

ELLORA PAPER MILLS LIMITED



40th ANNUAL REPORT
2014-15

BOARD OF DIRECTORS

Shri Sunilkumar Goenka	:	Chairman & Director
Shri Sudhir Goenka	:	Managing Director
Smt. Kusum Goenka	:	Director
Shri Bandhooram Prasad	:	Director
Shri Virender Kumar Agarwal	:	Independent Director
Shri Pramod Kumar Shah	:	Independent Director
Shri Arun Kataruka	:	Independent Director

STATUTORY AUDITORS

M/s R. S. Bhattad & Associates

Chartered Accountants

Ramdaspath, Nagpur – 440 010 (MS)

SECRETARIAL AUDITOR

M/s SPZ & Associates

A-Wing 202, Kolshet Road, Dhokali Naka,
Cosmos Nest, Thane (W)-400 607 (MS)

REGISTERED OFFICE

379, Pandit Jawaharlal Nehru Marg
Ashoka Vault Building, Sitabuldi
Nagpur – 440 012 (MS)

FACTORY

Village : Dewada Khurd, Post : Tumsar

District : Bhandara, State : Maharashtra

PIN Code : 441 912

REGISTRAR & TRANSFER AGENT

Bigshare Services Private Limited

E-2/3, Ansa Industrial Estate

Sakivihar Road, Sakinaka

Andheri (E), Mumbai – 400 072

NOTICE

NOTICE is hereby given that the 40th Annual General Meeting of the Members of Ellora Paper Mills Limited will be held on Wednesday 30th September, 2015 at 11:00 A.M. at the Registered Office of the company at "379, Pandit Jawaharlal Nehru Marg, Ashoka Vault Building, Sitabuldi, Nagpur – 440 012" to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements for the financial year ended 31st March, 2015, and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Shri Bandhoram Prasad (DIN 06495880), who retires by rotation, and being eligible, offers himself for appointment.
3. To consider and, if thought fit to pass the following resolution as an Ordinary Resolution.

RESOLVED THAT subject to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. R. S. Bhattad & Associates, Chartered Accountants, Nagpur (Firm Registration Number with the Institute of Chartered Accountants of India -0135948W), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting to be held for the financial year 2015-16 on such remuneration as may be determined by the Board of Directors."

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:
Resolved that Shri. Sunil kumar Goenka (DIN: 01781965) who was appointed as an additional director of the Company with effect from 12/05/2015 pursuant to Section 161 of the Companies Act, 2013 ("the Act") and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of the Director of the Company, be and is hereby elected and appointed as director of the Company who shall be liable to retire by rotation."

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

08.09.2015, Nagpur

Sd/-
Sudhir Goenka
Managing Director
DIN-01781894

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the Meeting.
2. Proxy shall not have the right to speak and shall not be entitled to vote except on a poll.
3. A proxy can act on behalf of such number of member or members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company. Provided that 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 proxy for any other person or shareholder.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 28th September, 2015 to Wednesday, 30th September, 2015 (both days inclusive)
5. All the correspondence pertaining to shareholding, transfer of shares, transmission etc. should be lodged at the Company's Share Registrar and Transfer Agent : to our Share Transfer Agent, M/s Bigshare Services Private Limited having office at E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai-400072.
6. Members are requested to immediately inform about their change of address, change of e-mail address or consolidation of folios, if any, to the Company's Share Registrar and Transfer Agent.
7. Securities and Exchange Board of India (SEBI) vide circular ref. no. CIR/CFD/DIL/7/2011 dated October 5, 2011 and consequent changes in Clause 32 of the Equity Listing Agreement and the Companies Act, 2013 allows that Companies can send full Annual Reports in electronic mode to its Members who have registered their e-mail addresses for the purpose. Those shareholders who have not got their email address registered or wish to update a fresh email address may do so by submitting the attached E-mail Registration-Cum Consent Form to the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.
8. As part of the Green Initiative circulars issued by the Ministry of Corporate Affairs, the Notice and Annual Report of the Company is being sent to the shareholders at their respective e-mail addresses registered with the Company. However, shareholders requiring a physical copy of the Annual Report and Notice may write to the Company. The Annual Report along with the Notice of the Annual General Meeting is available on the website of the Company i.e. <http://www.ellorapaper.com>
9. The physical copies of the Annual Reports will be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting.
10. The shareholders who wish to nominate, any person to whom his securities shall vest in the event of his death may do so by submitting the attached nomination Form to the Company or the Registrar and Transfer Agent of the Company. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee, by the holder of securities who has made the nomination, by giving a notice of such cancellation or variation.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 2 & 4

