



RAMA PAPER MILLS LIMITED

RAMA PAPER MILLS LIMITED

BOARD OF DIRECTORS

Shri Pramod Agarwal	-	Chairman & Managing Director
Shri Arun Goel	-	Executive Director
Shri Amar Mittal	-	Director
Shri Prabhat Agarwal	-	Director
Shri H. S. Bhim Rao	-	Director

COMPANY SECRETARY

Shri Pankaj Misra

BANKERS

Bank of Baroda

AUDITORS

Shyam & Co.
Chartered Accountant
Muzaffarnagar (U.P.)

COST AUDITORS

Aseem Jain & Asso.
Cost Accountant
New Delhi

REGISTERED OFFICE & WORKS

4th Km. Stone, Najibabad Road,
Kiratpur-246731
Distt. Bijnor (U.P.)
Email : works@ramapaper.com
Website: www.ramapaper.com

CORPORATE OFFICE

12/22 IInd Floor, East Patel Nagar
New Delhi-110008.
Email : delhi@ramapaper.com

REGISTRAR & TRANSFER AGENT

Indus Portfolio (P) Limited
ISTIN INE425E01013
G-65, Bali Nagar, New Delhi
SEBI Registration No. INR000003845

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RAMA PAPER MILLS LIMITED

NOTICE

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of RAMA PAPER MILLS LIMITED will be held on Friday, the 30th September, 2011 at 10.00 A.M at the Registered Office of the Company at Najibabad Road, Kiratpur, Distt. Bijnor (U.P.) to transact the following business:

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2011, Balance Sheet as at that date together with the Reports of Auditors' and Directors' thereon.
2. To appoint a Director in place of Shri H.S. Bhimrao, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**By Order of the Board
For RAMA PAPER MILLS LIMITED**

**(PANKAJ MISRA)
Company Secretary**

**Place: Kiratpur
Date: 14.08.2011**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxy in order to be effective must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 28th Wednesday, 2011 to Friday, the 30th September, 2011, both the days inclusive.
3. Members seeking any information regarding Accounts should write to the Company at its Registered Office at least seven days before the date of the Meeting so as to enable the management to keep the information ready, if the Chairman so permits.
4. The Members are requested to intimate to the Registrar of the Company immediately any change in their address alongwith the Pin Code Number indicating their Folio Number to "M/s Indus Portfolio Private Limited" G-65, Bali Nagar, New Delhi.
5. The Members holding Shares in the physical form, who are desirous of making nominations as permitted under Section 109A of the Companies Act, 1956 in respect of the Shares held by them, may write to the RTA for the prescribed form.
6. Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking re-appointment at the forthcoming Annual General Meeting is given in the Annexure.

**DIRECTORS' REPORT**

To

The Members,

The Directors are pleased to present their 26th Report alongwith the Audited Accounts for the year ended 31st March, 2011

Financial Results

Rs. in Lacs

Particulars	2010-11	2009-10
Turnover	12577.89	10971.72
Profit before Financial Charges & Depreciation	555.46	1187.59
Less: Financial Charges	989.84	673.42
Less: Depreciation	632.21	506.96
Profit before Tax	-1066.59	7.21
Add/Less: Deferred Tax Liability	-305.86	6.16
Less: Provision for Tax (MAT)	-760.73	1.11
Add: MAT Credit Entitlement	0.00	1.11
Profit After Tax	-760.73	1.03
Profit / Loss brought forward from previous year	1416.22	1415.17
Balance carried to Balance Sheet	655.49	1416.22

Operations

During the year under review, your Company has suffered the Net Loss of Rs.760.73 lacs against the marginal profit of Rs.1.03 lacs in the previous year, though the turnover has increased to Rs.125.78 Crore against the previous year turnover of Rs.109.71 Crores. The loss has resulted mainly due to sharp hike in raw material cost not correspondingly re-imbursed from the selling price increase. The cost of raw material increased by 30% over the previous year, whereas the selling price was increased by 11% only over the previous year. Moreover the increased capacity also could not be fully operational.

The Management is also pleased to inform that your Company's Monitoring Report for the period 01st January 2009 to 31st May 2010 requesting issuance of 34439 CERS has now been under Information & Reporting Check with UNFCCC.

Dividend

Since the Company incurred Net Loss during the financial year, your Directors regret their inability to recommend any dividend.

Directors

Shri H.S. Bhimrao will retire by rotation and being eligible, offers himself for re-appointment.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

The information as required under Section 217(1) (e) of the Companies Act 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 with respect to these matters forms part of this report and is annexed hereto as Annexure A.

Corporate Governance and Management Discussion and Analysis Reports

The Corporate Governance and Management Discussion and Analysis Reports, which form an integral part of this report, are set out as separate annexure to this report together with the Certificate from the Auditors of the Company confirming compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement with the Stock Exchange.

Statutory Auditors and Auditors' Report

M/S Shyam & Co., Chartered Accountants, Statutory Auditors of your Company, retire at the forthcoming Annual General Meeting and are eligible for reappointment. They have confirmed their eligibility for reappointment under the provisions of Section 224(1B) of the Companies Act, 1956.

