



***RAMA  
PAPER  
MILLS  
LIMITED***

**NAJIBABAD ROAD, KIRATPUR (BIJNOR) U.P.**



**BOARD OF DIRECTORS**

Sh. Pramod Agarwal	Managing Director
Sh. Arun Goel	Executive Director
Sh. Alok Jain	Director
Sh. Gyanveer Singh	Director
Smt. Amarjeet Sandhu	Director
Sh. Vijay Pal Singh	Additional Director

**AUDITORS**

**STATUTORY AUDITORS**

Bajaj Arora & Co.  
Chartered Accountants  
New Delhi

**COST AUDITORS**

Jain Sharma & Associates  
Cost Accountants  
New Delhi

**SECRETARIAL AUDITORS**

Sameer Kishore Bhatnagar  
Practicing Company Secretary  
New Delhi

**INTERNAL AUDITORS**

G. R. & Co.  
Chartered Accountants  
New Delhi

**REGISTERED OFFICE**

4<sup>th</sup> Km Stone,  
Najibabad Road,  
Kiratpur, Distt. Bijnor  
Uttar Pradesh – 246731  
[works@ramapaper.com](mailto:works@ramapaper.com)  
[www.ramapaper.com](http://www.ramapaper.com)

**CORPORATE OFFICE**

26/6, Ground Floor  
East Patel Nagar  
New Delhi – 110008

**REGISTRAR AND TRANSFER AGENT**

Indus Portfolio Private Limited  
G-65, Bali Bagar  
New Delhi – 110015  
SEBI Regn No. INR000003845

**INVESTOR HELPDESK**

Contact No. 011-45642642  
E-Mail: [cs@ramapaper.com](mailto:cs@ramapaper.com)

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**NOTICE**

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the Members of M/s RAMA PAPER MILLS LIMITED will be held on Saturday, the 28<sup>th</sup> September, 2019 at 10.00 A.M at the Registered Office of the Company at 4<sup>th</sup> Km. Stone Najibabad Road, Kiratpur, Distt. Bijnor (U.P.) to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31<sup>st</sup> March, 2019, Balance Sheet as at that date together with the Reports of Auditors' and Directors' thereon.
2. To appoint a Director in place of Shri Gyanveer Singh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**"RESOLVED THAT** pursuant to section 139 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, M/s Bajaj Arora & Company, be and is hereby re-appointed as the Statuary Auditors of the Company for the financial Year 2019-20."

**SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution:-**

**"RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be accorded to the Board of Directors of the Company to enter into contracts and/or agreements with Related Parties as defined under the Companies Act, 2013 with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company or any other transaction of whatsoever nature with related parties.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this resolution.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to determine the actual sums to be involved in the proposed transactions and the terms and conditions related thereto in the best interest of the Company and its stakeholders and all other matters arising out of or incidental thereto the proposed transaction and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this resolution."



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5. To Consider and if thought fit, to pass with or without modification(s), the following as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 13(2) of Companies Act, 2013 (including any statutory modification or re-enactment there-of, for the time being in force) and all other applicable provisions, if any, of Companies Act, 2013 and the Companies Incorporation Rules, 2014, subject to approval of Central Government and any other Regulatory Authority as may be necessary, consent of members be and is hereby accorded to change the name of the company from “Rama Paper Mills Limited” to “Raama Paper Mills Limited” or any other name as may be approved by Registrar of Companies.

**RESOLVED FURTHER THAT** the Name Clause being Clause I in the Memorandum of Association of the Company be altered accordingly and substituted by the following clause:

1. The name of the Company is RAAMA PAPER MILLS LIMITED

**RESOLVED FURTHER THAT** in terms of Section 14 of Companies Act, 2013, the Articles of Association of the Company be altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to accept any other name approved by relevant Regulatory Authority and seek approval for the change in the name of the Company accordingly without making any further reference to the members for their approval.”