Shri Bandhooram Prasad (DIN 06495880) who retires by rotation, and being eligible, offers himself for reappointment as director in terms of section 160 of the Companies Act 2013. The Board has also formed an opinion that he is persons of integrity and possess the relevant expertise and experience and he shall be liable to retire by rotation.

The Board of Directors appointed Mr. Sunil Kumar Goenka (DIN-01781965) as an additional director pursuant to Section 161 of the Companies Act, 2013. He holds office till conclusion of this Annual General Meeting. He has been proposed as candidature for the office of the Director of the Company by member of the Company in terms of section 160 of the Companies Act 2013. The Board recommends the appointment of Mr. Sunil Kumar Goenka as the Director of the Company. The Board has also formed an opinion that he is persons of integrity and possesses the relevant expertise and experience and he shall be liable to retire by rotation.

Appointment of Shri Bandhooram Prasad and Shri Sunil Kumar Goenka would be immense benefit to the Company and recommends the resolutions as set out in items 2 to 4 in the notice to be approved by the shareholders, by way of Ordinary Resolution.

None of the Directors or Key Managerial Persons and/or their relatives except Shri Bandhooram Prasad and Shri Sunil Kumar Goenka has any concern or interest, financial or otherwise, in these resolutions.

REPORT OF THE BOARD OF DIRECTORS TO THE MEMBERS OF ELLORA PAPER MILLS LIMITED

1. Presentation

Your directors have pleasure in presenting the 40th Annual Report together with the Audited Accounts for the year ended on 31st March, 2015.

2. Financial Results

The financial results of the operation for the year under review are as follows:

(Rs. In Lakh₹)

Particulars	2014-15	2013-14
Sales	2621.05	2051.10
Profit before exceptional and extraordinary items and tax	(32.04)	(76.60)
Less Exceptional Items		-
Profit before extraordinary items and tax	(32.04)	(76.60)
Less Extraordinary items		-
Profit/(Loss) Before Tax	(32.04)	(76.60)
Less : Tax Expenses		
Current Tax	--	--
Deferred Tax Expenses/ (Income)	12.23	24.85
Profit/(Loss) after tax for the year	(19.81)	(51.74)
Profit/(Loss) carried forward to Balance Sheet	(19.81)	(51.74)
Basis and Diluted EPS (In Rs)	(0.99)	(2.59)

3. Review of Operations

During the year under review, the Company has posted a sale of Rs. 2621.05 lakhs as against Rs. 2051.10 Lakhs during the previous year. The Company has been able to maintain the sales volumes; and loss after current tax has declined from loss of Rs. 76.60 lakhs to a loss of Rs. 32.04 lakhs.

4. Public Deposits

During the period under review, your Company has not accepted any deposit within the meaning of the Chapter V to Companies Act, 2013.

5. Dividend

Your Directors do not recommend any dividend for the year 2014-2015.

6. Transfer of Reserve

The Company has not transferred any amount to the general reserve.

7. Safety & 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.

8. Conservation of energy, technology absorption and foreign exchange earnings and outgo

Information in accordance with provision of section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding Conservation of energy, technology absorption and foreign exchange earnings and outgo is given in "Annexure-A" forming part of this report

9. Subsidiary/Joint Ventures/Associate Companies and their performance

During the period under review, the Company has no subsidiary, Joint Venture or Associates Company.