The Boards recommend their appointment.

The report of the Auditors is self-explanatory, therefore does not require any specific comments.



RAMA PAPER MILLS LIMITED

Directors Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, it is hereby confirmed that:

- a) In the preparation of the Annual Accounts for the year ended 31st March, 2011 the applicable accounting standards have been followed along with proper explanations relating to material departure.
- b) Appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the Profit of the Company for the year ended 31st March, 2011.
- c) Proper and sufficient care has been taken for the maintenance of 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 financial statements have been prepared on a going concern basis.

Particulars of Employees

There is no employee covered under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Fixed Deposits

Your Company has not accepted any deposits within the meaning of section 58A of the Companies Act 1956.

INSURANCE

All properties and insurable assets of the Company, including Building, Plant & Machinery and Stocks have been adequately insured, wherever necessary.

Industrial Relations

During the year under review, the industrial relations in the company continued to be cordial and peaceful.

Acknowledgements

Your Directors wish to place on record their appreciation for the assistance and co-operation that your company has received from the Govt. of India, Govt. of U.P., Bankers, Stakeholders and all others, whose continued support has been a source of strength to the company. Your Directors also wish to place on record their sincere appreciation to the devotion and commitment of every employee of the Company.

**For and on behalf of the Board of
RAMA PAPER MILLS LIMITED**

**Dated: 14-08-2011
Place: Kiratpur**

**Sd/
PRAMOD AGARWAL
CHAIRMAN & MANAGING DIRECTOR**

Annexure "A" to the report of Board of Directors

Information as required under Section 217(1) (e) of the Companies Act 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31st March 2011

CONSERVATION OF ENERGY

Measures taken, additional investment and impact on reduction of energy consumption.

The Company continued its policy of giving priority to energy conservation measures by regular review of energy generation, distribution & consumption and effective control on utilization of energy. For this purpose, the Company has installed 6 MW bio mass based Co-generation Project with latest equipments.

**RAMA PAPER MILLS LIMITED****"FORM-A"****Disclosure of Particulars with respect to Conservation of Energy**

Particulars	Current Year 2010-2011	Previous Year 2009-10
A. Power & Fuel Consumption		
1. Electricity		
a) Purchased Unit	201880	1175898
Total Amount Rs.	4237125	10132569
Rate/Unit	20.99*	8.62
*It includes Minimum Demand Charges due to non-use of Chargeable Demand		
b) Own Generation		
Through Diesel Generator Unit	1252800	1245600
Unit per Ltr of Diesel Oil	3.6	3.6
Cost/Unit Rs.	9.42	8.81
c) Through Steam Turbine/Generator Unit	16172818	15804057
2. Husk & Buggasse		
Qty (tonnes)	64526.668	69752.051
Total Cost	203657624	185289269
Average Rate	3156.18	2656.40
Consumption Per Unit of Production (in One Ton)		
Product Details & Unit (If Any)		
News Print , Duplex Board and Writing Paper	49762.5172	48627.8977
Electricity (Units)	329.06	349.18
Husk & Buggasse (MT)	1.30	1.43

"FORM-B"**Technology Absorption, Adaptation and Innovation**

The Company is taking all the steps to practice the latest technology available in the Industry

"FORM-C"**Research and Development**

The research and development activities are on going process in your company.

"FORM-D"**Foreign Exchange Earnings and Outgo**

Foreign exchange outflow on account of import of capital goods and raw material amounted to Rs. 15,89,00,401/- (PY Rs. 18,78,23,018/-). Earnings in Foreign Exchange is NIL

**For and on behalf of the Board of
RAMA PAPER MILLS LIMITED**

Dated: 14-08- 2011
Place: Kiratpur

**Sd/
PRAMOD AGARWAL
CHAIRMAN & MANAGING DIRECTOR**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**SALES**

During the year ended 31st March, 2011 your Company has gross sales of Rs. 1,25,77,89,102/- as against Rs. 1,09,71,71,452/- during the previous year. This represents 14.63% growth of the Company.

PRODUCT CHARACTERISTICS

Paper is totally customized product. Main characteristics of paper are brightness, grammage and bursting factor. Since we produce material as per order received from customers in advance, hence our product can be said to be customer friendly. In such a situation aspects like product range, product quality, support service facilities and customizations of product are very favorable for us as well as for entire paper industry.

**COMPETITIVE SITUATION**

Competitiveness would harm only in such a situation when demand of product is very low and supply is high. In the case of paper industry no such adverse demand and supply ratio exist. Even gap in demand and supply is met out by high cost imports. Hence if we look at our position, we don't have to face much number of competitors. There is no much parallel market, hence this may be treated as neutral of runs. As far as cost of product is concerned, we are efficient Company due to our experience in the segment. For our product one can see brand royalty also as in our customer portfolio, we have about 80% customers who are with us for more than 5 years. This happens only due to brand royalty.

IMPACT OF GOVERNMENT REGULATIONS / LEGISLATION / DIRECTIVES

Our main product is Newsprint that is totally exempted from Central Excise and Sales tax. Import of Newsprint is already allowed under OGL. Secondly newsprint linked with mass media, hence newsprint product concerned is totally unaffected by government policies. Other products of Company viz. duplex board, writing and printing paper and MG Poster/ Tissue are also not exposed to any type of threat due to government policies

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges.)

Company Philosophy

The Company has complied in all material aspects with the Corporate Governance in terms of clause 49 of the listing agreement. The Company endeavors to maintain the highest business ethics and complies with all statutory and regulatory requirements. The Company believes that all the operations and actions must serve the underlying goal of enhancing the interest of all its stakeholders.

Board of Directors

The Company believes that an active, independent and participative board is a pre-requisite to achieve and maintain the highest level of Corporate Governance. At RPML, the Board approves and reviews strategy and oversees the actions and results of Management.

The management team of the Company is headed by the Managing Director & Executive Director.

Composition of the Board

The Board comprises of a total of five Directors, out of which three are Non- Executive Directors.

Board Procedures

Detailed agenda with explanatory notes and all other related information is circulated to the members of the Board in advance of each meeting. The meetings of the Board are usually held at RPML Works. Detailed presentations are made to the Board covering all major functions and activities. The requisite strategic and material information is made available to ensure transparent decision making process by the Board.

Number of Board Meetings

During the financial year 2010-11, the Board of Directors of the Company met nine times on 12.5.2010, 15.5.2010, 21.6.2010, 14.8.2010, 12.9.2010, 15.11.2010, 14.1.2011, 14.2.2011, 23.3.2011.

Information relating to Directors

The composition of the Board of Directors and related information as on 31st March, 2011 is as follows :

Name of the Directors & Designation	Executive/Non Executive/ Independent	No of Board Meeting Attended	Attendance at the last AGM on 25.08.2006	Directorship in other Companies Incorporated in India	No of Board Committees of which Member or/Chairman
Shri Pramod Agarwal Chairman & Managing Director	Executive	9	Present	8	2
Shri Arun Goel Executive Director	Executive	9	Present	1	2
Shri Amar Mittal (Director)	Non Executive	4	Absent	5	0
Shri Prabhat Agarwal (Director)	Non Executive	4	Absent	Nil	3
Shri H. S. Bhim Rao (Director)	Non Executive	4	Absent	Nil	2



RAMA PAPER MILLS LIMITED

None of the Directors on the Board holds the office of Director in more than 15 Companies.

Information provided to the Board

- Annual operating plans, budgets and any update thereof;
- Capital budgets and any update thereof;
- Minutes of the meetings of the Committees of the Board.
- Non-compliance of any regulatory/statutory nature of listing requirements and shareholder services such as non-payment of dividend, delay in share transfer, etc.

Details of Directors being appointed / re-appointed

Shri H.S. Bhimrao, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for the re-appointment. He is associated with the Company since 2006. His Directorship and membership in other Public Limited Companies and/or its Committees are reported to be NIL.

Code of Conduct

RPML Board has adopted a Code of Conduct for members of the Board and senior management. The Code lays down, in detail, the standard of conducting business, its ethics and corporate governance.

COMMITTEES OF BOARD

A. AUDIT COMMITTEE

The Audit Committee of the Board was first constituted in the year 2001 with Shri Pramod Agarwal as the Chairman. The terms of reference of the Audit Committee are as per the guidelines set out in the listing agreement with the Stock Exchange that inter alia include the overview of the company's financial reporting process, review of the quarterly and annual financial statements, review of adequacy of internal control system, review of the financial and risk management policies and review of significant findings and adequacy of internal function etc. During the financial year 2010-11, the Audit Committee met four times on 15.5.2010, 14.08.2011, 15.11.2010 and 14.02.2011.

Composition and Attendance

The Audit Committee consists of three Directors of whom there is one Managing Director and two Independent Directors. During the year ended 31st March, 2011, four meeting of Audit Committee were held.

The attendance of each member of the committee at its meeting held is as under:

Sl. No.	Name of Member	No of Meeting Attended
1	Shri Pramod Agarwal	4
2	Shri H. S. Bhimrao	4
3	Shri Prabhat Agarwal	4

B. REMUNERATION COMMITTEE

The Remuneration Committee consists of three Directors including two independent Directors. During the year ended March 31st, 2011, there has been no Meeting of Remuneration Committee.

S.No.	Name of Member	No of Meeting Attended
1	Shri Arun Goel	NA
2	Shri Prabhat Agarwal	NA
3	Shri H. S. Bhimrao	NA

C. INVESTOR GRIEVANCE COMMITTEE

The members of the committee are Shri Pramod Agarwal, Shri Arun Goel, Shri Prabhat Agarwal and Shri Pankaj Misra. During the year ended March 31, 2011. Four meeting of Investor Grievance Committee were held. The attendance of each member of the committee at the Investors Grievance Committee meeting held is as under:

S.No.	Name of Member	No. of Meeting Attended
1	Shri Pramod Agarwal	4
2	Shri Arun Goel	3
3	Shri Prabhat Agarwal	4
4	Shri Pankaj Misra	4

Compliance Officer

Mr. Pankaj Misra is the Compliance Officer of the Company.