6. To Consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the members of the Company be and is hereby accorded to appoint M/s. Jain Sharma & Associates, Cost Accountants (Firm Registration Number 000270) from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix the remuneration of appointed by the Board of Directors to conduct the audit of the cost records of the Company, of Rs. 75000/- Plus Service tax if applicable and re-imburement of out of pocket expenses incurred by them in connection with the aforesaid audit”.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the resolution”

7. To Consider and if thought fit, to pass with or without modification(s), the following as an **Ordinary Resolution**:

**“RESOLVED THAT** Mr. Vijay Pal Singh, DIN-08375397, who was appointed as an Additional Director of the Company, by the Board of Directors on February, 14th, 2019 under Section 161(1) & 149(1) second proviso of the Companies Act, 2013, and who holds office up to the date of this Annual General Meeting of the company and in respect of whom the company has received a notice under section 160 of the Companies Act, 2013 and the rules made thereunder in writing from a member proposing his candidature for the office of director, be and is hereby regularized and appointed as a Non – Executive Independent Director of the Company.



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**“RESOLVED FURTHER THAT** Mr. Vijay Pal Singh, DIN-08375397, appointed for a term of five consecutive years from the conclusion of this Annual General Meeting upto 31st March, 2024 and has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Companies Act, 2013 and his term of office shall not be liable to retire by rotation pursuant to the provisions of sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 entered into with stock exchanges (Including any statutory modification(s) or re-enactment thereof for the time being in force) .”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company, be & are hereby authorize to do all such acts, deeds and things and to file such e-forms and to execute all such documents as may be required to give effect to the aforesaid resolution.”

**Place: Kiratpur  
Date: 03.09.2019**

**BY ORDER OF THE BOARD  
FOR RAMA PAPER MILLS LIMITED  
SD/-  
HIMANSHU DUGGAL  
COMPANY SECRETARY  
ACS 31026**



## **NOTES**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 34<sup>TH</sup> ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED AND MUST BE DEPOSITED, AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS (48 HOURS) BEFORE THE SCHEDULED TIME FIXED FOR HOLDING THE AFORESAID MEETING.**

### **A BLANK PROXY FORM IS ENCLOSED.**

2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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 a proxy for any other person or shareholder.

The Instrument appointing a proxy shall be in writing and be signed by the appointer or his/her attorney duly authorized in writing or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.

Proxies submitted on behalf of limited companies, societies, partnership firms etc. must be supported by appropriate resolution/ authority, as applicable, issued by the member.

3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days' notice in writing is given to the company.
4. The Explanatory Statement pursuant to the Provisions of Section 102(1) of the Companies Act, 2013 in respect of the Special business(es) under Item Nos. 4, 5, 6 and 7 is annexed hereto.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, the 22<sup>nd</sup> September, 2019 to Saturday, the 28<sup>th</sup> September, 2019**, both the days inclusive.
7. The Annual Report 2018-19 is being sent through electronic mode only to those members whose email address are registered with the Company/Depository Participant(s), unless any member who has requested for a physical copy of the report. For members who have not registered their email address, physical copies of the Annual Report 2018-19 are being sent by the permitted mode.
8. The Landmark for reaching venue of Annual General Meeting is Rama Vihar Colony.
9. Route Map for easy location of Venue of Annual General Meeting is attached with the Notice of Annual General Meeting.
10. Members seeking any information regarding Accounts should write to the Company at its Registered Office at least seven days before the date of the Meeting so as to enable the management to keep the information ready, if the Chairman so permits.
11. No gifts, gifts coupons, or cash in lieu of gifts is distributed in the Meeting.
12. Additional Information, pursuant to regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, In respect of the directors seeking appointment/reappointment at the AGM, is furnished as annexure to the Notice.



