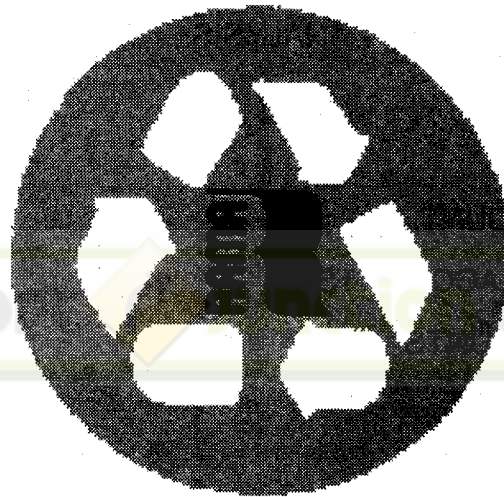


RAMA NEWSPRINT AND PAPERS LIMITED



**13TH
ANNUAL REPORT FOR 6 MONTHS ENDED
31ST MARCH, 2004.**

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RAMA NEWSPRINT AND PAPERS LIMITED**BOARD OF DIRECTORS****SHREE KUMAR BANGUR****CHAIRMAN****VIRENDRA BANGUR****VICE CHAIRMAN****VASHU J. RAMSINGHANI****VICE CHAIRMAN****K. L. CHANDAK****HAIGREVE KHAITAN****N. P. SUBRAMANIAN****(ICICI BANK LTD. NOMINEE)****NAGESH PINGE****(ICICI BANK LTD. NOMINEE)****V. G. PATHAK****(THE WESTERN INDIA TRUSTEE & EXECUTORS
COMPANY LTD. NOMINEE)****S. RAMALINGAM****(INDUSTRIAL INVESTMENT BANK OF INDIA LTD. NOMINEE)****V. D. BAJAJ****EXECUTIVE DIRECTOR****Bankers**

Bank of India
Oriental Bank of Commerce
Central Bank of India

Registered & Transfer Agents

MCS Ltd.,
Sri Venkatesh Bhavan,
Plot No. 27, Road No. 11,
MIDC Area, Andheri (East),
Mumbai – 400 093.

Registered Office & Factory

Village Barbodhan, Taluka Olpad,
District Surat, Gujarat – 395 005.

Auditors

Haribhakti & Co., Mumbai.

Corporate Office

181-B, Maker Tower 'E',
Cuffe Parade,
Mumbai – 400 005.

Solicitors

Khaitan & Co., Mumbai

This Annual Report has been printed on Paper Manufactured by **RNPL**

NOTICE

**ANNUAL REPORT
FOR 6 MONTHS ENDED
ON 31ST MARCH, 2004**

NOTICE IS HEREBY GIVEN THAT THE 13TH ANNUAL GENERAL MEETING OF THE MEMBERS OF RAMA NEWSPRINT AND PAPERS LIMITED WILL BE HELD ON **TUESDAY 28TH DECEMBER 2004 AT 3.30 P.M.** AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT VILLAGE BARBODHAN, TALUKA OLPAD, DISTRICT SURAT, GUJARAT, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2004, Profit and Loss Account for the 6 months period ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri K.L. Chandak, who retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for the re-appointment.
3. To appoint a Director in place of Shri Haigreave Khaitan, who retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for the re-appointment.
4. To appoint Auditors of the Company and fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions of the Companies Act, 1956, the Articles of Association of the Company be altered by substitution of the following clauses:

- (i) Article 88 be substituted by following Article

88. The Chairman (if any) of the Directors shall be entitled to take the Chair at every General Meeting whether Annual General or Extraordinary. If there be no such Chairman of the Directors or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the Chair then the Vice Chairman of the Board as appointed by West Coast shall preside over the Meeting or if such Vice Chairman shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the Chair then the members present shall elect another Director as Chairman and if no Director is present or if all the Directors present decline to take the Chair, then the members present shall elect one of their number to be the Chairman.

- (ii) Sub Clause (c) of Article 113 be substituted by the following clause.

113(c) West Coast shall be entitled to appoint the Chairman and Vice Chairman of the Board and the Vashu Group

shall be entitled to appoint a Vice Chairman. In absence of Chairman at any Board Meeting, Vice Chairman appointed by West Coast shall preside over the Meeting of the Board of Directors.

