

ELLORA PAPER MILLS LIMITED



41st ANNUAL REPORT
2015-16

BOARD OF DIRECTORS

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

SECRETARIAL AUDITOR

M/s SPZ & Associates

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

STATUTORY AUDITOR

M/s R. S. Bhattad & Associates

Chartered Accountants
33-A Central Bazar Road,
Ramdaspath, Nagpur – 440 010 (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 41st Annual General Meeting of the Members of Ellora Paper Mills Limited will be held on Friday 30th September, 2016 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, 2016, and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Smt. Kusum Sudhir Goenka (DIN 05331335), who retires by rotation, and being eligible, offers herself for reappointment.
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 till the conclusion of the next Annual General Meeting to be held for the financial year 2016-17 on such remuneration as may be determined by the Board of Directors."

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

07.09.2016, 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 APROXY 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 **ELLORA PAPER MILLS LIMITED** Friday, 23rd September, 2016 to Friday, 30th September, 2016 (Both days inclusive)s. 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/7/201 1 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**

Smt. Kusum Sudhir Goenka (DIN 05331335) who retires by rotation, and being eligible, offers herself for reappointment as director in terms of section 160 of the Companies Act 2013. The Board has also formed an opinion that she is a person of integrity and possesses the relevant expertise and experience and she shall be liable to retire by rotation.

Appointment of Kusum Sudhir Goenka would be of immense benefit to the Company. The resolution as set out in item No. 2 in the notice be approved by the shareholders, by way of Ordinary Resolution.

None of the Directors or Key Managerial Persons and/or their relatives except Kusum Sudhir Goenka has any concern or interest, financial or otherwise, in this resolution.

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

1. Presentation

Your directors have pleasure in presenting the 41th Annual Report together with the Audited Accounts for the year ended on 31st March, 2016.

2. Financial Results

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

(Rs. In Lakhs)

Particulars	2015 -2016	2014 -15
Sales	2378.43	2621.05
Profit before exceptional and extraordinary items and tax	(123.83)	(32.04)
Less-Exceptional Items		
Profit before extraordinary items and tax	(123.83)	(32.04)
Less- Extraordinary items		
Profit/(Loss) Before Tax	(123.83)	(32.04)
Less : Tax Expenses		
• Current Tax		--
• Deferred Tax Expenses/ (Income)	39.04	12.23
Profit/(Loss) after tax for the year	(84.79)	(19.81)
Profit/(Loss) carried forward to Balance Sheet	(84.79)	(19.81)
Basis and Diluted EPS (In Rs)	(4.24)	(0.99)

3. Review of Operations

During the year under review, the Company has posted a sale of Rs. 2378.43 lakhs as against Rs. 2621.05 Lakhs during the previous year. The loss after current tax has increased from Rs. Rs. 32.04 lakhs to Rs. 123.83 lakhs because of continued trend of depressive market.

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 2015-2016.

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, ELLORA PAPER MILLS LIMITED 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 have been followed and there is no material departure; (b) the directors have 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 have 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 have prepared the annual accounts on a going concern basis; and (e) the Director have 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are 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 12th May, 2015, Shri Sunil kumar Goenka (DIN- 01781965) was appointed as Additional Director of the Company and has been regularized in the Annual General Meeting held on 30/09/20 15.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of your Company Kusum Sudhir Goenka (DIN 05331335) is retiring by rotation at the forthcoming Annual General Meeting and being eligible, has been recommended for her 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 **ELLORA PAPER MILLS LIMITED** 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 2015-16 on the following dates: 12th May 2015, 12th August 2015, 07th September 2015, 14th November 2015, 03rd February 2016, and 12th February 2016.

In addition to the above, a meeting of the Independent Directors was held on March 31, 2016 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 and Shri Arun Kataruka

B) Audit Committee - The meetings of Audit Committee were held during the financial year 2015-16 on the following dates: 12th May 2015, 12th August 2015, 14th November 2015, and 12th February 2016.

C) Nomination and Remuneration Committee – The meeting of the Nomination and Remuneration Committee was held on 12th May 2015, 12th August 2015, 14th November 2015, and 12th February 2016 during the financial year 2015-2016.

D) Stakeholder Relationship Committee - The meetings of the Stakeholder Relationship Committee were held during the financial year 2015-16 on the following dates: 12th May 2015, 12th August 2015, 14th November 2015, and 12th February 2016.

14. Auditors

A) Statutory Auditors: Your Company's Auditors, M/s R. S Bhattad & Associates, Chartered Accountants, who have been appointed up to the conclusion of the Annual General Meeting to be held in the year 2019, 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 as 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 Proprietor of M/s SPZ & Associates, Company Secretaries, as the Secretarial Auditor of the Company for the year 2016-17.

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: 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. The same is self explanatory and therefore does 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 **ELLORA PAPER MILLS LIMITED** 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 an adequate internal control system, which is commensurate with the size, scale and complexity of the 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	Nil
2	guarantees given company	Nil
3	Investments made by company	Nil

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

Provisions of Corporate Governance Report (Clause 49 of the Listing Agreement) are not applicable to the Company.

22. Corporate Social Responsibility

The provision of Section 135(1) of the Companies Act 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, relating to constitution of Corporate Social Responsibility Committee and attachment of Report thereof with Directors' Report are 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 an appropriate policy in relation to remuneration of directors and senior management employees.
ELLORA PAPER MILLS LIMITED

25. Changes & Commitment affecting financial position of the Company There are 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**

27.09.2016,
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	2015 -16	2014 -15
(A) Power and Fuel Consumption			
1 Electricity			
a. Purchase Units	KWH	6583803	6900661
Total Cost	Rs.(In Lacs)	452.32	435.73
Rate/Unit	Rs./KWH	6.87	6.31
b. Own Generation	KWH	-	-
2 Coal			
(Grade B,C or ROM depending upon availability)	M.T.	--	--
Quantity	Rs. In Lacs	--	--
Total Cost	Rs./MT	--	--
Average Rate		NIL	NIL
3 Furnace Oil			
4 Others/Internal Generation			
Rice Husk	M.T.	5460	5714
Quantity	Rs. In Lacs	194.42	186.74
Total Cost	Rs./MT	3561	3268
Average Rate	Unit	2015 -16	20 14 -20 15
(B) Consumption per unit of production –Paper (M.T.)			
Particulars	M.T.	825	810
Electricity	M.T.	NIL	NIL
Furnace Oil	M.T.	0.68	0.67
Coal			
Rice Husk			

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