13. Members are requested to bring their attendance slip along with their copy of annual report to the meeting.  
Note that copies of Annual Report will not be distributed at the Annual General Meeting.
14. The Members are requested to intimate to the Registrar & Share Transfer Agent of the Company immediately any change in their address along with the Pin Code Number and email ID indicating their DPID/ Folio Number to **“M/s Indus Portfolio Private Limited”** G-65, Bali Nagar, New Delhi-110015.
15. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the meeting.
17. The Members holding Shares in the physical form, who are desirous of making nominations as permitted under Section 72 of the Companies Act, 2013 in respect of the Shares held by them may write to the RTA for the prescribed form.
18. Members are requested to intimate to the Company's Registrar and Share Transfer Agent viz., M/s Indus Portfolio Private Limited in respect of shares held in physical form and to their Depository Participants in respect of shares held in electronic form; a) any change in their addresses; b) details about their e-mail addresses, so that all notices and other statutory documents can be sent to their e-mail addresses as a measure of “Green Initiative” as promoted by the Ministry of Corporate Affairs.
19. The Notice for the Annual General Meeting and the Annual Report will be available for inspection at the Registered Office of the Company on all working days in business hour up to the date of Annual General Meeting. The above said shall also be available on the Company's website [www.ramapaper.com](http://www.ramapaper.com). Members who require communication in physical in addition to e-communication may write to us at [cs@ramapaper.com](mailto:cs@ramapaper.com).
20. The SEBI has mandated the submission of PAN by every participant in Securities Market. Members holding shares in electronic form are requested to submit PAN to their Depository Participants with whom they are maintaining their D-Mat accounts. Members holding shares in the physical form are requested to submit their PAN details to the Company at its Registered Office or at Corporate Office of the Company at 26/6, Ground Floor, East Patel Nagar, New Delhi-110008.
21. With reference to the various guidelines issued by the RBI in respect of updation of KYC Documents on timely basis. We would like to request you to kindly update the copy of the KYC Documents alongwith the Specimen Signatures of the Shareholder to the Company/RTA in order to get the enhanced security in relation to the preservation of the securities of the Company.
22. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) rules, 2014 as substituted by the Companies (Management and Administration) Amendment, Rules 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has provided a facility to the members to exercise their votes electronically through the electronic voting system facility arranged by Central Depository Services Limited (CDSL). The Facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again. The instructions for e-voting are annexed to the Notice.

### **23. Voting through electronic means**

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 25.09.2019 at 09:00 AM and ends on 27.09.2019 at 05:00 PM. During



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this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21.09.2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID:
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field which is printed on _____</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
Dividend Bank Details OR Date of Birth (DOB)	<ul style="list-style-type: none"><li>• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.





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- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

- After receiving the login details by custodian a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on. In case of Non-Individual Shareholders, admin user also would be able to link the accounts(S).

- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 18002005533.

**Members holding shares in physical form are requested to intimate their e-mail address to M/s. Indus Portfolio Private Limited either by [ippl@indusinvest.com](mailto:ippl@indusinvest.com) or by sending a communication at the M/s. Indus Portfolio Private Limited, G-65, Bali Nagar, New Delhi, Delhi 110015. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Deputy Manager, (CDSL, ) Central Depository Services (India) Limited, 16th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001, or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 18002005533.**



**ANNEXURE TO NOTICE**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No. 4:**

Pursuant to Section 188 of the Companies Act, 2013, the Company can enter into the transaction mentioned under aforesaid resolution, which are not in the Ordinary Course of business and/or are not on arm length basis, only with the approval of the shareholders accorded by way of a special resolution. Though your Company always seeks to enter into transactions with the related parties in the ordinary course of business and at arm's length basis; still there may be some transactions which are done in the interest of the Company and for which your approval is required under the provisions of the Companies Act, 2013.

The proposal outlined above is in the best interest of the Company and the Board recommends the resolution as set out in Item No. 4 for your approval.

None of the Directors of the Company are concerned or interested in the resolution except to the extent of their shareholding in the Company or any their interest as director or shareholder or partner or otherwise in such other related entity, if any.

**Item No. 5:**

Presently the company is registered with the name "Rama Paper Mills Limited".

The name of the company is proposed to change from "Rama Paper Mills Limited" to "Raama Paper Mills Limited" because of the reason that the Board of Directors of your Company are great believers of astrology and numerology and as per the guidance of astrologer, it is advised to change the spelling of the name of the Company from Rama Paper Mills Limited to "Raama Paper Mills Limited". Therefore the directors of your Company wishes to change the name of your Company for the benefit of the company and its stakeholders.

As per Section 13 of the Companies Act, 2013, the memorandum of association of the company may be altered by changing the name of the company on the authority of the special resolution passed by the company and subject to the confirmation of central government and therefore, it has become necessary to seek your consent by way of special resolution to give effect to such provision.