- (iii) Article 150 be substituted by following Article

150. The Directors may from time to time elect from among their number a Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within fifteen minutes after the time appointed for holding the same or is unwilling or unable to Chair the meeting then the Vice Chairman of the Company as nominated by the West Coast shall preside the Meeting and if such Vice Chairman shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be unable or unwilling to take the Chair then the Directors present may choose the Chairman of the meeting.

By Order of the Board
For RAMA NEWSPRINT AND PAPERS LIMITED

**V.D. BAJAJ
EXECUTIVE DIRECTOR**

Mumbai, 30th October 2004

Registered Office:

Village Barbodhan, Taluka Olpad,
District Surat, Gujarat - 395 005.

NOTICE



NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members/Proxies should bring duly filled in Attendance slip sent herewith for attending the meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday 22nd December 2004 to Tuesday 28th December 2004 (both days inclusive).
4. The Explanatory Statement pursuant to section 173(2) of the companies Act, 1956 is annexed hereto.
5. Members are requested to notify immediately any change in their Registered Address to the Company's Registrar, MCS Limited, Sri Venkatesh Bhavan, Plot No. 27, Road No. 11, MIDC Area, Andheri (East), Mumbai - 400 093.
6. Members, who hold shares in de-materialized form are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the Meeting.
7. Shareholders seeking any information with regard to the Accounts are requested to write to the Company at an early date to enable the Management to keep the information ready.
8. The documents referred to in this Notice are open for inspection by any Member at the Registered Office of the Company during the Company's business hours on any working day upto the date of the Annual General Meeting and will also be available for inspection at the Meeting.
9. Investors / Shareholders are requested to kindly note that if physical documents viz. Demat Request Forms (DRF) and Share Certificates etc. are not received from their DPs by the Registrar within a period of 15 days from the date of generation of the DRN for dematerialisation, the DRN will be treated as rejected/cancelled. This step is being taken on the advice of National Securities Depository Limited (NSDL), so that no demat request remains pending beyond a period of 30 days. Upon rejection / cancellation of the DRN, a fresh DRF has to be forwarded along with the Share Certificates by the DPs to the Registrar. This note is only to caution Investors/Shareholders that they should ensure that their DPs do not delay in sending the DRF and Share Certificates to the Registrar after generating the DRN.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

ITEM NO 5

Pursuant to the Shareholders Agreement dated 6th September 2003 of the Company with West Coast Paper Mills Limited and Vashu Group, the Articles of Association of the Company is required to be amended so as to have clarity between provisions of the said Shareholders Agreement and Articles of Association of the Company.

As per Section 31 of the Companies Act, 1956, the Articles of Association of a company can only be altered by way of Special resolution.

In view of the above, the sanction of the Members is requested for amendment of the Articles of Association, as proposed in item no.5 of the Notice.

A copy of the existing Memorandum and Articles of Association of the Company together with a copy of the proposed alteration is open for inspection at the Registered Office of the Company between 10:30 a.m. and 1: 00 p.m. on all working days (except Saturdays) prior to the date of the ensuing Meeting and will also be available for inspection at the Meeting.

None of the Directors is in any way concerned or interested in the proposed Resolution.

By Order of the Board
For **RAMA NEWSPRINT AND PAPERS LIMITED**

V.D. BAJAJ
EXECUTIVE DIRECTOR

Mumbai, 30th October 2004

Registered Office:

Village Barbodhan, Taluka Olpad,
District Surat, Gujarat - 395 005.

DIRECTORS' REPORT

**ANNUAL REPORT
FOR 6 MONTHS ENDED
ON 31ST MARCH, 2004**

To,
The Members of
RAMA NEWSPRINT AND PAPERS LIMITED

Your Directors are pleased to present the Thirteenth Annual Report and the Audited Statement of Accounts for the 6 months period ended 31st March 2004.

FINANCIAL RESULTS

	(Rs. in lacs)	
	6 months period Ended 31.03.2004	18 months period Ended 30.09.2003
Sales (Net of Excise Duty)	12459.25	31339.66
Other Income	161.37	540.94
Profit before Interest and Depreciation	1905.63	476.74
Interest & Lease rent	(1901.22)*	3519.20
Profit / (Loss) before Depreciation and Tax	3806.85	(3042.46)
Depreciation	1531.80	4569.44
Tax – Current		—
Deferred Tax	(617.25)	2753.43
Net Profit / (Loss)	1657.80	(4858.47)

* Includes excess liability written back of Rs.3050.69 lacs.

OPERATIONS:

The six months period under review witnessed a crucial metamorphosis for the Company, which is now on the threshold of a turnaround with the rejuvenated confidence owing to the take over by the new management. The fresh efforts and initiatives launched by the present management have not only put the Company's operations back on rails but also have gone a long way in putting on stream the process of rescuing it from the red, providing the much needed impetus to the improvement of the financials. The Company's in-house efforts fortunately coincided with the encouraging buoyancy in the paper market which in turn was the cumulative result of upward swing in the Indian Economy, increasing literacy rate, growing reading habits among the people and heftier advertisement budgets of corporate entities. Should the present favorable trend continue for some more time, it would be safe to be optimistic about the Company surging on the vibrant and robust growth path.

Your Company registered total production of 57156 Mts during the period 6 months ended 31st March 2004, as compared to 48895 Mts produced during the 6 months period ended March 2003 and 136675 Mts produced during the 18 Months period ended 30th September 2003.

The production of Newsprint was 46046 Mts and writing & printing grades 11110 Mts during the period under review, as compared to 40459 Mts of Newsprint and 8436 Mts of writing & printing grades produced during the 6 months period ended March 2003 and compared to production of Newsprint of 105879 Mts and writing & printing grades 30796 Mts during the 18 months period ended 30th September 2003.

The total sales volume was 43232 Mts of Newsprint and 11063 Mts of writing & printing grades during the period under review as compared to 38397 Mts of Newsprint and 7542 Mts of writing & printing during the corresponding previous Six Months period ended March 2003 and as compared to 114061 Mts of Newsprint and 31484 Mts of writing & printing grades during the previous 18 months period ended 30th September 2003.

The Company achieved a turnover of Rs. 12459.25 lacs (net of Excise Duty) for the 6 months period ended 31st March 2004 as compared to turnover of Rs. 9587.45 lacs during the previous corresponding period of 6 months ended March 2003 and as compared to turnover of Rs. 31339.66 lacs of the 18 months period ended 30th September 2003.

During the 6 months period ended 31st March 2004, the Company exported goods worth Rs. 342.38 lacs as compared to Rs. 84.16 Lacs export for the previous corresponding Six months period ended March 2003 and as compared to Rs. 886.88 lacs during the accounting 18 months period ended 30th September 2003. The exports are also showing positive signs of recovery due to improved demand of newsprint in the international market.

INDUSTRY SCENERIO AND COMPANY PROSPECTS:

The paper industry is cyclical in nature and witnesses' peaks and valleys in the demand and prices. After the recent peak in prices in the year 2001 the newsprint prices continuously kept on falling and were at it's lowest until June 2003. From the quarter beginning July 2003 the prices of Newsprint started moving upwards. It is worthwhile to mention that nearly half of the Country's demand of Newsprint is met through imports and therefore international prices very much influence the domestic prices. The rising trend in the newsprint prices has encouraged the company to swing more towards newsprint production while keeping its presence in the writing and printing paper also. Further the company also making all out efforts to optimize the capacity utilization of the plant to as to take maximum advantage of the buoyancy in the market.

Rise in the international prices of Newsprint has also revived the opportunity for export of Newsprint and the Company has made inroads in the exports market.

The Management has initiated various steps to improve the Quality of the products and productivity of the plant & machinery and other

DIRECTORS' REPORT



resources. The management has identified various bottlenecks at the plant, which are obstructing to achieve 100% capacity utilization of the plant and has initiated steps to address such critical issues and expects to have desired results during the current financial year. The Management has also drawn plans to augment the production by installing various balancing equipment both in the pulping side as well as on paper machines which will help in increasing the overall production and reducing the cost per unit of production.

Due to increase in circulation numbers of major Newspapers & Periodicals and Magazines in India the demand for newsprint is estimated to increase substantially during the current year. The increase in demand coupled with rise in the international prices of newsprint would augur very well for the prospects of the Company. The Company is hopeful that with continuous improvement in quality of the domestic newsprint paper, the reliance of the publishers of Newsprint on imports will reduce thereby giving boost to the demand of domestically manufactured newsprint.

The Management with an intent to put the Company on fast growth track has undertaken various steps such as transparency and accountability at all levels of operations, attention at customer needs and satisfaction, reduction in costs, boosting the moral of employees and strengthening the demand and supply chain. These efforts of management are expected to yield desired results for overall organizational growth and prosperity.

