance Sheet of your Company as at 31st March, 2012 and the statement of Profit and Loss for the year ended on that date. The summarized financial results for the year are as follows:

| Particulars | 2011-12 (Rs) | 2010-11 (Rs) |
|--|---------------|---------------|
| Sales/Revenue | 23,78,65,679 | 31,31,36,372 |
| Profit/(Loss) Before Interest, Depreciation, Extraordinary Items and Taxes | (1,18,53,773) | (3,91,02,130) |
| Less: Interest | 32,74,417 | 1,59,43,393 |
| Depreciation | 1,29,17,701 | 1,19,57,938 |
| Profit/(Loss) Before Extraordinary Items and Taxes | (2,80,45,891) | (6,70,03,461) |
| Less: Extraordinary items | - | 78,28,410 |
| Profit/(Loss) Before Tax | (2,80,45,891) | (7,48,31,871) |
| Less : Tax Expenses | | |
| • Current Tax | | |
| • Deferred Tax Expenses/ (Income) | (42,74,073) | (2,30,52,814) |
| Profit/(Loss) after tax for the year | (2,37,71,818) | (5,17,79,057) |
| Add : Excess provision of earlier years written back | | 92,03,808 |
| Profit/(Loss) carried forward to Balance Sheet | (2,37,71,818) | (4,25,75,249) |
| Basis and Diluted EPS (In Rs) | (11.89) | (25.89) |

REVIEW OF OPERATION

During the year under review, the Company posted sales turnover of Rs. 2378.66 lacs as against Rs. 3131.36 lacs during the previous year. The paper plant division carried out its operations at its maximum capacity during the year and as a result, its production has increased by 2,871 MT as compared to previous financial year 2010-2011. However the Rice unit has earned annual turnover of Rs. 78.53 lacs during the year as compared to Rs.1647.04 lacs in the previous year 2010-2011.

FIXED DEPOSITS

The Company has accepted fixed deposits from the public during the year ended on 31st March 2012 and complied with the relevant provisions of the Companies Act, 1956.

SAFETY AND POLLUTION CONTROL

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

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

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

PERSONNEL

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) In the preparation of the accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed.
- (b) Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year under review.
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The annual accounts have been prepared on a going concern basis.

DIRECTORS

Shri Sunil Goenka, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting. He has not opted for the re-appointment as Director and accordingly, not being re-appointed as Director of the Company.

AUDITORS' REPORT

Auditors' Report for the year ended at 31st March, 2012 is attached hereunder which is self explanatory.

APPOINTMENT OF STATUTORY AUDITORS

M/s Bhattad Rathi & Co., Chartered Accountants, Nagpur, Statutory Auditors of the Company retires at the coming Annual General Meeting and has been proposed to be reappointed as Statutory Auditors of Company for the financial year 2012-13 and to hold office of Statutory Auditors till the conclusion of the next Annual General Meeting.

M/s Bhattad Rathi & Co., Chartered Accountants, Nagpur, have confirmed that they are eligible for the appointment and their appointment, if confirmed, shall be within the specified limits as stipulated under Section 224(1B) of the

Companies Act, 1956. The Members are requested to appoint M/s Bhattad Rathi & Co. as the Statutory Auditors of the Company

COST AUDIT

The Cost Audit of the Cost Accounts of the Company for the year ended on 31st March, 2012, is being carried out by M/S G. R. Paliwal & Co, Cost Accountants, Nagpur. They will submit their report on completion of the audit to the Central Government as required under the relevant rules.

LISTING OF SHARES

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

SECRETARIAL COMPLIANCE CERTIFICATE

Pursuant to section 383A of the Companies Act, 1956, a secretarial compliance certificate is furnished as "Annexure B" forming part of this Report.

ACKNOWLEDGEMENTS

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

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

By order of the Board
For ELLORA PAPER MILLS LIMITED


C.P. Goenka
MANAGING DIRECTOR


Sudhir Goenka
EXECUTIVE DIRECTOR

NAGPUR
28th May, 2012

ANNEXURE 'A' TO THE DIRECTORS' REPORT

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

1. CONSERVATION OF ENERGY:

- (a) Energy Conservation Measures taken : and
 (b) Additional investments and proposals for reduction of conservation of energy :

Cogeneration Plant at an estimated cost of Rs. 2.50 Crores had been installed in 2004

- (c) Impact of measures taken at (a) & (b) : Overall savings in the cost of production by at least by Five per cent
 (d) Energy consumption in total and per unit of production in form "A".