Therefore your approval is sought for altering Clause I of memorandum of association of the company.

Your board recommends passing the above said resolution as special resolution.

None of the director of the company has any interest or concern in the resolution.

**Item No. 6:**

The Board of Directors of the Company on the recommendation of the Audit Committee approved the Appointment and Remuneration of M/S. Jain Sharma & Associates, Cost Accountants, to conduct the Audit of cost records of the company for the year ending 31<sup>st</sup> March 2019.

In terms of the provisions of section 148 of the Companies act 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditor is to be ratified by the



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Members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending March 31, 2019, as set out in the Resolution for the aforesaid Services to be rendered by them.

None of the Director or Key Managerial Personnel of the company or their relatives are concerned or interested, financially or otherwise, in the said Resolution.

The Board of the Directors recommends the Ordinary Resolution set out at Item No.5 of the Notice for approval by the Members

### **Item No.7**

The Board of Directors appointed Ms. Vijay Pal Sharma as an Additional Director (Independent Director) of the Company with effect from February, 14th, 2019 under Section 161(1) of the Companies Act, 2013. His term of office expires at the forthcoming Annual General Meeting. And company has received a notice in writing from a member along with the deposit of requisite amount under section 160 of the Companies Act, 2013 proposing the candidature of Mr. Vijay Pal Sharma for the office of Director of the Company.

Keeping in view of the above legal requirements, board diversity and in deference to Company's shareholders wishes, the Board of Directors have proposed that Mr. Vijay Pal Sharma be appointed as an Independent Director of the Company. Mr. Vijay Pal Sharma has given a declaration to the Board that he meets the criteria of independence as provided under section 149 (6) of the Act. Mr. Vijay Pal Sharma is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Mr. Vijay Pal Sharma is holding Din- 08375397 and declares that he is not disqualified from being appointed as a Director under the act as per section 152(4) of the Companies Act, 2013.

The matter regarding appointment of Mr. Vijay Pal Sharma as an Independent Director was placed before the Nomination and Remuneration Committee, which recommends his appointment as an Independent Director for a term of five consecutive years from the conclusion of this Annual General Meeting upto 31st March, 2024. In the opinion of the Board, Mr. Vijay Pal Sharma fulfills the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as an Independent Director.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Vijay Pal Sharma as an Independent Director. Accordingly, In compliance with the provisions of Section 149(1) second proviso of the Companies Act, 2013 read with Schedule IV of the Act, the Board recommends the resolution in relation to the appointment of Mr. Vijay Pal Sharma as an Independent Director before the Members in general meeting for their approval.

Copy of draft letter of appointment which includes terms and conditions of appointment of Mr. Vijay Pal Sharma as an Independent Directors shall be open for inspection by the members at the Registered Office during normal business hours on any working day of the Company and also posted on the website of the company i.e. [http:// www.ramapaper.com](http://www.ramapaper.com).

Save and except above, none of the other Directors/Key managerial personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed ordinary resolution set out in Item No. 7.



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**DETAILS OF DIRECTORS SEEKING APPOINTMENT OR RE-APPOINTMENT AT FORTHCOMING ANNUAL GENERAL MEETING**

(Pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by the Institute of Company Secretaries of India.)

<b>PARTICULARS</b>	
Name and Age of Director	Mr. Gyanveer Singh
Date of Birth	25.08.1967
DIN	06871231
Qualification	Post Graduate
Expertise in Specific Functional areas	Experties in the field of manufacturing paper specially on its technical parameters
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid	Same as per last appointment
Date of first appointment on the board	30.05.2014
Directorship held in other listed companies and un listed companies	NIL
No. of board meetings attended during 2018-19	8
Membership/chairmanship of committees across the companies	NIL
No. of shares held	NIL
Relationship with other directors	No relation

Committee position only of the Audit Committee and Stake holders Relationship Committee in public companies (whether listed or not) have been considered.

