



NATH PULP AND PAPER MILLS LIMITED

44th ANNUAL REPORT

2018-19

Registered Office: Nath Pulp & Paper Mills Limited. Nath House, Paithan Road Aurangabad-Maharashtra	Factory: NathNagar (North) Village:WahegaonTaluka:Paithan Dist:Aurangabad
Directors: Mrs. Ashu Jain Mrs. Jeevanlata Kagliwal Mr. Omprakash Sharma Mr. Shrirang.Agarwal	Statutory Auditors: M/s Gautam N Associates Chartered Accountants 30,GNA House, Behind Manmandir Travels Adalat Road, Aurangabad-Maharashtra
Registrar & Share Transfer Agent: Big Share Services Pvt. Ltd. 1 st Floor, Bharat Tin Works Building Makwana Road Marol, Andheri-East Mumbai-400059	

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“Members are requested to register their email address with depository / Registrar & Share Transfer Agent to send communication through email and support Green initiative in the Corporate Governance”.

NOTICE

Notice is hereby given that the 44th Annual General Meeting of the members of Nath Pulp and Paper Mills Ltd., will be held at the Registered Office of the company at Nath House, Nath Road, Aurangabad 431005 on 30th September 2019, Monday at 2 PM, to transact the following business:

ORDINARY BUSINESS:-

1. Adoption of Financial Statements:

To receive, consider, approve and adopt Directors' Report, Auditors' Report, Audited Balance Sheet as at 31st March 2019 and the Statement of Profit and Loss Account for the year ended on that date.

2. Appointment of Auditors:

To appoint auditors of the Company and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:

"RESOLVED THAT pursuant to the provisions of Sections 139,142 of Companies Act, 2013 ("ACT") and other applicable provisions of Act, if any and the rules framed there under, as amended from time to time, M/s. Gautam N Associates , Chartered Accountants, Aurangabad (having Firm Registration No. 103117W) as Statutory Auditors of the Company, who were appointed in last AGM and holds office until the conclusion of the 45th Annual General Meeting needs ratification by members of the Company for financial year 2019-20. The Company has received letter from M/s. Gautam N Associates, Chartered Accountants, to the effect that their ratification of appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013."

3. Re-Appointment of Director retire by rotation

To appoint Mr. Shrirang Agrawal as Director of the Company, who retires by rotation and being eligible, seek re-appointment.

SPECIAL BUSINESS

4. Appointment of Mrs. Jeevanlata Kagliwalas Director

To appoint Smt Jeevanlata Nandkishor Kagliwal (DIN-02057459) as a Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution was an Ordinary Resolution.

"RESOLVED THAT, pursuant to the provisions of section 152 Read with rule 8, 9 and 14 and other applicable provisions of the Companies Act, 2013 ("the Act"), Smt Jeevanlata Kagliwal (DIN : 02057459), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a Notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the company, liable to retire by rotation:

RESOLVED FURTHER that the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the resolution".

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 the member of the Company.
2. The instrument appointing the Proxy, if any, shall be delivered at the Registered Office of the company not later than forty eight hours before the time of commencement of the meeting and in default, the instrument of Proxy shall be treated as invalid. Members are requested to notify immediately any change in their address to the Company at its registered office.

3. Members are requested to notify immediately any change in their address to the Company at its registered office.
4. Electronic Copy of Annual Report will be sent to the members whose email IDs are registered with the Company/Depository Participant(s).
5. Members may also note that Notice of the 44th Annual General Meeting and Annual Report 2018-19 will also be available on the Company's website www.nathpaper.com for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during the normal business hours on working days till the date of the meeting. Even after registering e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: kgiyer@nathpaper.com
6. Register of Members and Share Transfer Books of the Company shall remain closed from 27th September 2019 to 29th September 2019, both days inclusive.
7. The ministry of corporate affairs has taken a "Green initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including the Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not yet registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronics holding with the Depository to send all further communication through e-mail, to support Green initiative in the Corporate Governance.
8. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed herewith.