ENVIRONMENT AND SAFETY:

The Company produces eco-friendly quality papers adopting innovative technologies thereby providing a cleaner environment by sustained R&D efforts and continued process improvements. The Company complies with all relevant environmental legislation and regulation and always strives hard to conserve and optimize the usage of resources viz., power, water, fossil fuels and raw materials. The Company imparts training to promote and motivate the human resources of the Company to be environmentally responsive.

RESEARCH AND DEVELOPMENT

The Company is working towards continuous improvement in the quality of products by undertaking research and development and upgradation of technology. Efforts are on to have tie up with an internationally reputed R & D Institution engaged in analytical work on recycled fibers so as to improve the yield and also improve the quality of the products to meet international standards. These efforts will lead to ultimate consumer satisfaction and improving the image of the Company.

RAW MATERIALS & FUEL:

During the period under review the availability of raw materials re-

mained comfortable. The Company procures the required quantity of different grades of waste paper (both imported and indigenous) and pulp as per the needs of the Mills from reliable sources so as to ensure consistency in quality supply.

From the beginning of the calendar year 2004 the international prices of Coal have risen sharply mainly due to restriction on exports by China and increase in oceanic freight. Since your Company uses substantial quality of imported coal, this has increased cost of production.

Further the Coal India has also increased the prices of the domestic coal w.e.f. February 2004 which has made the domestic coal costlier by 165 per MT for the Company.

Detailed analysis of company's performance is covered in the "Management Discussion and Analysis" forming the part of this Annual Report.

DIRECTORS

During the period under review, ICICI Bank Limited appointed Shri Sudhir Jha and Mr. Mujib Mundewadi as Nominee Directors and withdrew nomination of Shri. M. Sudhendra Nath. Subsequently, ICICI Bank Limited appointed Shri Nilanjan Sihna w.e.f. 16th April 2004 as nominee Director and withdrew nomination of Shri Sanjay Maheshka as nominee Director on the Board of the Company w.e.f. 9th April 2004. Similarly ICICI Bank Limited withdrew nominations of Shri Devendra Gupta and Shri Mujib Mundewadi and appointed Shri A K Gore and Shri Nagesh Pingre as Nominee Directors w.e.f. 24th August 2004 & 15th September 2004 respectively.

The Board of Directors was reconstituted on 9th January, 2004. Shri. Vashu J. Ramsinghani resigned as Managing Director however, he continues to be a Non-executive Director on the Board. Shri S.K. Bangur, Shri Virendra Bangur, Shri K.L. Chandak and Shri Haigreve Khaitan were appointed as Directors. Subsequently, Shri. S.K. Bangur assumed charge as the Chairman of the Board of Directors of the Company and Shri. V.D. Bajaj was appointed as the Executive Director of the Company.

Shri Shrichand Agicha, Shri Purshottam Kukreja, Shri S.C. Bhargava and Shri C.U. Mangtani resigned as the Directors of the Company during the period under review.

Shri Ajeet Prasad, Nominee Director of UTI Asset Management Co. Pvt. Ltd (UTI) has resigned from the Board of the Company w.e.f. 29th September 2004.

As a result of the implementation of Corporate Debt Restructuring package, ICICI Bank Limited has withdrawn nomination of Shri A.K. Gore, Shri Sudhir Jha and Shri Nilanjan Sihna as its nominee Directors on the Board of the Company w.e.f. 18th October 2004.

DIRECTORS' REPORT

**ANNUAL REPORT
FOR 6 MONTHS ENDED
ON 31ST MARCH, 2004**

The Board of Directors at its Meeting held on 30th Oct. 2004 has appointed Shri Virendra Bangur & Shri Vashu Ramsinghani as Vice-Chairmen of the Company.

The Directors place on record their note of appreciation of the valuable contribution made by Shri Shrichand Agicha, Shri Purshottam Kukreja, Shri S.C. Bhargava, Shri C.U. Mangtani, Shri. M. Sudhendranath, Shri Mujib Mundewadi, Shri Devendra Gupta, Shri Sanjay Maheshka, Shri A.K. Gore, Shri Sudhir Jha, Shri Nilanjan Sihna, and Shri Ajeet Prasad, during their tenure with the Company as Directors and Shri. Vashu J. Ramsinghani as the Managing Director.

DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956.