FORM - A

Form for disclosure of particulars with respect to conservation of energy

| Particulars | Unit | 2011-12 | 2010-11 |
|--|-------------|------------------|------------------|
| (A) Power and Fuel Consumption | | | |
| 1 Electricity | | | |
| a. Purchase Units | KWH | 6713846 | 2266800 |
| Total Cost | Rs.(In | 377.13 | 118.10 |
| Rate / Unit | lacs) | 5.62 | 5.21 |
| b. Own Generation | Rs./KWH | 289020 | 4173660 |
| | KWH | | |
| 2 Coal | | | |
| (Grade B,C or ROM depending upon availability) | M.T. | 342 | 1648 |
| Quantity | Rs. In lacs | 10.07 | 44.98 |
| Total Cost | Rs./MT | 3013 | 2729 |
| Average Rate | | NIL | NIL |
| 3 Furnace Oil | | | |
| 4 Others/Internal Generation | | | |
| Rice Husk | M.T. | 6178 | 11494 |
| Quantity | Rs. In lacs | 169.51 | 286.99 |
| Total Cost | Rs./MT | 2744 | 2497 |
| Average Rate | | | |
| | Unit | 2011-2012 | 2010-2011 |
| (B) Consumption per unit of production-Paper (M.T.) | | | |
| Particulars | KWH | 879 | 1264 |
| Electricity | M.T. | NIL | NIL |
| Furnace Oil | M.T. | 0.043 | 0.32 |
| Coal | M.T. | 0.78 | 2.26 |
| Rice Husk | | | |

II. TECHNOLOGY ABSORPTION

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

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

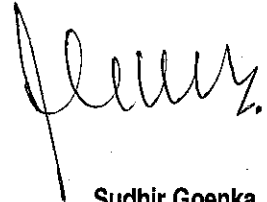
III. FOREIGN EXCHANGE EARNINGS AND OUTGO (Rs.in Lacs)

| | 2011-2012 | 2010-2011 |
|------------------------------|-----------|-----------|
| a. Foreign Exchange Earnings | Nil | 96.96 |
| b. Foreign Exchange Outgo | Nil | 8.12 |

By order of the Board
For ELLORA PAPER MILLS LIMITED



C.P. Goenka
MANAGING DIRECTOR



Sudhir Goenka
EXECUTIVE DIRECTOR

NAGPUR
28th May, 2012

Office : Zal Complex, 2nd Floor, Residency Road, Sadar, Nagpur-1
 Phone : (O) 0712-2520183, (R) 2285594, Cell : 9373113082
 E-mail : nichatnagpur@gmail.com, nichatnagpur@rediffmail.com

Vilas Nichat
 B. Sc., F.C.S.
 Company Secretary

SECRETARIAL COMPLIANCE CERTIFICATE

Registration No. of the Company: 11-019972
 Nominal Capital: Rs. 3,00,00,000/-
 Paid-up Capital: Rs. 1,99,36,750/-

The Members
 ELLORA PAPER MILLS LIMITED
 Nagpur (M.S.)

I have examined the registers, records, books and papers of ELLORA PAPER MILLS LIMITED (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March, 2012 (financial year from 01.04.2011 to 31.03.2012). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company and its officers, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate as per provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies / Central Government / Regional Director / Company Law Board, or other authorities within the time prescribed under the Act, except Form 23 C dated 29.06.2011 regarding application to Central Government for appointment of Cost Auditor in respect of financial year ended 31.03.2011.
3. The Company being a public limited Company, comments regarding number of members are not required. The Company has minimum prescribed paid up capital.
4. The Board of Directors duly met 6 (Six) times respectively on 29.06.2011, 01.09.2011, 15.09.2011, 14.11.2011, 26.11.2011 and 03.03.2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members for the period of five days from 26.09.2011 to 30.09.2011 (both days inclusive) during the financial year and has complied with the requirements of section 154 of the Act.

Nichat