VOTING THROUGH ELECTRONIC MEANS

In the compliance with provisions of clause 35B of the Listing Agreements read with Section 108 Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members facility to exercise their votes for all the resolutions detailed in the Notice of 44th Annual General Meeting scheduled to be held on 30.09.2019 at 2.00 PM. The Company has engaged the services of CDSL as the authorized agency to provide the e-voting as per instruction below:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27.09.2019 (10.00 am) and ends on 29.09.2019(5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20.09.2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders.
- (iv) Now Enter your 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (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 first two letters of their name and the 8 digits of the sequence number (refer serial no. Printed on the name and address sticker/ Postal Ballot Form/mail) in the PAN Field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If

	your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio in the Dividend Bank details field.

- (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 the EVSN for the relevant Nath Pulp and Paper Mills Limited on which you choose to vote.
- (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) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - 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 they have to create compliance user, using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - 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.

Ms. Neha P Agarwal , Company Secretary in whole time practice, has been appointed as Scrutinizer, who in the opinion of the Board can scrutinize the e-voting process in fair and transparent manner, The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of two (2) witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman. The Result declared along with the Scrutinizer's Report shall be placed on the website of the Company viz. www.nathpaper.com and also on the website of CDSL viz.

www.cdslindia.com within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

In case you have any queries or issues regarding 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

Explanatory Statement

(Pursuant to Section 102 of the Companies Act ,2013)

As required by section 102 of the Companies Act 2013 ,following explanatory statement sets out all material facts relating to the business mentioned under item no. 4 of the accompanying Notice :

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the resolution at item No. 4 of the accompanying Notice.

Item No. 4:

Appointment of Mrs. JeevanlataKagliwal as Director:

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mrs Jeevanlata Nandkishor Kagliwal (DIN 02057459) as Additional Director of the Company and not liable to retire by rotation, for a period of 5 years i.e. from 01st January 2019 to 31st December 2024, subject to approval of the Members.

Pursuant to the provision of Section 161(1) of the Act and Articles of Association of the Company, each of these Directors shall hold office up to the date of this Annual General Meeting ("AGM") and are eligible to be appointed as Directors. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member9s), proposing their candidature for the office of Directors.

Brief Profile of Smt Jeevanlata Kagliwal

Name of Director	Smt Jeevanlata Nandkishor Kagliwal
Date of Birth	30 th April 1948
Date of Appointment	01 st January 2019
Qualification	M.A. Political Science
Director in Other Public Company	1. Rama Pulp & Papers Ltd 2. Global Transgenes Ltd 3. Nath Industrial Chemicals Ltd 4. Nath Royal Seeds Ltd 5. Nath Bio-Genes (India) Ltd 6. Nath Bio-Technologies Ltd 7. Tech India Nirman Ltd 8. Agri Tech (India) Ltd
No. of shares held in the Company	67

By order of the Board of Directors

Place: Aurangabad

Date: 31st Aug. 2019

Registered Office

Nath House, Nath Road,

Itkheda, Paithan Road,

Aurangabad -431005

Corporate Identification Number (CIN): L2100MH1975PLC018289

Mrs. Ashu Jain

Director

DIN: 00243310

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 44th Annual Report on the affairs of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2019.

FINANCIAL RESULT:

Your Company's performance during the year is summarized below:

Rs in Lacs		
Particulars	Year ended 31 st March, 2019	Year ended 31 st March, 2018
Sales and other income	14545.53	11401.19
Profit/ (loss) before Depreciation	701.27	156.13
Depreciation	85.77	67.77
Net Profit/ loss for the year	88.35	88.35
Net Profit/(loss) before tax	615.50	88.35
Other Comprehensive Income/ (Expenses)	(34.76)	-
Deferred Tax Income/(Expenses)	(17.99)	70.82
Profit after Tax	562.75	17.53

PERFORMANCE:-

The performance of the company has been satisfactory despite various economic and industry challenges. Despite challenges like erratic demand and competitive market scenario your company has been able to put forth a satisfactory performance. During the year, various measures were undertaken by your company to enhance product efficiency. Your Directors believe that these initiatives will be beneficial for the company in long run.