The Directors hereby confirm: -

1. that in the preparation of the accounts for the six months, the applicable accounting standards had been followed along with proper explanation relating to material departures;
2. that 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 current period and of the loss of the company for the period under review;
3. that 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;
4. that the 6 months accounts have been prepared on a "going concern" basis.

PUBLIC DEPOSITS:

The Company has not accepted any deposits from public during the period.

CORPORATE DEBT RESTRUCTURING

The Company has been running in severe losses due to adverse market conditions and heavy interest burden. It was thus in urgent need of fresh funds for making its operations viable. As such the Company invited proposals from strategic investors to invest in the Company. Thereafter the Company identified and finalized the pro-

posal of West Coast Paper Mills Ltd (WCPM) in respect of infusion of fresh funds and the takeover of the management of the Company.

WCPM has an excellent track record over the past many years of consistent profit making and dividend payment. For its manufacturing operations, it has one of the largest integrated pulp and paper mills in the country located at Dandeli in Karnataka and it has infused professionalism into its corporate performance. In view of WCPM offer to takeover the management, the Company submitted a debt-restructuring proposal to ICICI Bank Limited on 25th August 2003 for restructuring of debt and also for change of management. ICICI Bank submitted the proposal to Corporate Debt Restructuring (CDR) Cell vide its application dated 17th September 2003.

The Company's application for reliefs and restructuring through the lead bank was approved by the Corporate Debt Restructuring Cell at its meeting held on 27th September, 2003, but the effect of the same was not given in the accounts for the year ended on 30th September 2003 as non CDR members had not approved the restructuring package. The Company had option to file application before the Hon'ble High Court of Gujarat under section 391 and other applicable provisions of Companies Act, 1956 for approval of the Scheme of Arrangement and Compromise prepared on the lines of CDR package or to approach the Empowered Group of CDR Cell to modify the Order dated 27th September 2003 so as to enable the Company to settle the dues of non-CDR members. Accordingly the Empowered Group of CDR Cell was approached for the modification of CDR Package and the Empowered Group in its meeting held on 28th September 2004 was pleased to modify the CDR Package enabling the Company to settle the dues of Non-CDR members to the extent of principal amount due to them without affecting the liability of CDR members. CDR Empowered Group also approved the fresh borrowing to replace high cost debts. Subsequently the Company settled the dues of Non-CDR members.

The said Scheme of Corporate Debt Restructuring stipulates repayment of outstanding Loans in installments ending on 15th August 2012 and a corporate guarantee from The West Coast Paper Mills Ltd as an additional Security and that on certain special events of default, the waiver granted would be retrospectively revoked. In view of this condition, remission granted by CDR members in principal loan amount of Rs. 10487.33 lacs is credited to the Contingency Reserve Account and waiver of interest amounting to Rs. 3045.92 lacs has been Credited to Interest account as excess liability written back, based on the expert's opinion obtained by the Company.

On the backdrop of CDR package implementation, buoyant demand for newsprint and rejuvenated morale, the management is confident of putting the Company on the fast-track of success and profitability.

DIRECTORS' REPORT



CORPORATE GOVERNANCE

The Report on Management Discussion and Analysis and Report on Corporate Governance forming part of Directors' Report are annexed as Annexure – IV and Annexure – III.

As required by the Listing Agreements the Certificate of Auditors on Corporate Governance compliance is annexed to this Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with respect to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are furnished as Annexure – II to this Report and forms part of it.

PARTICULARS OF EMPLOYEES

Particulars of employee as required to be disclosed in accordance with Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended is annexed as Annexure – I to this Report.

CASH FLOW STATEMENT

As required under Clause 32 of the Listing Agreements with the Stock Exchange, a Cash Flow Statement is attached to Balance Sheet.

DEBENTURES

The Company has sent Debenture Redemption-cum-Interest Warrants dated 30th September 2004 to all the outstanding Public Debentureholders without waiting for the surrender of Original Debenture certificates by them and the said certificates are treated as cancelled/redeemed.

Similarly the Company has redeemed 19.50% Secured Non-Convertible Debentures series of Rs. 10 crores issued to UTI and 18% Secured Non-Convertible Debenture series of Rs.24 cores issued to UTI.

AUDITORS

The present Auditors of your Company, M/s. Haribhakti & Co., Chartered Accountants hold office until the conclusion of this Annual General Meeting and being eligible offers themselves for re-appointment.

AUDITORS REPORT

Referring to the remarks in para II (g) of the Auditors Report, the Directors would like to refer to note no.16 of Schedule 19 to the accounts, which is self-explanatory.

COST AUDIT

The cost accounts records maintained by your company are subject to audit by the qualified Cost Auditors. Your Company had appointed Shri M.T. Kamphani, a qualified Cost Auditor for conducting the audit of cost account records for the period ended 31st March 2004 but due to the sad demise of Shri M T Kamphani on 22nd September 2004 the Cost Audit Report was not submitted to Central Government. Your Company has now appointed, subject to approval of the Central Government, Shri. Narottam Tola, a qualified Cost Accountant for conducting the audit of cost account records for the period ended 31st March 2004 and the Cost Audit report will be submitted to the Department of Company Affairs, Government of India in due course.

ACKNOWLEDGEMENT

The Directors place on record their sincere appreciation of the unstinted co-operation received during the period under review from the Central Government, the Gujarat State Government, participating Financial Institutions and Banks, Shareholders, Debentureholders, Customers, Suppliers and Dealers and look forward to their continued support and co-operation.

The Directors place on record their appreciation of the commitment, dedication and loyalty of the employees at all levels, which enabled the Company to function under trying circumstances.

By Order of the Board

S.K. BANGUR
CHAIRMAN

Place: Mumbai,
Date: 30th October 2004

ANNEXURE TO DIRECTORS' REPORT

**ANNUAL REPORT
FOR 6 MONTHS ENDED
ON 31ST MARCH, 2004**

ANNEXURE - I

PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956 AND FORMING PART OF THE REPORT OF THE DIRECTORS.

Employed for a part of the period and in receipt of remuneration aggregating Rs. 200,000/- or more per Month.

Name	Vashu J. Ramsinghani
Age (years)	61
Designation/ Nature of Duties	Managing Director
Gross Remuneration (Rs.)	11,15,455/-
Qualifications	S.S.C
Experience(Years)	42
Date of Commencement of Employment	18.05.1992
Previous Employment /Position held	President, Rama Holdings Inc. USA

Notes: Gross Remuneration comprises salary, cost/value of perquisites, Company's contribution to Provident Fund, Gratuity Fund and Leave Encashment, on actual payment basis.

All appointment are/were contractual, other terms and conditions are as per Company's Rules.

ANNEXURE - II

INFORMATION AS PER SECTION 217(1)(e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS), RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE PERIOD ENDED 31ST MARCH 2004.

A. CONSERVATION OF ENERGY

1. Energy Conservation Measures Taken:

Following measures have been taken for Energy Conservation -

- i) With continued efforts, Co-Generation is at 95% of the total power requirement.
- ii) Some of the schemes based upon previous audits have been implemented and audit for electrical & thermal, mechanical & process will be taken up to explore the areas, for further energy conservation.
- iii) Some of the measures already taken for energy savings are:-
 - a. Replacing of higher capacity motor with lower rating, after studying the process requirements in deinking plants.

- b. C.T. Fans operations, interlock with temperature.
- c. Reduction in aerators operations.
- d. Interlock provided for Pulper's Operation in machine to reduce the idle running hours.

2. Additional Investment and Proposal for Energy Conversation are :

- a. The Order for 23 MW TG has been revived and the civil works have been started. This new TG will help to reduce the steam demand for power generation and to reduce the generation cost.
- b. Scheme is being finalized for modification of steam and condensate system, which will benefit to reduce the steam consumption and will help to improve the quality, machine run-ability and productivity.

3. Impact of Measure (1) & (2) are: -

The above measures will help to reduce the cost of production and increased capacity will enable to reduce the generation cost per unit.

The specific power consumption was 1156 kwh/Ton against previous years average of 1296 kwh/Ton. This was due to the several measures taken for energy conservation in areas of process operations, service, compressors and optimization of equipment running and improved capacity utilization.

4. Total energy conservation and energy consumption per unit of production as per Form-A, which is enclosed.

B. TECHNOLOGY ABSORPTION

Effort made in Technology Absorption as per Form B - enclosed.

C. FOREIGN EXCHANGE EARNING AND OUTGO.

	Current 6 Months period ended 31.3.2004	Rs. (In Lacs) Previous 18 months period ended 30.9.2003
Foreign Exchange Earning	327.36	866.54
Foreign Exchange Used	3454.15	7030.47