**Place: Kiratpur**  
**Date: 03.09.2019**

**BY ORDER OF THE BOARD**  
**FOR RAMA PAPER MILLS LIMITED**  
Sd/- Sd/-  
**PRAMOD AGARWAL** **ARUN GOEL**  
**MANAGING DIRECTOR** **EXECUTIVE DIRECTOR**  
**DIN: 00038838** **DIN: 00035058**



**DIRECTORS' REPORT**

To  
The Members,  
The Board of Directors hereby submit the report of the business and operations of your company along with the Audited Financial Statements for the financial year ended 31st March, 2019.

**Corporate Overview**

Rama Paper Mills Limited ("Your Company") is a leading Indian Newsprint, Duplex Board, Tissue manufacturing Company.

**Overview of the Economy**

The Global economy disappointed in terms of growth, with deceleration of activity in key emerging and developing economies like China, Brazil, Russia overshadowing a modest recovery in major high income countries. The deceleration was accompanied by declines in commodity prices, subdued global trade, bouts of financial market volatility and weakening capital flows. India was a notable exception, growing at 7.6% as per Central Statistical Office (CSO) estimates, despite declines in exports. Inflation has come down, however industrial activity and consumption has not been buoyant. Three key transitions will influence the global outlook for growth – pace of rebalancing in China, commodity prices and monetary policy actions in the US and other major economies. For India, though the long term prospects for continued growth remain undiminished, actual pace will depend on revival in private investment and rural consumption, strengthening of bank balance sheets and continued implementation of economic reforms.

**Financial Results**

<b><u>Particulars</u></b>	<b><u>2018-19</u></b>	<b><u>2017-18</u></b>
Turnover	1,630,247,683	1,288,057,626
Profit before Financial Charges & Depreciation	337,330,456	(7,99,00,453)
Less: Financial Charges	56,802,674	(112,283,755)
Less: Depreciation	32,559,417	3,21,94,010
Profit before Tax	247,968,365	189,292
Add/Less: Deferred Tax Liability/Asset	0	0
Less: Provision for Tax (MAT)	0	0
Add: MAT Credit Entitlement	0	0
Profit After Tax	<b>247,968,365</b>	<b>189,292</b>



**Operations**

During the year under review, your Company has earned the Net Profit of Rs. 24,79,68,365 against the Net Profit of Rs.1,89,292 in the previous year, The turnover has also been increased to Rs. 163,02,47,683 against the previous year turnover of Rs.128,80,57,626.

**CAPITAL**

The paid up equity capital of the Company is Rs. 196647330 divided into 9664733 equity shares of Rs. 10 each (It may also be noted that 7581400 Equity Shares of the Company are listed on the Bombay Stock Exchange and are actively traded. Further, 2083333 Equity Shares of the Company are in unlisted form and the Company has applied for the listing of its shares). The Company also has 1000000 Preference Shares of Rs.100 each. The Company has not come out with any issue of securities during the year 2018-19.

**ANNUAL RETURN**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, The Annual Return as on 31<sup>st</sup> March 2019 is available on your Company's website; [www.ramapaper.com](http://www.ramapaper.com)

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No order has been passed by the regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

**DIVIDEND AND RESERVES**

During the year under review, your Company does not recommend any dividend in the absence of profits. And also, your company has not made any transfer to Reserves during the financial year 2018-19.

**FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

There are no such frauds reported by auditors, which are committed against the company by officers or employees of the company.

**MATERIAL CHANGES AND COMMITMENTS AFTER THE DATE OF CLOSE OF FINANCIAL YEAR 2018 – 19**

There are no material changes and commitment affecting the financial position of company after the close of financial year 2018-19 till the date of report.

**DISCLOSURE AS PER SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the financial year 2018-19, the Company did not receive any complaints on sexual harassment and therefore, no complaints remain pending as of 31st March, 2019.



**FIXED DEPOSITS**

Your Company has not accepted any fixed deposits covered under Chapter V of the Company Act, 2013 and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

**BONUS ISSUE**

During the year the Company has not issued any bonus shares.

**INSURANCE**

The Properties and insurable assets and interest of your Company such as buildings, plant & machinery and stocks among others, are adequately insured.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**• Retirement by Rotation**

In accordance with the provisions of Section 152 of Companies Act, 2013 Mr. Gyanveer Singh, Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

**• Appointment / Re-appointment and Cessation of Directors & KMP**

During the year under review, Mr. Vijay Pal Singh has been appointed as the Additional Director on the Board of the Company.