Your company had developed higher GSM core boards and Thermal paper during previous year. Demand for both these grades is growing constantly. Domestic market for manmade fiber has been growing rapidly and many expansions are in the pipe line, It will give good prospect for our sublimation grade of paper used for printing on High end textile cloths and our TTP500 and TTP 600 grade used inPOY/FDY paper tubes.

The Company has exported core board of 8160 MT during the year. Company has exported mainly to China, Thailand, Malaysia, Indonesia and Sri Lanka. Company also has stable business with its existing customer base.

With the significant contribution of above products and their acceptance in the domestic and overseas markets, Company's sales prospect are likely to increase and it will also add up to the export business of the company in the coming years.

Your Company is in the processes of installation of Bobbbin Slitter with shrink packaging, QCS and dryers. This will add up GSM & Ply bond and additional production capacity.

Your Company has achieved turnover and other income of Rs14545.53 lakh as compared to the previous year Rs11401.91 lakh. Company has posted a Net Profit after tax of Rs. 562.75 lakh (Previous year Rs (17.53) lakh).

AMALGAMATION

The Board of Directors of the Company have approved the Scheme of Arrangement and Amalgamation between Nath Pulp and Paper Mills Limited and Nath Industrial Chemicals Limited and Rama Pulp and Papers Limited and their respective Shareholders as per the provisions of Section 230 to 232 and other relevant provisions of the Companies Act, 2013 ("Scheme") on 30.10.2017.

Further, the Hon'ble National Company Law Tribunal, Mumbai Bench ('Hon'ble Tribunal' or 'NCLT') has passed order on 23.08.2018 and directed a meeting to be held of equity Shareholders of the said Companies on 09.10.2018 for the purpose of considering, and, if thought fit, approving, with or without modification, the proposed Scheme. The Scheme was passed with requisite majority by Equity Shareholders of the Company in the said meeting.

Further, NCLT vide its order dated 22/08/2019 has sanctioned the Scheme of Arrangement and Amalgamation between Nath Pulp and Paper Mills Limited and Nath Industrial Chemicals Limited and Rama Pulp and Papers Limited and their respective Shareholders as per the provisions of Section 230 to 232 and other relevant provisions of the Companies Act, 2013 and the compliances thereof are in process.

DIVIDEND:

The Board of Directors of your company does not recommend any dividend for the year ended 31st March 2019.

SUBSIDIARY COMPANY:

The Company does not have any subsidiary Company.

PUBLIC DEPOSIT:

The Company has not accepted deposit from the public during the financial year under the review within the meaning of Section 73 of the Companies Act, 2013, read with companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form No MGT-9 shall form part of the Boards Report in **Annexure-I**.

CORPORATE GOVERNANCE

A separate statement on Corporate Governance together with a certificate from the Auditors of Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 forms part of this report are given in **Annexure -II**

NUMBER OF MEETING HELD DURING THE YEAR

The details of all the meetings of Board of Directors and the Committees, which has taken place during the year and their details along with their attendance, is given in **Annexure-II**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis of the financial condition and results of consolidated operations of the Company under review, is annexed and forms an integral part of the Directors' Report, is given in **Annexure-III**.

ENERGY CONSERVATION MEASURES, TECHNOLOGY ABSORPTION AND R & D EFFORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are set out below:

a. Conservation of Energy and Foreign Exchange Earnings and Outgo

Your Company is continuously taking initiatives to ensure the optimum utilization of energy available in day to day operations at its plant and factory premises. Your Company uses energy efficient lighting devices, light fittings to save energy, capacitor bank / devices to maintain power factor and plant & equipment which are environment friendly and power efficient.

b. Technology Absorption

Company has carried out R & D work of high strength core board and thermal paper and Energy Conservation. Company is benefited in High Realization, Reduction in Energy Cost and Increase in the efficiency of the machines as a result of above R & D.

Expenditure on R & D has been shown under the respective heads of expenditure in the statement of profit and loss, as no separate account is maintained.

c. **Foreign Exchange Earnings and Outgo**

During the financial year 2018-2019, the company has expenditure related to foreign currency.
The rupee equivalent of that amount is given hereunder:-

Particulars	Rs. In Lakh's
Total Expenditure	4468.84
Total Earnings	2619.31

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Company has received declarations from all the Independent Directors of the Company in terms of Section 149(7) of the Act, confirming that they meet criteria of independence as prescribed under section 149(6) of the Act and Regulation 25 of SEBI Listing Regulations, 2015.

Based on the confirmations received from Directors, none of the Directors are disqualified from appointment under Section 164 of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement Under Section 134 (3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

In the preparation of the annual accounts for the year ended March 31, 2019, the applicable Accounting Standards have been followed and there are no material departures from the same;

The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the State of affairs of the Company as at March 31ST, 2019 and of the Profit of the Company for that period;

The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

The Directors had prepared the annual accounts of the Company on a 'going concern' basis;

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;

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.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The Disclosures pertaining to remuneration as required Under Section 197(2) of the Companies Act, 2013 and with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part Directors Report, is given in **Annexure-IV**.

EVALUATION OF BOARD

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees,. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

INTERNAL CONTROL SYSTEM

Your Company has laid down internal financial controls to be followed by the Company and such policies and procedures adopted by the company 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 and timely preparation of financial statements. The audit committee evaluates the internal financial control system periodically.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

During the year, your Directors have constituted a Whistle Blower Policy / Vigil Mechanism Policy for the Company to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct of the Company as per the provisions of Section 177 (9) and (10) of Companies Act, 2013. The Vigil Mechanism Policy report has been uploaded on the Website of the Company at www.nathpaper.com

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year the company has adopted a policy for prevention of Sexual Harassment of Women a workplace and has not received any complaint of harassment. The detailed policy forms has been uploaded on the Website of the Company at www.nathpaper.com

RISK MANAGEMENT POLICY

During the year, your Directors have constituted a Risk Management policy for the Company including identification therein of element of risk, if any, which in the opinion of the Board may threaten the existence of the Company as per the Provisions of Section 134930 (n) of the Companies Act ,2013.The detailed policy forms part of the Annual Report ,is given in Annexure -V

STATUTORY INFORMATION

The Company being basically into the Paper business. Apart from paper business, the Company is not engaged in any other business/activities. Company is the member of BSE platforms where its shares are listed.

STATUTORY AUDITORS

The Company has received letter from M/s. Gautam N. Associates, Chartered Accountants, to the effect that their ratification of appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

SECRETARIAL AUDITOR

The board has appointed MsNeha P. Agarwal ,Practicing Company Secretary to conduct Secretarial Audit for the Financial Year 2018-19. The Secretarial Audit Report in annexed herewith in Annexure-V.

AUDITORS REPORT

The notes referred to by the Auditors in their report are self-explanatory and do not call for further explanation.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

Your Board endeavors that all contracts/ arrangements/ transactions entered by the Company during the financial year with related parties are in the ordinary course of business and on an arm's length basis only. During the year under review the Company has not entered into any contact/ arrangement/ transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

PARTICULARS OF LOANS GUARANTEES AND INVESTMENTS:

The Company has not given any loans or guarantees or investments during the year, under Section 186 (4) of Companies Act, 2013.

INSURANCE:

All the properties and the insurable interest of the Company including building, plants and machinery and stocks wherever necessary and to the extent required have been adequately insured.

INDUSTRIAL RELATIONS

Company's industrial relations continue to be cordial. Your directors acknowledge the support and co-operation from employees at all levels.

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the