10. Particulars of Employee

Details of Managerial Remuneration as required pursuant to provision of section 197 of the Companies Act 2013 and rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in "Annexure-B" forming part of this report.

11. Director Responsibility Statement

In accordance with the provisions of Section 134(3)(c) & (5) of the Companies Act, 2013, your Directors state as - (a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departure; (b) 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 the end of the financial year and of the profit of the company for that period; (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities; (d) the directors had prepared the annual accounts on a going concern basis; and (e) the Director has laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. (f) 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

12. Directors and Key Managerial Personnel**A) Changes in Directors and Key Managerial Personnel**

During the period under review, there has been a change in the constitution of Board of Directors of the Company. With effect from 30th December, 2014, (1) Shri Arun Kataruka (DIN-00857042), Shri Pramod Kumar Shah (DIN-00510033) and Shri Virender Kumar Agarwal (DIN-00013314) were appointed as Independent director of the Company; Smt. Kusum Goenka (DIN-05331335) was appointed as Director of the Company (2) Shri Purushottam Patil (DIN-06679479) was ceased to be director of the Company being, not opted for re-appointment

Shri Sunil kumar Goenka (DIN: 01781965) was appointed as an additional director of the Company with effect from 12th May 2015.

Shri Dipanjan Baidya were evaluated as Chief Financial Officer (CFO) of the Company with effect from 13 Feb 2015.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your Company Shri. Bandhooram Prasad (DIN 06495880) is retiring by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for his reappointment. Details about the directors being reappointed are given in the Notice of the forthcoming Annual General Meeting.

B) Declaration by an Independent Director(s)

The independent directors have individually declared to the Board that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 at the time of their respective appointment and there is no change in the circumstances as on the date of this report which may affect their status as an independent director.

C) Formal Annual Evaluation

The annual performance evaluation was carried out which included evaluation of the Board, independent directors, non-independent directors, executive directors, Chairman, Committees of the Board, quantity, quality and timeliness of information to the Board. The independent directors evaluated all non-independent directors, the Board, the Chairman and the information to the Board. The Board evaluated performance of the independent directors, the Board itself, the Chairman, the Executive Directors, the Committees of the Board, the information provided to the Board. All results were satisfactory.

13. Meeting

A) Board of Director- The meetings of the Board of Directors were held during the financial year 2014-15 on the following dates: 30th May 2014, 14th November 2014, 8th December 2014, 13th February 2015 In addition to the above, a meeting of the Independent Directors was held on March 31, 2015 pursuant to Section 149(8) read with Schedule V to the Companies Act, 2013. The said meeting was attended by all Independent Director i.e. Shri Virender Kumar Agarwal Shri Pramod Kumar Shah Shri Arun Kataruka

B) Audit Committee - The meetings of Audit Committee were held during the financial year 2014-15 on the following dates: 30th May 2014, 14th November 2014, 8th December 2014, 13th February 2015

C) Nomination and Remuneration Committee - The meeting of the Nomination and Remuneration Committee were held during the financial year 2014-15 on the following dates: 30th May 2014, , 8th 13th February 2015.

D) Stakeholder relationship Committee - The meeting of the Nomination and Remuneration Committee were held during the financial year 2014-15 on the following dates: 30th May 2014, 8th 13th February 2015.

14. Auditors

A) Statutory Auditors - Your Company's Auditors, M M/s R. S Bhattad & Associates, Chartered Accountants, who have been appointed up

to the conclusion of the 49th Annual General Meeting, subject to ratification by the members of the Company at every Annual General Meeting, have given their consent to continue to act as the Auditors of the Company for the remaining tenure. Members are requested to consider their re-appointment as the Auditors of the Company and to fix their remuneration by passing an ordinary resolution under Section 139 of the Companies Act, 2013.

B) Cost Auditors – The Company is not required to appoint Cost Auditor being cost audit is not applicable to the Company.

C) Secretarial Auditors- The Board of Directors has re-appointed Mr. Sunil Zore, Practicing Company Secretary (Certificate of Practice No. 11837) and a Proprietor of M/s SPZ & Associates, Company Secretaries as the Secretarial Auditor of the Company for the year 2015-16.