Pursuant to the provisions of Section 203 of the Act, your Company has following Key Managerial Personnel(s):

- Mr. Nirdesh Agarwal - Chief Financial Officer;
- Mr. Himanshu Duggal - Company Secretary;
- Mr. Arun Goel - Whole Time Director;
- Mr. Pramod Agarwal - Managing Director;

**DECLARATION BY THE INDEPENDENT DIRECTORS**

All Independent Directors has given declarations to the company confirming that they meet the criteria of independence as laid down under Section 149 (6) of The Companies Act, 2013 and Regulation 16(1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**COMPOSITION OF COMMITTEES**

**a) Audit Committee**

The present Audit Committee of the board comprises of three members with independent directors forming a majority, namely Mr. Alok Jain as Chairman and Mr. Gyanveer Singh, Ms. Amarjeet Sandhu as members of the Committee.

All the recommendations made by the Audit Committee were accepted by the board.

Further, the Roles and Responsibility and other related matters of Audit Committee forms an integral part of Corporate Governance Report as part of annual report.



**b) Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises of Mr. Alok Jain as chairman, and Mr. Gyanveer Singh, Ms. Amarjeet Sandhu as members, all of whom are Non- Executive Directors.

All the recommendations made by the Nomination and Remuneration committee were accepted by the board.

Further, the terms of reference and other related matters of Nomination

**c) Stakeholder Relationship Committee**

Stakeholders Relationship Committee comprises of Ms. Amarjeet Sandhu as Chairman with Mr. Alok Jain, Mr. Gyanveer Singh as members of the Committee.

The Committee is set up to monitor the process of share transfer, issue of fresh Share Certificates as well as review of redressed of investors/shareholders grievances.

Further, the role and responsibility and other related matters of Stakeholders Relationship Committee forms an integral part of Corporate Governance Report as part of annual report.

**BOARD EVALUATION**

Pursuant to provisions of the Companies Act, 2013 and as per applicable provisions of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the independent Directors was completed. The performance evaluation of the Chairman and non Independent Directors was carried out by the independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

**NUMBER OF BOARD MEETINGS**

The Board duly met at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the company. The notice along with Agenda and notes on agenda of each Board Meeting was given in writing to each Director.

In the Financial Year 2018-19, the Board met Eight (8) times. The interval between two meetings was well within the period mentioned under Section 173 of Companies Act, 2013 and Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of Board Meetings held during the Financial Year 2018-19 forms part of the Corporate Governance Report.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes of financial statements as on 31.03.2019.

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there is no employee in the company, which draws the remuneration in excess of the limits set out in the said rules.





## **RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

Disclosures pertaining to remuneration and other details of directors & KMP as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are enclosed as **Annexure A** to this Report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134 (3) (m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 are given hereunder:

#### **CONSERVATION OF ENERGY**

- i) Steps taken or impact on conservation of energy: Energy conservation efforts are ongoing activities. During the year under review further efforts were made to ensure optimum utilization of electricity.
- ii) Steps taken by the company for utilizing alternate sources of energy: Since the use of Pet Coke has been banned by the order of Supreme Court and Environmental Authorities, the Company has shifted its energy generation from pet coke basis to Imported coal basis, which has resultant effect in the Cost of Energy.
- iii) The Capital investment on energy conservation equipments: During the year under review, the Company has made normal routine maintenance but no capital expenditure has been made.

#### **TECHNOLOGY ABSORPTION, ADAPTION & INNOVATION AND RESEARCH & DEVELOPMENT**

No research & development or technical absorption or adaption & innovation taken place in the company during the Financial Year 2018 – 2019, the details as per rule 8(3) of The companies (Accounts) Rules 2014 are as follows:

- i) Efforts made towards technology absorption: - Nil
- ii) Benefits derived like product improvement, cost reduction, product development or import substitution: Nil
- iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)
  - a. Details of technology imported: Nil
  - b. Year of Import: Nil
  - c. Whether the technology been fully absorbed: Nil
  - d. Areas where absorption has not taken place and the reasons there of: Nil
- iv) Expenditure incurred on Research and Development: Nil

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

As your Company imports waste paper from the various countries owing to its high recovery, therefore the particulars relating to Foreign Exchange Earnings and Outgo are described hereunder.

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: NIL

#### **CORPORATE GOVERNANCE**

Your Company has implemented all the stipulations of the Corporate Governance Practices set out by the Securities and Exchange Board of India and as provided in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Separate section on Report of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 form part of the Annual Report.



## **RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

The requisite certificate from the Company Secretary in Practice regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as **Annexure B** of the Director's Report.

### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Act, the directors hereby confirm that:

- a) In the preparation of the Annual Accounts for the year ended 31st March, 2019 the applicable accounting standards have been followed along with proper explanations relating to material departure.
- b) Appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the Profit of the Company for the year ended 31st March, 2019.
- c) Proper and sufficient care has been taken for the maintenance of accounting records in accordance with the Provisions of the Companies Act, 2013. They further confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The financial statements have been prepared on a going concern basis.
- e) That the Director had laid down internal financial controls to be followed by Company and such internal Controls are adequate and were operating effectively; and
- f) That the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

### **MANAGEMENTS' DISCUSSION AND ANALYSIS REPORT**

Managements' Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming **Annexure C** of the Director's Report

### **AUDITORS AND AUDITORS' REPORT**

M/s Bajaj Arora & Co., Chartered Accountants Statutory Auditors of your Company, retire at the forthcoming Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility for re-appointment under the provisions of Section 139(1) of Companies Act, 2013.

The Company has received a certificate from the auditors to the effect that their appointment, if made, would be within the limits prescribed under the Companies Act, 2013, and they are not disqualified for appointment, as per the provisions of section 141 of the Companies Act, 2013.

The auditor report and notes on accounts referred to in the Auditors Report is self-explanatory and there are no adverse remarks or qualification in the Report.

### **COST AUDIT**

As per requirement of Central Government and pursuant to section 148 of Companies Act 2013 read with the Companies (Cost records and Audit) Rules, 2014 as amended from time to time, your Company has been carrying out audit of Cost records relating to the Company.

The Board of Directors on the recommendation of the Audit Committee has appointed M/s. Jain Sharma & Company, Cost Accountants as the Cost Auditor of the Company for the Financial Year 2018-19. As it requires under the Companies Act 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening Annual General Meeting.



### **SECRETARIAL AUDIT**

Pursuant to the provisions of the Section 204 of the Companies Act 2013 and rules made thereunder, the Board has appointed Ms. Sameer Kishore Bhatnagar, Company Secretary in Practice to conduct the Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit Report for the Financial Year is attached herewith as **Annexure D** which forms integral part of this report.

**The Secretarial Audit report does not contain any qualification, reservation or adverse remark.**

### **Internal Auditor**

As per requirements of Section 138 of Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules 2014, The Board of Directors on the recommendation of the Audit Committee appointed M/s. GR & Company, Chartered Accountants, as the Internal Auditor of the Company for the Financial Year 2018-19.

### **Internal Control System And Their Adequacy**

Your Company has an effective internal Control and risk mitigation system, which are constantly assessed risk mitigation system, which are constantly assessed and strengthened with new/revised standards operating procedures. The Company's internal Control System is commensurate with its size, scale and complexities of its operations.

The Audit Committee of the Board of directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. The company has a robust Management information system, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business heads are periodically apprised of the internal Audit findings and Corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant Audit observation and corrective actions taken by the management are presented to Audit Committee of the Board. To maintain its objectivity and independence, the internal Audit function reports to the Chairman of the Audit Committee.

### **Risk Management**

The risk management framework defines the risk management approach of the Company and includes periodic review of such risks and also documentation, mitigating controls and reporting mechanism of all risks.

During the year under review, the senior officials of the Company performs the task of risk management to identify and evaluate elements of business risk. Consequently a revised robust Business Risk Management framework is in place. The risk management framework defines the risk management approach of the Company and includes periodic review of such risk and also documentation, mitigation control and reporting mechanism of such Risk.

### **Details of Subsidiary Companies, Joint Ventures and Associate Company, and their Financial Position**

There is no subsidiary, Associate and joint venture of the company and further there are no companies, which have become or ceased to be the subsidiary and joint venture of the company during the year.

### **LISTING OF SECURITIES**

The Company's Equity Shares are listed on Bombay Stock Exchange.

### **PAYMENT OF LISTING FEES**

The Listing fees for the year 2019-20 has not been paid by the Company. However, the board of directors of your Company undertakes to pay the same at the earliest.



### **RELATED PARTY TRANSACTIONS**

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act and the Listing Agreement. There are no materially significant related party transactions made by the company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large.

All Related Party Transactions are presented to the Audit committee. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of related party transactions was presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

All the contracts/arrangements/transactions entered with related party for the year under review were on Arm's Length basis. Company has entered into material related party transactions during the year under review. Further disclosure in Form AOC-2 is as attached as **Annexure E**.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company ([www.ramapaper.com](http://www.ramapaper.com)).

### **POLICIES & DISCLOSURES**

#### **VIGIL MECHANISM**

Your Company has established 'Vigil Mechanism' for directors and employees to report concerns about unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguard against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Chairman of the Audit Committee of the Company.

The Vigil Mechanism/Whistle blower Policy of the company provides that protected disclosures can be made by a whistle blower through an email to the Chairman of the audit committee. The Whistle Blower Policy can be accessed on the Company's Website ([www.ramapaper.com](http://www.ramapaper.com)). This disclosure also forms part of the Corporate Governance Report as per applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **NOMINATION AND REMUNERATION POLICY**

The nomination and remuneration committee has recommended to the Board:

- A policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The details of this policy are attached as **Annexure F** to this report and
- Further, Policy for selection criteria of Directors and Senior Management and Criteria for determining qualifications, positive attributes and director independence is also attached as **Annexure G** to this Report. The Remuneration and Nomination Policy has also been posted on the website of the Company ([www.ramapaper.com](http://www.ramapaper.com)).

#### **CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to Section 135 of the Companies Act, 2013 and rules made there under, every company having net worth of Rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board.

However, it is not applicable in case of your Company. Hence there is no need to form Corporate Social Responsibility Committee and Corporate Social Responsibility Policy for the company as per the requirement of the Companies Act, 2013.



### **FAMILIARIZATION PROGRAMME AND TRAINING OF INDEPENDENT DIRECTORS**

The details of programmes for familiarization of Independent Directors with the company, their roles and responsibilities in the company, business model of the company and other related matter are updated on the website of the Company ([www.ramapaper.com](http://www.ramapaper.com)).

To familiarize the new inductees as independent director with the strategy, operations and functions of our Company, the executive directors make presentations to the inductees about the Company's organization structure, finance, human resources, facilities and risk management.

Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a director. The Formal format of the letter of appointment is available on our website.

### **POLICY FOR PRESERVATION OF DOCUMENTS**

In terms of applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company have incorporated policy for preservation of documents as specified in the Regulation.

### **Policy on Materiality of Related Party Transactions**

In terms of Regulation 23(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Company have incorporated policy to determine materiality of Related Party Transactions as specified in the Regulation.

### **RISK MANAGEMENT POLICY**

Enterprise Risk Management is a risk based approach to manage an enterprise, identifying events that may affect the entity and manage risks to provide reasonable assurance regarding achievement of entity's objective.

The risks identified by the Company broadly fall into the following categories viz. strategic risks, operational risks, regulatory risks, financial and accounting risks, foreign currency and other treasury related risks and information systems risks. The risk management process consists of risk identification, risk assessment, risk prioritization, risk treatment or mitigation, risk monitoring and documenting the new risks.

Your Board has laid down a risk management framework and policy to address the above risks. The objective of the policy is to identify existing & emerging challenges that may adversely affect the Company and manage risks in order to provide reasonable assurance to the various stakeholders. In the opinion of your Board, none of the risks which have been identified may threaten the existence of the Company.

### **GENERAL**

Your Director states that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:-

- a) Details relating to deposits covered under Chapter V of the Act.
- b) