

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 Balchandraram 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 41th 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.)	KWH	--	
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

- (iii) The steps taken by the company for utilizing alternate sources of energy: None in particular
- (iv) The capital investment on energy conservation equipments: The Company has not made any capital investment on energy conservation equipments during the year.

B. Technology absorption

- (i) The efforts made towards technology absorption; --
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution; --
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - - The company has not imported any technology during the period under review.
 - the details of technology imported;
 - the year of import;
 - whether the technology been fully absorbed;
 - if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) The expenditure incurred on Research and Development - The Company has no separate R & Department

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particular	2015 -16	2014 -15
Foreign Exchange earnings	NIL	NIL
Foreign Exchange outgo	NIL	NIL

**By order of the Board
For Ellora Paper Mills Limited**

07.09.2016,
Place : Nagpur

Sudhir Goenka
Managing Director

Bandhooram Prasad
Director

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

MANAGERIAL REMUNERATION

(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)

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;	Name of Director Ratio Shri Sudhir Goenka, MD 19.90 times. Shri Bandhooram Prasad (Executive Director) 2.65 times
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	There is 178.32 % & 15.28% increase in the remuneration of Shri Sudhir Goenka and Shri Bandhooram Prasad respectively
(iii)	The percentage increase in the median remuneration of employees in the financial year;	There is ____% increase in the salary of employee. (Average)
(iv)	The number of permanent employees on the rolls of the Company;	112
(v)	The explanation on the relationship between average increase in remuneration and the Company performance;	The Salary of the Employee is increased by ____% as compare to loss of Rs.1,23,83,427.07 (Loss before income tax)
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;	Remuneration given to KMP is Rs. 34,20,000/- as compared to loss of Rs. 1,23,83,427.07(Loss before income tax)
(vii)	Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;	The Trading of the Company is suspended on Bombay Stock Exchange (BSE)
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There is 178.32 % & 15.28% increase in the remuneration of Shri Sudhir Goenka and Shri Bandhooram Prasad respectively
(ix)	comparison of the remuneration of each of the Key Managerial Personnel against the performance of the Company;	Remuneration given to KMP is Rs. 34,20,000/- as compared to loss of Rs. 1,23,83,427.07(Loss before income tax)
(x)	the key parameters for any variable component of remuneration availed by the directors;	Not applicable
(xi)	the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and	Not applicable
(xii)	affirmation that the remuneration is as per the remuneration policy of the Company	Yes

B) Details of every employee of the Company as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under : There is no such employee to whom said regulation Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
M/s Ellora Paper Mills Limited
379, Ashoka Vault Building,
Pandit Nehru Marg, Sitabuldi,
Nagpur, Maharashtra- 440012
India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ellora Paper Mills Limited (CIN - L36934MH1977PLC019972) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and as per the explanations given to me and the representation made by the Management, We hereby report that in my opinion, the Company has, during the Audit Period covering the Financial Year ended on 31st March, 2015 ('Audit Period') generally complied with the statutory provisions and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2015 according to the applicable provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) Depositories Act 1956;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 [Point No (i) to (iv) herein after called as "the applicable law"]
- (v) The Company has identified the following laws as specifically applicable to the Company (herein after called as "the other applicable law")
 - A. The payment of wages act 1936

- B. The payment of bonus act, 1965
- C. The payment of Gratuity Act 1972
- D. The Contract Labour (Regulation and Abolition) Act 1970
- E. The Maternity Benefit Act1961
- F. The Child Labour prohibition and regulation act 1986
- G. The Industrial Employment (Standing Orders) Act 1946
- H. The apprentices Act 1961
- I. The Equal Remuneration Act 1976
- J. The Hazardous waste (Management, Handling & Tran boundary Movement) Rules, 2008
- K. The Water (Prevention and Control of Pollution) Act1974
- L. The air (prevention and control of pollution) Act 1981
- M. Factories Act 1948
- N. Industrial Dispute Act 1947
- O. The minimum wages act 1948
- P. Employee Provident Fund and Misc Provision Act 1952
- Q. The Employee Compensation Act, 1923
- R. The Environment (Protection) Act 1986
- S. The Employee State Insurance 1948

The applicable laws as may be applicable to the Company are based on the Compliance Certificates issued by the authorised designated officers of the Company and the same submitted to the Board of Directors of the Company. We report that Company has generally complied with provision of the applicable laws.

The other applicable laws as may be applicable to the Company are based on the Compliance Certificates issued by the authorised designated officers of the Company and the same submitted to the Board of Directors of the Company. We report that the Company has adequate systems and process in place to monitor and ensure compliance of other applicable laws.

We have also examined compliance with the applicable clauses of the following:

The Equity Listing Agreements entered into by the Company with Bombay Stock Exchange; Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the Audit Period).

We report that the Company has generally complied with provision of above referred listing agreement.

We further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful are captured and recorded as part of

the minutes.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the authorised designated officer of the Company and taken on record by the Board of Directors at their meeting(s), the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that during the audit period the company has not any specific events having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards referred to above.

**For SPZ & Associate
Company Secretaries**

**Sd/-
CS Sunil Zore
CP No 11837
Membership No –A22144**

Mumbai
Date – 07.09.2016

(NOTE-This Report is to be read with our letter of even date which is annexed as Appendix A and forms an integral part of this report.)

To,
The Members,
M/s Ellora Paper Mills Limited
379, Ashoka Vault Building,
Pandit Nehru Marg, Sitabuldi,
Nagpur, Maharashtra- 440012
India.

Our report of even date is to be read along with this letter.

1. The maintenance of the secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that the correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representations about the compliance of laws, rules and regulations and occurrence of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test check basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For SPZ & Associate
Company Secretaries**

**Sd/-
CS Sunil Zore
CP No 11837
Membership No –A22144**

Mumbai
Date : 07.09.2016

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

FORM NO. MGT-9
 EXTRACT OF ANNUAL RETURN
 As on the financial year ended on 31st March, 2015
 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
 (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L36934MH1977PLC019972
2	Registration Date	14 November 1977
3	Name of the Company	Ellora Paper Mills Limited
4	Category / Sub -Category of the Company	Public Company having share capital
5	Address of the Registered office and contact details	379, Asho ka Vault Building, Sitabuldi, Nagpur, Maharashtra, India-440012
6	Whether listed Company	Yes
7	Name, Address and contact details of Registrar and Transfer Agent, if any	M/s Bigshare Services Private Limited Office - E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai-400072

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Business activities contributing 10% or more of the total turnover of the Company are stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product / services	% to total turnover of the Company
1	Manufacture of paper	21012	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary Associate	% of Shares held	Applicable Section
1	N.A	N.A	N.A	N.A	N.A

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% chane during the year
	De-mat	Physical	Total	% of Total Shares	De-mat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian -									
a) Individual/ HUF	692000	298000	990000	49.50	692000	298000	990000	49.50	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	400000	0	400000	20.00	400000	0	400000	20.00	0.00
e) Banks/FI's	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (1)	1092000	298000	1390000	69.50	1092000	298000	1390000	69.50	0.00
(2) Foreign -									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FIs	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)=(A)(1)+(A) (2)	1092000	298000	1390000	69.50	1092000	298000	1390000	69.50	0.00
B. PUBLIC SHAREHOLDING									
1. Institutions -									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FIs	265530	0	265530	13.28	265530	0	265530	13.28	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00

h) Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (B) (1)	265530	0	265530	13.28	265530	0	265530	13.28	0.00
2. Non-Institutions -									
<i>a) Bodies Corporates</i>									
i) Indian	186940	1050	187990	9.40	186940	1050	187990	9.40	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
<i>b) Individuals -</i>									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	47434	56150	103584	5.18	47934	56150	104084	5.20	0.03
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	52146	0	52146	2.61	52146	0	52146	2.61	0.00
<i>c) Others (Specify)</i>									
	500	250	750	0.04	0	250	250	0.01	-0.03
Sub Total (B) (2)	287020	57450	344470	17.22	287020	57450	344470	17.22	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	552550	57450	610000	30.50	552550	57450	610000	30.50	0.00
C. Shares held by custodian for GDRS & ADRS	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	1644550	355450	2000000	100.00	1644550	355450	2000000	100.00	0.00

(ii) Shareholding of Promoters								
Sr. No	Name	Shareholding at the beginning of the year			Shareholding at the beginning of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledge/ encumbered to total Share	No. of Shares	% of total Shares of the company	% of Shares Pledge/ encumbered to total shares	
1	Sudhir Goenka Huf	402000	20.1	0	402000	20.1	0	0
2	Sudhir Goenka Karta Of Huf	298000	14.9	14.9	298000	14.9	14.9	0
3	Texline Agencies Ltd	200000	10	0	200000	10	0	0
4	Savitri Exports Ltd	200000	10	0	200000	10	0	0
5	Sandeep Chandraprakash Goenka	62500	3.125	0	62500	3.125	0	0
6	Sudhirkumar Chandraprakash Goenka	62500	3.125	0	62500	3.125	0	0
7	Chandra Prakash Hariram Goenka	60000	3	0	60000	3	0	0
8	Kusum Sudhirkumar Goenka	55000	2.75	0	55000	2.75	0	0
9	Savitridevi Chandraprakash Goenka	35000	1.75	0	35000	1.75	0	0
10	Archana Goenka	15000	0.75	0	15000	0.75	0	0
	Total	1390000	69.5	14.9	1390000	69.5	14.9	0

(iv) Change in Promoters' Shareholding (Please specify if there is no change)

Sr. No	Name of Promoter	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of share	% of the total share capital of the Company	No of share	% of the total share capital of the Company
1	Sudhir Goenka Huf				
	At the beginnng of the year	402000	20.1	402000	20.1
	Change during the year	0	0	0	0
	At the End of the year	402000	20.1	402000	20.1

2	Sudhir Goenka Karta Of Huf				
	At the beginnng of the year	298000	14.9	298000	14.9
	Change during the year	0	0	0	0
	At the End of the year	298000	14.9	298000	14.9
3	Texline Agencies Ltd				
	At the beginnng of the year	200000	10	200000	10
	Change during the year	0	0	0	0
	At the End of the year	200000	10	200000	10
4	Savitri Exports Ltd				
	At the beginnng of the year	200000	10	200000	10
	Change during the year	0	0	0	0
	At the End of the year	200000	10	200000	10
5	Sandeep Chandraprakash Goenka				
	At the beginnng of the year	62500	3.125	62500	3.125
	Change during the year	0	0	0	0
	At the End of the year	200000	10	200000	10
6	Sudhirkumar Chandraprakash Goenka				
	At the beginnng of the year	62500	3.125	62500	3.125
	Change during the year	0	0	0	0
	At the End of the year	200000	10	200000	10
7	Chandra Prakash Hariram Goenka				
	At the beginnng of the year	60000	3	60000	3
	Change during the year	0	0	0	0
	At the End of the year	60000	3	60000	3
8	Kusum Sudhirkumar Goenka				
	At the beginnng of the year	55000	2.75	55000	2.75

	Change during the year	0	0	0	0
	At the End of the year	55000	2.75	55000	2.75
9	Savitridevi Chandraprakash Goenka				
	At the beginnng of the year	35000	1.75	35000	1.75
	Change during the year	0	0	0	0
	At the End of the year	35000	1.75	35000	1.75
10	Archana Goenka				
	At the beginnng of the year	15000	0.75	15000	0.75
	Change during the year	0	0	0	0
	At the End of the year	15000	0.75	15000	0.75

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Name of Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of share	% of the total share capital of the Company	No of share	% of the total share capital of the Company
1	IDBI BANK LTD.				
	At the beginnng of the year	250950.00	12.548	250950.00	12.548
	Changes during the year	0	0	0	0
	At the End of the year	250950.00	12.548	250950.00	12.548
2	CHITRAVALI BARTER PVT LTD				
	At the beginnng of the year	97290.00	4.865	97290.00	4.865
	Changes during the year	0	0	0	0
	At the End of the year	97290.00	4.865	97290.00	4.865
3	BHUBNESH COMMERCIAL PRIVATE LIMITED				
	At the beginnng of the year	64000.00	3.200	64000.00	3.200
	Changes during the year	0	0	0	0
	At the End of the year	64000.00	3.200	64000.00	3.200
4	SAMIR JITENDRA JAVERI				
	At the beginnng of the year	52146.00	2.607	52146.00	2.607

	Changes during the year	0	0	0	0
	At the End of the year	52146.00	2.607	52146.00	2.607
5	VSL SECURITIES PRIVATE LIMITED				
	At the beginnng of the year	15000.00	0.750	15000.00	0.750
	Changes during the year	0	0	0	0
	At the End of the year	15000.00	0.750	15000.00	0.750
6	UNITED BANK OF INDIA				
	At the beginnng of the year	14580.00	0.729	14580.00	0.729
	Changes during the year	0	0	0	0
	At the End of the year	14580.00	0.729	14580.00	0.729
7	BANWARILAL MALU				
	At the beginnng of the year	7500.00	0.375	7500.00	0.375
	Changes during the year	0	0	0	0
	At the End of the year	7500.00	0.375	7500.00	0.375
8	CALVIN SHARES & SECURITIES PVT. LTD.				
	At the beginnng of the year	5000.00	0.250	5000.00	0.250
	Changes during the year	0	0	0	0
	At the End of the year	5000.00	0.250	5000.00	0.250
9	GAJENDRA JEETMAL MALU				
	At the beginnng of the year	3100.00	0.155	3100.00	0.155
	Changes during the year	0	0	0	0
	At the End of the year	3100.00	0.155	3100.00	0.155
10	SANTOSH JAIN				
	At the beginnng of the year	3000.00	0.150	3000.00	0.150
	Changes during the year	0	0	0	0
	At the End of the year	3000.00	0.150	3000.00	0.150

(v) Shareholding Pattern of Director and Key Managerial Personnel

Sr. No	Name of Director /Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of share	% of the total share capital of the Company	No of share	% of the total share capital of the Company
					-
1	Shri Sudhir Goenka				
	At the beginnng of the year	298000	14.9	298000	14.9
	Changes during the year	0	0	0	0
	At the End of the year	298000	14.9	298000	14.9
2	Smt. Kusum Goenka	0		0	0
	At the beginnng of the year	55000	2.75	55000	2.75
	Changes during the year	0	0	0	0
	At the End of the year	55000	2.75	55000	2.75

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment)

Sr. No	Particular	Secured Loan excluding Deposit	Unsecured Loan	Deposit	Total Indebtedness
1	Indebtedness at the beginning of the financial year				-
	i) Principal Amount	0	54562085	0	54562085
	ii) Interest due but not paid	0	0	0	0
	iii) Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	0	54562085	0	54562085
2	Change in Indebtedness during the financial year				
	Addition	0	6033718	0	6033718
	Reduction	0	0	0	0
	Net Changes	0	6033718	0	6033718
3	Indebtedness at the end of the financial year				
	i) Principal Amount	0	60595803	0	60595803
	ii) Interest due but not paid	0	0	0	0
	iii) Interest accrued but not due	0	0	0	0
	Total (i+ii+iii)	0	60595803	0	60595803

VI Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particular of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mr. Sudhir Kumar Goenka	Mr. Bandhooram Prasad (Occupier)			
					-	
1	Gross Salary					
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	30,00,000	4,20,000			4,20,000
	b) Value of Perquisites u/s 17(2) of the Income-tax Act, 1961					
	c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	0	0	0		0
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0		0	0	0
4	Commission	0	0	0	0	0
	as% of Profit	0	0	0	0	0
	other specify	0	0	0	0	0
5	Other please specify	0	0	0	0	0
	Total (A)	30,00,000	420000	0	0	34,20,000
	Ceiling as per comp. Act	0	0	0	0	10 % Net Profit

B. Remuneration to other Director

Sr. No.	Particular of Remuneration	Name of Director				Total Amount
1				-		
	Independent Directors				-	-

	Fees for attending Board Meeting/ Committee Meeting	0	0	0	0	0
	Commission	0	0	0	0	0
	Other, Please verify	0	0	0	0	0
	Total -1	0	0	0	0	0
	Other Non Executive Director	0	0	0	0	0
	Fees for attending Board Meeting/ Committee Meeting	0	0	0	0	0
	Commission	0	0	0	0	0
	Other, Please verify	0	0	0	0	0
2	Total -2	0	0	0	0	0
	Total (B) (1+2)	0	0	0	0	0
	Total Management Remuneration (A+B)	0	0	0	0	0
	Overall Ceiling as Per Act	1% of Net Profit				11% of net Profit

C. Remuneration to key managerial personnel other than MD / manager / WTD:

Sr. No	Particulars Remuneration	Key Managerial Remuneration			Total Remuneration
		CEO	Company Secretary	CFO	
1	Gross Salary	0	0	0	0
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	0	0	0	0
	b) Value of Perquisites u/s 17(2) income tax act 1961	0	0	0	0
	c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of Profit	0	0	0	0

	other specify	0	0	0	0	0
5	Other please specify	0	0	0	0	0
	Total (C)	0	0	0	0	0

VII . PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Sr. No	Type	Section of Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/COURT)	Appeal made, if any (give details)
A	Company					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
B	Directors					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
C	Other Officer in default					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

ANNEXURE - 'E' FORMING PART OF DIRECTOR REPORT

Form AOC-2

Particulars of contracts or arrangements with related Parties

Sr. No	Nature of contracts or arrangements with related Parties	Name of Related Party	Type of Related Party	Amount
1	Stores purchase payment	Richard Pharma Lab Pvt. Ltd	Associate Company	46,720
2	Stores purchase payment	Richard Pharma Lab Pvt. Ltd	Associate Company	9,540
3	Salary	Bandhoo Ram Prasad	Key Managerial Personnel	420,000
4	Salary	Sudhir Goenka	Key Managerial Personnel	3,000,000
5	Loan & Deposit Taken	Sudhir Goenka	Key Managerial Personnel	3,000,000
6	Loan & Deposit Repaid	Sudhir Goenka	Managing Director	1,235,000
7	Loan & Deposit Taken	Gurukul sports International Pvt Ltd	Associate Concern	400,000.00
8	Loan & Deposit Taken	Rohit Iron & Steel Industries	Associate Concern	5,000,000.00
9	Loan & Deposit Taken	Central Cables Ltd	Associate Concern	2,500,000.00

R S BHATTAD & ASSOCIATES

Chartered Accountants

---00---

33-A Central Bazar Road
Ramdaspath, Nagpur- 10.
Ph. No.6611722,2420722**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF ELLORA PAPER MILLS LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of ELLORA PAPER MILLS LIMITED, ("the Company") which comprise the Balance Sheet as at 31st March 2016, the statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the guidelines issued by the Reserve Bank of India as applicable to a Non Banking Financial Company. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards of Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that :
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (As amended).
 - e. On the basis of written representations received from the Directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - a. The Company has no pending litigations which have any impact on its financial position.
 - b. The Company did not have any long term contracts including derivatives contract for which there were any material foreseeable losses; and
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

**For R S Bhattad & Associates
Firm Regn. No. 135948W
Chartered Accountants**

Place: Nagpur
Date: 07.09.2016

**(R. S. Bhattad)
Partner
M. No. 014999**

THE ANNEXURE A REFERRED TO IN INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COMPANY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016, WE REPORT THAT:

1. a. The Company has maintained proper records, showing full particulars including quantitative details and situation of fixed assets.
- b. As explained to us the Company has a phased program for physical verification of the fixed assets of the Company to cover all locations. In our opinion, the frequency of verification is reasonable, considering the size of the Company. No material discrepancies were noticed on such verification carried on during the year, as compared with the available records.
- c. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The Inventory of finished goods, raw materials, components, stores and spare parts except those lying with third parties, and in transit, has been physically verified by the management at regular intervals, which we consider to be reasonable. No material discrepancies were noticed on physical verification of inventories as compared to book records.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, reporting requirement under Para 3(iii)(a) to (c) of the Order is not applicable to the Company.
4. According to the information and explanation given to us, in respect of loans, investments, guarantees and security the provisions of section 185 and 186 of the Companies Act 2013 are not applicable to the Company during the year. Therefore, reporting requirement under Para 3(iv) of the Order is not applicable to the Company.
5. The company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 of the Act and the Rules framed there under. Therefore, reporting requirement under Para 3(v) of the Order is not applicable to the Company.
6. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government of India, maintenance of cost records has been prescribed under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
7. a. According to the records of the Company and information and explanations given to us, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Custom Duty, Cess, Excise Duty, Service Tax, Value added tax, and other material statutory dues have been deposited regularly during the period with the appropriate authorities. According to the records of the Company and information and explanations given to us there were no arrears of outstanding statutory dues as at 31st March, 2016 for a period of more than six months from the date they became payable.
- b. According to the records of the Company and information and explanations given to us there are no disputed amounts payable in respect of, Income Tax, Sales Tax, Custom Duty, Excise Duty and Entry tax and other statutory dues as at the last day of the period ending 31st March, 2016.
8. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions, banks, governments or debenture holders. The company did not have any outstanding dues to debenture holders during the year.

9. In our opinion and according to the information and explanations given to us, the term loan have been applied for the purpose for which they were raised other than amounts temporarily invested pending utilization of the funds for stated use. The Company has not raised any money by way of initial public offer or further public offer (including debt instrument) during the year.
10. According to the information and explanation given to us no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of audit. Therefore, reporting requirement under Para 3(x) of the Order is not applicable to the Company.
11. According to the information and explanation given to us and based on our examination of the books and records of the Company we are of the opinion that the managerial remuneration has been paid or provided in accordance with the provisions of section 197 read with Schedule V to the Companies Act.
12. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Therefore, reporting requirement under Para 3(xii) of the Order is not applicable to the Company.
13. Based upon the audit procedure performed and according to the information and explanations given to us, all the transactions with related parties are in compliance with section 177 & 188 of the Companies Act 2013 wherever applicable and details have been disclosed in the financial statement as required by the applicable Accounting Standard-18.
14. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, reporting requirement under Para 3(xiv) of the Order is not applicable to the Company.
15. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions during the period with directors or persons connected with him. Therefore, reporting requirement under Para 3(xv) of the Order is not applicable to the Company.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting requirement under Para 3(xvi) of the Order is not applicable to the Company.

For R S Bhattad & Associates
Firm Regn. No. 135948W
Chartered Accountants

Place: Nagpur
Date: 07.09.2016

(R. S. Bhattad)
Partner
M. No. 014999

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE
ON THE FINANCIAL STATEMENTS OF THE COMPANY.**

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of ELLORA PAPER MILLS LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI") These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively 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, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing. Issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are

being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.”

**For R S Bhattad & Associates
Firm Regn. No. 135948W
Chartered Accountants**

Place: Nagpur
Date: 07.09.2016

**(R. S. Bhattad)
Partner
M. No. 014999**

ELLORA PAPER MILLS LIMITED
Balance Sheet as at 31st March 2016

Particulars		Note	31st March 2016	31st March 2015
			₹	₹
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	1,99,36,750.00	1,99,36,750.00
	(b) Reserves and surplus	4	(46,27,699.07)	42,77,915.00
	(c) Money received against share warrants			
2	Share application money pending allotment		-	-
3	Non-current liabilities			
	(a) Long-term borrowings	5	1,67,29,281.00	1,54,37,303.00
	(b) Deferred tax liabilities (Net)	6	1,16,17,863.00	1,55,22,373.00
	(c) Other Long term liabilities		-	-
	(d) Long-term provisions	7	1,52,80,223.00	1,75,51,837.00
4	Current liabilities			
	(a) Short-term borrowings	8	5,49,17,342.00	4,51,58,500.00
	(b) Trade payables	9	2,88,30,361.44	2,29,98,360.00
	(c) Other current liabilities	10	89,57,712.24	1,41,95,568.00
	(d) Short-term provisions	11	5,45,911.00	4,38,623.00
	TOTAL		15,21,87,744.61	15,55,17,229.00
II.	ASSETS			
	Non-current assets			
1	(a) Fixed assets			
	(i) Tangible assets	12	7,19,96,474.00	7,84,29,706.00
	(ii) Intangible assets			-
	(iii) Capital work-in-progress	12	93,164.00	-
	(iv) Intangible assets under development		-	-
	(b) Non-current investments	13	50,000.00	50,000.00
	(c) Deferred tax assets (net)		-	-
	(d) Long-term loans and advances	14	42,79,010.00	42,79,010.00
	(e) Other non-current assets		-	-
2	Current assets			
	(a) Current investments		-	-
	(b) Inventories	15	1,84,32,054.60	1,98,40,687.00
	(c) Trade receivables	16	1,43,01,304.74	1,41,83,291.00
	(d) Cash and cash equivalents	17	29,46,631.70	53,75,993.00
	(e) Short-term loans and advances	18	2,84,83,126.57	2,82,29,003.00
	(f) Other current assets	19	1,16,05,979.00	51,29,539.00
	TOTAL		15,21,87,744.61	15,55,17,229.00
	GENERAL CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES	1 & 2	-	-

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

As per our report attached
For R S Bhattad & Associates
Chartered Accountants
Firm Regn. No. 135948W