15. Auditors' Report

A) Statutory Auditors' Report-The Auditors' observations read with Notes to Accounts are self explanatory and therefore do not call for any comment.

B) Cost Audit Report - The Cost Audit is not applicable to company.

C) Secretarial Audit Report- Secretarial Audit Report given by M/s. SPZ & Associates, Company Secretaries is given in “**Annexure-C**” forming part of this report which are self explanatory and therefore do not call for any comment.

16. Share Capital & Listing

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 has 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.

17. Extract of the Annual Return

An extract of the annual return as provided under sub-section (3) of section 92 of the companies act 2013 in Form **MGT-9** of the Companies (Management and administration) Rules, 2014 is given in “**Annexure-D**” forming part of this report

18. Internal Controls

Your Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. Your Company has designed and implemented a process driven framework for Internal Financial Control (“IFC”) within the meaning of the explanation of Section 134(5)(e) of the Companies Act, 2013.

19. Particulars of loans, guarantees and investments.

Information of aggregate amounts of loans, guarantees given, or investments made, by your Company during the period under review is as given under:

Sr. No	Particular	Amount
1	Loans given by company	---
2	guarantees given company	---
3	Investments made by company	---

20. Particulars of contracts or arrangements with related Parties

All related party transactions that were entered into during the year under report were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. Disclosures as required under the Companies Act, 2013 are given in Form AOC-2 annexed as **Annexure-E**” forming part of this report.

21. Corporate Governance Report

Clause 49 of the Listing Agreement related to Corporate Governance Report is not applicable Company.

22. Corporate Social Responsibility

The provision of Section 135(1) of the Companies Act 2013 and Rule 9 of the Companies **ELLORA PAPER MILLS LIMITED** (Corporate Social Responsibility Policy) Rules, related to constitution of Corporate Social Responsibility Committee and attachment of Report thereof with Director Report is not applicable to the Company.

23. Business Risk Management

The board members were informed about risk assessment and minimization procedures after which the board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

24. Nomination and Remuneration Policy

The Company follows a policy on remuneration of directors and senior management employees.

25. Changes & Commitment affecting financial position of the Company

There is no changes & Commitment affecting financial position of the Company.

26. Acknowledgements

Your Directors express their gratitude to the Government of India, Government of Maharashtra, 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

08.09.2015,
Place : Nagpur

Sudhir Goenka
Managing Director

Bandhooram Prasad
Director

ANNEXURE 'A' - FORMING PART OF THE DIRECTOR'S REPORT

Conservation Of Energy, Technology Absorption and Foreign Exchange Earnings And Outgo (Information as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY**1. CONSERVATION OF ENERGY:**

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

FORM – A			
(Form for disclosure of particulars with respect to conservation of energy)			
Particulars	Unit	2014-15	2013-14
(A) Power and Fuel Consumption			
1 Electricity			
a. Purchase Units	KWH	6900661	5500558
Total Cost	Rs.(In Lacs)	435.73	348.02
Rate / Unit	Rs./KWH	6.31	6.33
b. Own Generation	KWH	-	-
2 Coal			
(Grade B,C or ROM depending upon availability)	M.T.	--	349
Quantity	Rs. In Lacs	--	15.88
Total Cost	Rs./MT	--	4549
Average Rate		NIL	NIL
3 Furnace Oil			
4 Others/Internal Generation			
Rice Husk	M.T.	5714	3752
Quantity	Rs. In Lacs	186.74	135.43
Total Cost	Rs./MT	3268	3610
Average Rate	Unit	2014-15	2013-2014
(B) Consumption per unit of production –Paper (M.T.)			
Particulars	KWH	--	798
Electricity	M.T.	810	NIL
Furnace Oil	M.T.	NIL	0.05
Coal	M.T.	0.67	0.78
Rice Husk			

(ii) The steps taken or impact on conservation of energy - The Company has taken suitable step for the conservation of energy