Sudhir Goenka
Managing Director

Bandhooram Prasad
Director

Place: Nagpur
Date: 07/09/2016

R. S. Bhattad
(Partner)
M. No. 014999

ELLORA PAPER MILLS LIMITED
Statement Of Profit And Loss For The Period Ended 31st March 2016

PARTICULARS	Note No.	Upto 31/03/16		Upto 31/03/15	
		₹	₹	₹	₹
I Revenue from operations:	20				
Sale of Products		23,78,43,136.40		26,21,05,183.00	
Sale of Services		-		-	
Other Operating Revenues		-		-	
		23,78,43,136.40		26,21,05,183.00	
Less: Excise Duty		26,84,819.00	23,51,58,317.40	36,87,837.00	25,84,17,346.00
II Other Income	21		63,35,087.67		5,41,405.00
III Total Revenue (I + II)					
IV Expenses					
Cost of Materials Consumed	22	12,51,19,004.00		13,67,78,377.00	
Purchases of Stock in Trade		-	24,14,93,405.07	-	25,89,58,751.00
Changes in inventories of finished goods, work in progress and Stock-in-trade	23	41,39,027.00		(15,70,344.00)	
Employee benefits expense	24	2,21,16,885.00		2,33,30,398.00	
Finance Costs	25	16,40,798.25		14,13,949.00	
Depreciation and amortization expense	12	76,35,336.00		1,00,45,732.00	
Other expense	26	9,32,25,781.89	25,38,76,832.14	9,21,65,557.00	26,21,63,669.00
Total Expense					
V Profit before exceptional and extraordinary items and tax (III-IV)			(1,23,83,427.07)		(32,04,918.00)
VI Exceptional Items			-		
VII Profit before extraordinary items and tax (V-VI)			(1,23,83,427.07)		(32,04,918.00)
VIII Extraordinary items					
IX Profit before tax (VII-VIII)			(1,23,83,427.07)		
X Tax expense:					(32,04,918.00)
(1) Current tax					-
(2) Deferred tax					-
		39,04,510.00	39,04,510.00	12,23,529.00	12,23,529.00
Profit/(Loss) for the period from continuing operations (IX - X)					
XI Profit/(Loss) for the period from discontinuing operations			(84,78,917.07)		(19,81,389.00)
XII					
XIII Tax expense of discontinuing operations					
XIV Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)			-		-
XV Profit/(Loss) for the period (XI + XIV)	27		(84,78,917.07)		(19,81,389.00)
XVI Earnings per equity share:					
Basic and diluted earnings per equity share	1 & 2		(4.24)		(0.99)
(in ₹) [Face value 10 each]					

GENERAL CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

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

As per our report attached
For R S Bhattad & Associates
Chartered Accountants
Firm Regn. No. 135948W

Sudhir Goenka
Managing Director

Bandhooram Prasad
Director

R. S. Bhattad
(Partner)
M. No. 014999

Place: Nagpur
Date: 07/09/2016

Cash Flow Statement For the year ended 31st March 2016				
	For the Year ended 31st March 2016		For the Year ended 31st March 2015	
	₹	₹	₹	₹
CASH FLOW FROM OPERATING ACTIVITIES :				
Net Profit before tax as per Statement of Profit and Loss		(1,23,83,427)		(32,04,918)
Adjusted for :				
Net Prior Year Adjustments	-	-	-	-
Loss on Sale/Discard of Assets (Net)	-	-	-	-
Depreciation and Amortisation Expenses	76,35,336	-	1,00,45,732	-
Transferred from Revaluation Reserve	-	-	-	-
Effect of Exchange Rate change	-	-	-	-
Accounts written off	-	-	-	-
Net gain on Sale of Investments	-	-	-	-
Forfeiture of Advance Money	-	-	-	-
Interest Income	(3,47,278)	-	(4,26,940)	-
Finance Costs	16,40,798	-	14,13,949	-
		89,28,856		1,10,32,741
Operating Profit before Working Capital Changes		(34,54,571)		78,27,823
Adjusted for :				
Trade and Other Receivables	(1,18,014)	-	35,52,331	-
Inventories	14,08,632	-	(19,37,296)	-
Trade and Other Payables	(15,70,180)	-	(93,07,277)	-
		(2,79,562)		(76,92,242)
Cash Generated from Operations		(37,34,132)		1,35,58
Net Prior Year Adjustments		-		1
Taxes Paid (Net)		(4,26,698)		-
Net Cash from Operating Activities		(41,60,830)		1,35,581
CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Fixed Assets		(12,95,268)		(28,02,379)
Sale of Fixed Assets / Transfer of Participating Interest		-		-
Purchase of Investments		-		-
Sale/Redemption of Investments		-		-
Movement in Loans & Advances		(67,30,564)		10,69,162
Interest Income		3,47,278		4,26,940
Dividend Income		-		-
Net Cash (used in) Investing Activities		(76,78,554)		(13,06,277)
CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Issue of Share Capital		-		-
Share Application Money		-		-
Buyback of Equity Shares		-		-
Proceeds from Long term Borrowings		12,91,978		75,218
Repayment of Long Term Borrowings		-		-
Short Term Borrowings (Net)		97,58,842		59,58,500
Dividends Paid (including dividend distribution tax)		-		-
Interest Paid		(16,40,798)		(14,13,949)
Net Cash (used in) Financing Activities		94,10,022		46,19,769
		(24,29,362)		34,49,073
Net Increase in Cash & Cash Equivalents		53,75,994		19,26,921
Opening Balance of Cash & Cash Equivalents				
Closing Balance of Cash and Cash Equivalents		29,46,632		53,75,994

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

As per our report attached
For R S Bhattad & Associates
Chartered Accountants
Firm Regn. No. 135948W

Sudhir Goenka
Managing Director

Bandhooram Prasad
Director

R. S. Bhattad
(Partner)
M. No. 014999

Place: Nagpur
Date: 07/09/2016

Note-3 Share Capital

Figures in Rupees

Particulars	As at 31st March	As at 31st March
	2016	2015
(A) Authorised		
28,00,000 (Previous Year 28,00,000) Equity Shares	2,80,00,000	2,80,00,000
of 10 each 2,00,000 unclassified shares of ` 10/- each	20,00,000	20,00,000
Total	3,00,00,000	3,00,00,000
Issued and Subscribed:		
20,00,000 (Previous Year 20,00,000) Equity Shares of 10 each.	2,00,00,000	2,00,00,000
Total	2,00,00,000	2,00,00,000
Paid Up Capital		
20,00,000 (Previous Year 20,00,000) Equity Shares of 10' each, fully paid up	2,00,00,000	2,00,00,000
Less : In arrears (other than Directors)		
Allotment Money	(19,625)	(19,625)
First & Final call Money	(43,625)	(43,625)
Total	1,99,36,750	1,99,36,750
(B) Reconciliation of number of shares outstanding at the beginning and at the end of reporting period		
Particulars	As at 31st March	As at 31st March
	2016	2015
No. of shares at the beginning of the year	20,00,000	20,00,000
Add: Issue of shares during the year	-	-
Less: Deduction during the year	-	-
No. of shares at the end of the year	20,00,000	20,00,000
(C) Details of Shareholding		
No. of Shares held by each Shareholder holding more than 5% shares		
Particulars	As at 31st March 2016	
	No. of Shares	% Held
(i) Sudhir Goenka HUF	4,02,000	20.10%
(ii) Sudhir Goenka karta of Huf	2,98,000	14.90%
(iii) Savitri Exports Limited	2,00,000	10.00%
(iv) Textile Agencies Limited	2,00,000	10.00%
(v) IDBI Bank	2,50,950	12.55%
Total	13,50,950	67.55%
Particulars	As at 31st March 2015	
	No. of Shares	% Held
(i) Sudhir Goenka HUF	4,02,000	20.10%
(ii) Sudhir Goenka karta of Huf	2,98,000	14.90%
(iii) Savitri Exports Limited	2,00,000	10.00%
(iv) Textile Agencies Limited	2,00,000	10.00%
(v) IDBI Bank	2,50,950	12.55%
Total	13,50,950	67.55%

Note- 4 Reserves & Surplus

Particulars	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
(i) General Reserve		
Balance as per last Balance Sheet	59,88,390	59,88,390
Add: Amount Transferred from Profit & Loss Account	-	-
	59,88,390	59,88,390
(ii) Profit & Loss Account		
Balance as per last Balance Sheet	(17,10,475)	1,20,45,225
Less: Carrying amount of fixed assets debited where remaining useful life of the assets is NIL as on 01.04.2014	-	1,17,74,311
Less: Income tax of earlier years	4,26,697	
Add: Profit/(Loss) as per statement of Profit and loss	(84,78,917)	(19,81,389)
	(1,06,16,089)	(17,10,475)
Total	(46,27,699)	42,77,915

Note- 5 Long Term Borrowings

Particulars	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
(A)	Unsecured Loan	
Sales Tax deferral	1,67,29,281	1,54,37,303
Total	1,67,29,281	1,54,37,303

(B) Terms & conditions

- (i) The company received an interest free sales tax loan of ₹ 176.16 lacs from State Industrial and Investment Corporation of Maharashtra Limited during the period from 27.01.1981 to 15.03.1994. The loan is repayable after 18 years in three equal annual instalments from the date of disbursement. All the outstanding instalments of the said loan have been discounted @ 11 % p.a.
- (ii) Sales tax amounting to ₹ 257.87 lacs was availed by the company during the period from April 2004 to April 2009 as Deferral. This liability is payable in instalments over the period of time spanning from April-2011 to April-2024. In order to present a realistic picture of the liability, the said liability had been reviewed and discounted at 11% per annum. The difference between the present value as of 31st March 2016 and 31st March 2015 is debited to Profit and loss account and shown as interest expense of ₹ 11.26 lacs.

(C) Maturity profile and rate of interest:-

Rate of Interest 11%	Figures in Rupees
Maturity	
2016-2017	16,20,538
2017-2018	43,63,925
2019-2025	1,07,44,818
Total	1,67,29,281

Note-6 Deferred Tax Liability

Particulars	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
(A) Liabilities		
(i) Related to Fixed Assets	2,46,98,592	2,53,11,363
Total	2,46,98,592	2,53,11,363
(B) Assets		
(i) Gratuity provision disallowed under Income tax	44,41,672	52,01,323
(ii) Unabsorbed Losses	79,59,835	39,41,413
(iii) Leave encashment provision disallowed under Income tax	3,01,190	2,78,677
(iv) Disallowance u/s43B -Government Taxes	3,78,032	3,67,577
Total	1,30,80,729	97,88,990
Deferred Tax Assets (Net)	1,16,17,863	1,55,22,373

Note- 7 Long Term Provisions

Particulars	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
Provision for employee benefits (refer note 28)	1,52,80,223	1,75,51,837
Total	1,52,80,223	1,75,51,837

Note- 8 Short Term Borrowings

Particulars	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
(A) Unsecured		
(I) Rupee Loans from Body corporate	1,23,96,500	44,86,500
(ii) Rupee Loans from Director	4,25,20,842	4,06,72,000
(iii) Rupee Loans from Relatives of Director	-	-
Total	5,49,17,342	4,51,58,500

Note- 9 Trade Payables Particulars

Sundry Creditors	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
(I) Micro, Small and Medium Enterprises *	-	-
(ii) Payable to related parties	-	-
(iii) Other creditors		
towards Raw Material & Consumables	2,59,28,480	2,18,82,143
towards Expenses	29,01,882	11,16,218
Total	2,88,30,361	2,29,98,360

* The Company has not received information from creditors regarding their status under the Micro, Small and Medium Enterprises Development Act,2006 and hence disclosure as required under the Companies Act,1956 relating to amounts unpaid as at the end of the period together with interest paid/payable thereon has not been given.

Note- 10 Other Current Liabilities

Particulars As at 31st March	Figures in Rupees	
	As at 31st March	
	2016	2015
(i) Current Maturities of Long Term Debt	-	56,05,117
(ii) Other Payables towards expenses**	89,57,712	85,90,451
Total	89,57,712	1,41,95,568

** Includes statutory dues, security deposit employees dues and expenses accrued but not yet due

Note-11 Short Term Provisions

Particulars As at 31st March	Figures in Rupees	
	As at 31st March	
	2016	2015
Provision for employee benefits	5,45,911	4,38,623
Provision of Income tax	-	-
Total	5,45,911	4,38,623

Note-13 Non Current Investment

Particulars As at 31st March	Figures in Rupees	
	As at 31st March	
	2016	2015
Investment in NSC	40,000	40,000
Investment in KVP	10,000	10,000
Total	50,000	50,000

Note-14 Long Term Loans and Advances

Particulars As at 31st March	Figures in Rupees	
	As at 31st March	
	2016	2015
Security Deposits (Unsecured and Considered Good)	42,79,010	42,79,010
Total	42,79,010	42,79,010

Note-15 Inventories

Particulars As at 31st March	Figures in Rupees	
	As at 31st March	
	2016	2015
(i) Raw Materials	48,22,758	26,12,170
(ii) Finished Goods	47,08,366	76,22,421
(iii) Semi finished goods	36,24,888	48,49,860
(iv) Store and Spares	52,76,043	47,56,236
Total	1,84,32,055	1,98,40,687

In the opinion of the management, Inventories are of the value stated, if realised in the ordinary course of business.

Note-16 Trade Receivables

Particulars	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
(Unsecured and subject to confirmation)		
(i) Due for a period exceeding six months		
Considered Good	45,20,445	61,50,362
Considered Doubtful	-	-
	45,20,445	61,50,362
Less : Provision for Doubtful Debts	-	-
	45,20,445	61,50,362
(ii) Due for a period within six months		
Considered good	97,80,860	80,32,929
Considered Doubtful	-	-
	97,80,860	80,32,929
Less : Provision for Doubtful Debts	-	-
	97,80,860	80,32,929
Total	1,43,01,305	1,41,83,291

Note- 17 Cash and Bank Balances

Particulars	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
(i) Cash on Hand	1,54,500	1,45,696
(ii) Balance with Bank - Current account #	20,67,131	45,05,297
(iii) Fixed Deposit with Banks		
- Maturity more than 12 months	2,25,000	2,25,000
- Maturity less than 12 months	5,00,000	5,00,000
Total	29,46,632	53,75,993

Balance with Bank includes unclaimed Dividend of ` 0.4 lacs (31st March 2014 : ` 0.4 lacs)

Note- 18 Short Term Loans and Advances

Particulars	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
(Unsecured, Considered good and Subject to Confirmation)		
(i) Loans and Advances to related parties	1,70,00,000	1,70,00,000
(ii) Advance Recoverable in Cash or Kind & Prepaid expenses	(70,048)	(4,24,724)
Balance with Customs, Central Excise		
(iii) Authorities & Sale Tax	1,10,30,426	1,07,55,066
(iv) Interest accrued but not yet due	-	-
(v) Advance Income Tax	5,22,749	8,98,661
Total	2,84,83,127	2,82,29,003

In the opinion of the management, Loans and Advances are of the value stated, if realised in the ordinary course of business.

Note- 19 Other Current Assets

Particulars	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
Insurance Claim receivable	1,16,05,979.00	51,29,539.00
Total	1,16,05,979	51,29,539

Note-20 Revenue from Operations

Particulars	Figures in Rupees	
	Year ended 31st March 2016	Year ended 31st March 2015
Sales of Goods		
(i) Manufactured Goods	23,78,43,136	26,21,05,183
(ii) Less : Excise Duty recovered	26,84,819	36,87,837
Total	23,51,58,317	25,84,17,346

Particulars of Sale of Products Particulars	Figures in Rupees	
	Year ended 31st March 2016	Year ended 31st March 2015
(i) Paper product	23,78,43,136	26,21,05,183
(ii) Rice product	-	-
Total	23,78,43,136	26,21,05,183

Note- 21 Other Income

Particulars	Figures in Rupees	
	Year ended 31st March 2016	Year ended 31st March 2015
(i) Interest Received	3,47,278	4,26,940
(ii) Balance Written Back	50,41,578	2,416
(iii) Other Miscellaneous Receipts	9,46,232	1,12,049
Total	63,35,088	5,41,405

Note-22 Cost of Material Consumed

Particulars	Figures in Rupees	
	Year ended 31st March 2016	Year ended 31st March 2015
(i) Opening Stock of Raw Materials	26,12,170	33,41,197
(ii) Add: Purchases	12,73,29,592	13,60,49,350
(iii) Less: Cost of raw material sold	-	-
(iv) Less: Closing Stock of Raw Materials	48,22,758	26,12,170
Total	12,51,19,004	13,67,78,377

Note- 22 Particulars of Material consumed

Particulars	Figures in Rupees	
	Year ended 31st March 2016	Year ended 31st March 2015
(A) Imported		
(i) Waste paper	-	-
(ii) Rice paddy	-	-
(B) Indigenous		
(i) Waste paper	12,51,19,004	13,67,78,377
(ii) Rice paddy	-	-
Total	12,51,19,004	13,67,78,377

Note-23 Changes in Inventories

Particulars	Figures in Rupees	
	Year ended 31st March 2016	Year ended 31st March 2015
(i) At the end of the period		
Closing Stock of finished Goods & semi finished goods	83,33,254	1,24,72,281
(ii) At the beginning of the period		
Opening Stock of finished Goods & semi finished goods	1,24,72,281	1,09,01,937
Total	41,39,027	(15,70,344)

Note-24 Employee Benefit Expense

Particulars	Figures in Rupees	
	Year ended 31st March 2016	Year ended 31st March 2015
(A) (i) Salaries and wages		
- to Director's	34,20,000	17,92,200
- to others	1,70,59,255	1,96,46,828
(ii) Contribution to provident and other funds	16,20,191	18,56,067
(iii) Staff Welfare Expenses	17,439	35,303

Note-25 Finance Cost

Particulars	Figures in Rupees	
	Year ended 31st March 2016	Year ended 31st March 2015
Other Interest	16,40,798	14,13,949
Total	16,40,798	14,13,949

Note-26 Other Expenses

Particulars	Figures in Rupees	
	Year ended 31st March 2016	Year ended 31st March 2015
(A) Manufacturing Expenses		
(i) Consumption of Store & Spares	1,28,11,245	1,34,69,696
(ii) Power and Fuel	6,46,74,088	6,22,46,854
(iii) Repair & Maintenance		
- Building	7,110	4,698
- Plant & Machinery	34,23,375	29,67,614
- Others	8,61,458	5,02,046
(iv) Other Manufacturing Expenses	9,07,81,582,27,677	
Sub Total	8,26,85,091	8,00,18,585
(B) Administrative and Other Expenses		
(I) Rent	66,420	66,420
(ii) Rates and Taxes	7,12,923	6,85,589
(iii) Insurance	8,59,068	8,56,506
(iv) Printing and Stationary	91,896	92,767
(v) Telephone and Lease line Expenses	4,62,967	2,52,328
(vi) Travelling and Conveyance	18,66,987	19,49,623
(vii) Vehicle Maintenance	2,06,144	3,37,104
(viii) Legal and Professional Expenses	7,65,3781	2,70,761
(ix) Payment to Auditors	-	-
- Audit Fees	1,50,000	1,50,000
	-	-
(x) Miscellaneous Administrative Expenses	19,96,603	15,76,346
(xi) Loss on sale of Fixed Assets (Net)	-	-
(xii) Bank Charges & Commission	18,490	16,495
Sub Total	71,96,875	72,53,939
(C) Selling and Distribution Expenses		
(i) Advertisement and Publicity	82,86,093,499	
(ii) Commission	8,040	-
(iii) Sales Promotion Expenses	1,87,425	3,49,132
(iv) Freight and Forwarding Charges	4,26,595	4,85,286
(v) Cash discount	20,37,155	39,25,624
Sub Total	27,42,075	48,53,541
(D) Other Expenses		
(i) Balance Written off	6,00,741	39,492
(ii) Donation	1,000	-
Sub Total	6,01,741	39,492
Total	9,32,25,782	9,21,65,557

Note-27 Earnings Per Share

Particulars	Year ended 31st March 2016	Year ended 31st March 2015
Basic Earning Per Share		
(i) Net Profit After Tax (In Rupees)	(84,78,917)	(19,81,389)
(ii) Less: Expenses for Earlier Years	-	-
(iii) Amount available for Equity Shareholders (In Rupees) (A)	(84,78,917)	(19,81,389)
(iv) Weighted Average Number of Shares (B)	2000000	2000000
Basic & Diluted Earning Per Share of `10/-		
(v) Each (A)/(B)	(4.24)	(0.99)

Note-27.1 Expenditure in Foreign Currency

Particulars	Figures in Rupees	
	Year ended 31st March 2016	Year ended 31st March 2015
Travelling	-	-
Total	-	-

Note-27.3 Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :

(i) List of related parties where control exist and with whom transaction have taken place.

Sr.No.	Associate Concerns
1	Ellora Cereals Limited
2	Brajeshwari Paper Traders
3	Eqube Academy Private Limited
4	Richards Pharma Lab Limited
5	Citizen Welfare Association
6	Benupick Paper Board Private Limited
7	Texline Agencies Limited
8	Gold Moon Dealers Pvt Ltd
9	Kshetrajivi Agro Pvt Ltd
10	Endive Vanijya Pvt Ltd
11	Drishtinandan Developers Pvt Ltd
12	Prithviraj Real Estate Pvt Ltd
13	Lofty Vyapaar Private Limited
14	CPG Infra Ltd
15	CPG Academic Services Ltd

(ii) Key Management Personnel

Sr.No.	Name of Key Managerial Personnel
1	Shri Sudhir Goenka, Managing Director
2	Mrs. Kusum Goenka, Director
3	Shri Bandhoo Ram, Director
4	Shri P L Patil, Director
5	Shri Arun Kataruka, Director
6	Shri Birendrakumar Agrawal, Director
7	Shri Pramodkumar Shah, Director

(iii) Relatives of Key management personnel where transactions have taken place.

Sr.No.	Name of Related Party
1	Smt. Archana Goenka
2	Smt. Savitri Devi Goenka
3	Shri Ashok Dalmia
4	Ashok Dalmia HUE
5	Shri Parikshit Dalmia
6	Sudhir Goenka HUE
7	Ms. Twisha Goenka
8	Ms. Megha Goenka
9	Shri. Shashank Goenka
10	Shri. Sandeep Goenka
11	Shri. C.P. Goenka (HUE)

(IV) Transactions with Related Parties

Sr. No.	Particulars	For the period ended on 31st March 2016		
		Figures in Rupees		
		Key Managerial Personnel	Associate Concerns	Relatives
1	Loans Taken	30,00,000.00	79,00,000	-
2	Loans Repaid	12,35,000	-	-
3	Rent	-	-	-
4	Salary/Remuneration & perks	34,20,000	-	-
5	Stores Purchases	-	49,817	-
		-	3,12,173	-

6	Unsecured Loan Given	-	1,70,00,000	
7	Unsecured Loan recovered	-	1,70,00,000	-
		--	-	
Balances as at 31st March 2016				
1	Loans and Advances	-	<i>1,70,00,000</i>	-
2	Sundry creditors	40,277	-	-
3	Unsecured Loan	4,25,20,842	1,22,88,500	-
		4,06,72,000	44,86,500	-

Note : Figures in italic represents Previous Year's amount.

Note-27.4 Contingent Liabilities and Commitments

Particulars	Figures in Rupees	
	As at 31st March 2016	As at 31st March 2015
Contingent Liabilities		
Performance guarantees given by a bank	5,00,000	5,00,000
Total	5,00,000	5,00,000

Note-27.5 Previous year figures

The previous year figures have been regrouped/reclassified /recasted/rearranged wherever necessary to correspond with the current year classification/disclosure.

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

Sudhir Goenka
Managing Director

Place: Nagpur
Date: 07/09/2016

Bandhooram Prasad
Director

As per our report attached
For R S Bhattad & Associates
Chartered Accountants
Firm Regn. No. 135948W

R. S. Bhattad
(Partner)
M. No. 014999

Particulars of Assets	As at 01st April 2015	Additions	Deductions	As at 31st March 2016	As at 01st April 2015	Depreciation	Deletions/Adjustments	As at 31st March 2016	As at 31st March 2016	As at 31st March 2015
Land	32,93,772	-	-	32,93,772	-	-	-	32,93,772	32,93,772	32,93,772
Building	3,63,49,147	-	-	3,63,49,147	1,46,13,473	10,42,900	-	2,06,92,774	2,06,92,774	2,17,35,674
Plant & Machinery	17,66,98,432	11,83,560	-	17,78,81,992	12,63,75,691	56,35,700	-	4,58,70,601	4,58,70,601	5,03,22,741
Water Works Distribution System	21,88,527	-	-	21,88,527	21,65,564	-	-	22,963	22,963	22,963
Borewell	6,05,997	-	-	6,05,997	4,60,651	63,901	-	81,445	81,445	1,45,346
Furniture, Fixture & office Equipment	1,65,24,352	18,544	-	1,65,42,896	1,41,59,400	8,10,695	-	15,72,801	15,72,801	23,64,952
Drawing Equipment	14,695	-	-	14,695	14,643	-	-	52	52	52
Laboratory Equipemnt	4,46,702	-	-	4,46,702	3,96,886	12,857	-	36,959	36,959	49,816
Vehicles	70,29,209	-	-	70,29,209	65,51,136	69,283	-	4,08,790	4,08,790	4,78,073
Workshop & Construction Machinery	4,27,806	-	-	4,27,806	4,11,489	-	-	16,317	16,317	16,317
Total	24,35,78,639	12,02,104	-	24,47,80,743	16,51,48,933	76,35,336	-	7,19,96,474	7,19,96,474	7,84,29,706
<i>Previous Year's Total</i>	<i>25,07,98,442</i>	<i>45,54,508</i>	<i>-</i>	<i>25,53,52,950</i>	<i>15,51,03,201</i>	<i>1,00,45,732</i>	<i>1,17,74,311</i>	<i>7,84,29,706</i>	<i>7,84,29,706</i>	<i>9,56,95,241</i>

Note 27.2 Employee Retirement Benefits

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is unfunded. The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognises each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

The following table summarises the components of net benefit expense recognized in the profit and loss account and the amounts recognized in the balance sheet.

1) Reconciliation of opening and closing balances of Defined Benefit Obligation (Gratuity)

	As at 31st March 2016	As at 31st March 2015
Defined Benefit obligation at beginning of year	1,66,23,876	1,69,70,181
Current Service Cost	6,60,744	12,95,112
Interest cost on Defined benefit obligation	12,69,247	13,30,998
Expected Return on Plan Assets		
Net Actuarial Losses/(gains) recognized in the Year	(27,54,414)	(8,58,955)
Benefits paid	(15,16,567)	(21,13,460)
Defined benefit obligation at the end of year	1,42,82,886	1,66,23,876

2) Expenses recognised during the year (Gratuity) Figures in

	As at 31st March 2016	As at 31st March 2015
Current Service Cost	6,60,744	12,95,112
Interest cost on Defined benefit obligation	12,69,247	13,30,998
Expected Return on Plan Assets	-	-
Net Actuarial Losses/(gains) recognized in the Year	(27,54,414)	(8,58,955)
Net cost	(8,24,423)	17,67,155

3) Amount recognised in Balance sheet (Gratuity) Figures in

	As at 31st March 2016	As at 31st March 2015
Liability	1,42,82,886	1,66,23,876
Assets		
Net Liability	1,42,82,886	1,66,23,876

4) The Principal assumptions used in determining gratuity obligations for the Company's plan are shown below (Gratuity):

	As at 31st March 2016	As at 31st March 2015
(%)		(%)
Discount Rate	7.43%	8.00%
Expected Rate of Return on Assets	-	-
Rate of escalation in salary (per annum)	5.00%	5.00%

Segment Reporting

The Company operates in two segments, viz. Manufacturing of Paper & rice Milling. The Company has chosen these business segment as its primary segment considering the dominant source and nature of risk and return and the internal organization and Management structure.

Figures in Rupees

Particulars	Paper		Rice Milling		Total	
	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
Revenue						
External Turnover	23,51,58,317	25,84,17,346	-	-	23,51,58,317	25,84,17,346
Other Income	-	-	-	-	-	-
Result	(78,40,861)	2,37,520	(5,58,858)	(5,58,858)	(83,99,719)	(3,21,338)
Unallocated Corporate expenses	-	-	-	-	36,36,420	7,20,951
Operating Profit(Loss)	(78,40,861)	2,37,520	(5,58,858)	(5,58,858)	(1,20,36,139)	(10,42,289)
Interest & Finance Charges	16,40,798	14,13,949	-	-	16,40,798	14,13,949
Profit / (Loss) Extra ordinary items	-	-	-	-	-	-
Interest & Dividend income	3,47,278	4,26,940	-	-	3,47,278	4,26,940
Miscellaneous Income	9,46,232	1,12,049	-	-	9,46,232	1,12,049
Income Taxes/ Deferred tax (expense) / Income	(39,04,510)	12,23,329	-	-	(39,04,510)	12,23,329
Net Profit	(1,13,98,082)	(1,11,049)	(5,58,858)	(5,58,858)	(1,23,83,427)	(76,60,838)
Other Information						
Segment Assets	13,55,30,391	13,88,59,876	1,23,28,344	1,23,28,344	14,78,58,735	15,11,88,220
Unallocated corporate assets		-			43,29,010	42,74,010
Total assets	13,55,30,391	13,88,59,876	1,23,28,344	1,23,28,344	15,21,87,745	15,54,62,230
Segment Liabilities	6,49,04,292	6,47,73,863	3,27,779	3,27,782	6,52,32,071	6,51,01,645
Unallocated corporate liabilities		-			8,69,55,674	9,77,36,794
Total Liabilities	6,49,04,292	6,47,73,863	3,27,779	3,27,782	15,21,87,745	16,28,38,439
Capital Expenditure	12,02,104	45,54,508	-	-	12,02,104	45,54,508
Depreciation	70,76,478	94,86,874	5,58,858	5,58,858	76,35,336	1,00,45,732

B. Information About Secondary Segments

Revenue as per Geographical Markets

	2015-2016	2014-2015
India	23,51,58,317	25,84,17,346
Outside India	-	-
Total	23,51,58,317	25,84,17,346

Note -1**GENERAL CORPORATE INFORMATION**

Ellora Paper Mills Limited is a public Company domiciled in India and incorporated under the provision of the Companies Act, 1956. Its registered office is situated at 379, Pandit Jawaharlal Nehru Marg, Ashoka Vault Building, Sitabuldi, Nagpur- 440 012. Ellora Paper Mills Limited is engaged in the business of manufacture of paper products.

Note-2**SIGNIFICANT ACCOUNTING POLICIES****BASIS OF PREPARATION**

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India ("Indian GAAP") and comply in all material respects with the mandatory Accounting Standards ("AS") prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (as Amended), and with the relevant provisions of the Act, pronouncements of the Institute of Chartered Accountants of India ('ICAI') and guidelines issued by the RBI as applicable to non-banking financial company. The financial statements have been prepared on an accrual basis except for interest on non-performing loan assets which is accounted on cash basis based on guidelines issued by the RBI from time to time. The accounting policies applied by the Company are consistent with those used in the prior period.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non current classification of assets and liabilities.

SIGNIFICANT ACCOUNTING POLICIES**a. Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful loans and advances, future obligations under employee retirement benefit plans, Income taxes, classification of assets and liabilities into current and non-current and the useful lives of fixed assets.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Inventories

Inventories are valued at cost . Cost of Inventory comprises of Cost of Purchase, Cost of Conversion and other Costs incurred to bring them to their respective present location and condition. Costs of Raw Materials and stores are determined on FIFO basis.

- (i) Raw material, stores & spare parts, chemicals, coal and rice husk are stated at cost of acquisition (including freight etc.) or market value whichever is lower.
- (ii) Finished Goods are valued at cost or market value whichever is lower.
- (iii) Work in Process is stated at cost.

b. Fixed assets - Tangible assets

- i) Fixed Assets (other than land) are stated at cost less accumulated depreciation. Plant & Machinery are stated at book value, cost comprises of purchase price and freight, duties, levies and all other incidentals attributable to bringing the asset to its working condition for its intended use.
- ii) The carrying amounts are reviewed at each balance sheet date when required to assess whether they are required to be recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount.
- iii) All project related expenditures viz. civil work, machine under erection, construction and erection

materials, pre-operative expenditure incidental/attribution to construction of project, borrowing cost incurred prior to the date of commencement of commercial operation and trial run expenditure etc. are shown under Capital Work-in-Progress.

c. **Depreciation**

Depreciation on all tangible assets is provided on straight line method over the useful lives of assets prescribed under Schedule II of the Act, In respect of additions, depreciation is provided on prorata basis from the date of acquisition/installation. Written down value of the all assets acquired prior to 1st April 2014 are being depreciated over their remaining useful life as prescribed in Schedule II of the Act.

(iii) On remaining assets, the depreciation is provided on Written Down Value method as per the rates specified and in the manner specified in Schedule XIV of the Companies Act, 1956.

d. **Investments**

Investments that are readily realizable and intended to be held for not more than a year and current maturities of long term investments are classified as current investments. All other investments are classified as long term investments. Current Investments are carried at cost . Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the long term investments.

e. **Impairment**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

f. **Revenue recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

- i) Revenue in relation to sale of goods is recognised on transfer of significant risks and rewards associated with ownership of the goods to the buyer for consideration.
- ii) Interest income is recognised on the basis of its accrual as per the terms of the agreement.
- iii) Dividend income is recognised when the right to receive the same is established.
- iv) Other revenue is recognised when it is earned and no significant uncertainty exists as to its ultimate collection.

g. **Taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred Income Taxes reflect the impact of timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier periods.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situation where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is a virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain or virtually certain, as the case may be that future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets are reviewed at each balance sheet date.

The company writes-down the carrying amount of the deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

h. Earning per equity share

Basic earnings per equity share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of diluted earnings per equity share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

i. Employee benefitsProvident Fund

The Company contributes to the provident fund maintained by the Regional Provident Fund Commissioner, in accordance with Employees Provident Funds and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the eligible employees. There are no other obligations of the Company other than the contributions made to the funds.

- i.) Short term employee benefits are recognized as an expenses at the undiscounted amount in the profit and loss/ preoperative expenses of the period in which related service is rendered.
- ii.) Post employment and long term employee benefits are recognized as an expense in the profit and loss/ pre- operative expenses for the period in which the employees has rendered services and other statutory requirements are met. The expense will be recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains or losses in respect of post employment and other long term benefits are charged to the profit and loss account/ pre-operative expenses. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Scheme is unfunded.
- iii.) Classification of provision for employee benefits into current and non-current is made on the basis of actuarial valuation report.

j. Provision and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A disclosure of the contingent liability is made when there is a possible or a present obligation that may, but probably will not require an outflow of resources.

k. Transaction in foreign currency

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and foreign currency at the date of the transaction. Foreign currency monetary items are reported using the year-end rates. Non monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

l. Excise Duty and Sales Tax / Value Added Tax

Excise duty and Sales Tax / Value Added Tax in respect of goods manufactured by the Company and according to the method of accounting consistently followed, is accounted at the time of removal of goods from the factory for sale and captive consumption. This accounting practice, however, has no impact on the profit for the year.

m. Borrowing costs

Borrowing Costs, if any, attributable to the acquisition and construction of qualifying assets are added to the cost up to the date when such assets are ready for their intended use.

n. Cash and cash equivalent

Cash and cash equivalents comprise cash and deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible into known amounts of cash to be cash equivalents.

o. Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating investing and financing activities of the Company are segregated

p. Segment Reporting Segment accounting policies are in line with the accounting policies of the Company. However,

The Company operates in two segments, viz. Manufacturing of Paper and Rice Milling. The Company has chosen these business segments as its primary segments considering the dominant source and nature of risks and returns and the internal organization and management structure.

- (i) Segment Revenue includes Sales and other income directly identifiable with / allocable to the segment.
- (ii) Expenses that are directly identifiable with / allocable to segments are considered for determining the Segment Result. The expenses which relate to the Company as a whole and not allocable to segments, are included under "Unallocated expenditure".
- (iii) Income, which relates to the Company, as a whole and not allocable to segments is included in "Unallocated Corporate Income".
- (iv) Segment Assets and Liabilities include those directly identifiable with the respective segments. Unallocated corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment. Unallocated assets mainly comprise investments, unallocated loans and advances and, deferred revenue expenditure.

**Form No. MGT-12
POLLING PAPER**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the company : **Ellora Paper Mills Limited**
Registered office : **379, Pandit Jawaharlal Nehru Marg, Ashoka Vault Building, Sitabuldi Nagpur : 440 012**

BALLOT PAPER

Sr. No.	Particulars	Details
1	Name of the First Named Shareholder (In block letters)	
2	Postal address	
3	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Classes of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

Sr. No.	Item	No. of shares held by me	I assent to the Resolution	I dissent from the resolution
1	To consider and adopt Audited Financial Statement, Report of the Board of Directors and Auditors thereon.			
2	To re-appoint Smt. Kusum Sudhir Goenka (DIN 05331335) as director of the Company, liable to retire by rotation.			
3	To re-appoint M/s R.S Bhattad & Associates, Chartered Accountants as Statutory Auditor			

Place:
Date:

(Signature of the shareholder)

FORM NO. MGT-11 (PROXY FORM)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the company : **Ellora Paper Mills Limited**
 Registered office : **379, Pandit Jawaharlal Nehru Marg, Ashoka Vault Building, Sitabuldi Nagpur: 440 012**

Name of the member (s) :
 Registered address :
 E-mail Id :
 Folio No/ Client Id :
 DPID :

I/We, being the member (s) of shares of the above named company, hereby appoint

- 1 Name -
 Address -
 Email Id -
 Signature -
 Or failing of him
- 2 Name -
 Address -
 Email Id -
 Signature -
 Or failing of him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41st Annual general meeting of the company, to be held on the 30th day of September, 2016 at the registered office of the Company at “379, Pandit Jawaharlal Nehru Marg, Ashoka Vault Building, Sitabuldi Nagpur – 440 012” at 11.00 am and at any adjournment thereof in respect of such resolutions as are indicated below:

	Particular of Resolution	Type of Resolution
1	Consider and adopt Audited Financial Statement, Report of the Board of Directors and Auditors thereon.	Ordinary Resolution
2	To re-appoint Smt. Kusum Sudhir Goenka (DIN 05331335) as director of the Company, liable to retire by rotation.	Ordinary Resolution
3	To re-appoint M/s R.S Bhattad & Associates, Chartered Accountants as Statutory Auditor	Ordinary Resolution

Signed this..... day of 20.....

Signature of shareholder

(Affix Revenue Stamp)

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

ATTENDANCE SLIP

Name of the Company: **Ellora Paper Mills Limited**
 Registered office: **379, Pandit Jawaharlal Nehru Marg, Ashoka Vault Building, Sitabuldi Nagpur – 440 012**

Folio No. / Client Id

I certify that I am a registered Shareholder/beneficiary of the Company and hold _____ Equity shares. I hereby record my presence at the 41st, Annual General Meeting held at 379, Pandit Jawaharlal Nehru Marg, Sitabuldi, Nagpur – 440 012 on Friday the 30th day of September, 2016 at 11.00 am and at any adjournment thereof.

Name of the Member/proxy in Block Letter

Member's/Proxy's signature

NOTES: A member/proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance duly signed. If you intend to appoint a proxy, please complete the proxy form given below and deposit it at the Company' s Registered Office at least 48 hours before the meeting.

Form No. SH13 (Nomination Form)

(Pursuant to Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies(Share Capital and Debentures) Rules 2014)

To,
The Compliance Officer
Ellora Paper Mills Limited
379, Pandit Jawaharlal Nehru Marg, Ashoka Vault Building,
Sitabuldi Nagpur:440 012

I/We.....the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

1. PARTICULARS OF THESE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of Securities	Certificate No.	Distinctive No.

2. Particulars of Nominee

- (a) Name
- (b) Date of Birth:
- (c) Father's/Mother's/Spouse's name
- (d) Occupation:
- (e) Nationality:
- (f) Address:..
- (g) E-mail id:
- (h) Relationship with the security holder:

3. In Case Nominee is Minor-

- (a) Date of Birth:
- (b) Date of attaining majority:
- (c) Name of guardian:.
- (d) Address of guardian:.

Name:
 Address:
 Name of the Security Holder(s)
 Signatures

Witness with name and address: ..

Instructions:

1. Please read the instructions given below very carefully and follow the same to the letter. If the form is not filled as per instructions, the same will be rejected.
2. The nomination can be made by individuals only. Non individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of power of attorney cannot nominate. If the Shares are held jointly all joint holders shall sign (as per the specimen registered with the Company) the nomination form.
3. A minor can be nominated by a holder of Shares and in that event the name and address of the Guardian shall be given by the holder.
4. The nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family, or a power of attorney holder. A non-resident Indian can be a nominee on-re patriable basis.
5. Transfer of Shares in favour of a nominee shall be a valid discharge by a Company against the legal heir(s).
6. Only one person can be nominated for a given folio.
7. Details of all holders in a folio need to be filled; else the request will be rejected.
8. The nomination will be registered only when it is complete in all respects including the signature of (a) all registered holders (as per specimen lodged with the Company) and (b) the nominee.
9. Whenever the Shares in the given folio are entirely transferred or dematerialized, then this nomination will stand rescinded.
10. Upon receipt of a duly executed nomination form, the Registrars & Transfer Agent of the Company will register the form and allot a registration number. The registration number and folio no. should be quoted by the nominee in all future correspondence.
11. The nomination can be varied or cancelled by executing fresh nomination form.
12. The Company will not entertain any claims other than those of a registered nominee, unless so directed by a Court.
13. The intimation regarding nomination / nomination form shall be filed in duplicate with the Registrars & Transfer Agents of the Company who will return one copy thereof to the Shareholders.
14. For shares held in dematerialized mode nomination is required to be filed with the Depository Participant in their prescribed form.

Thank you.....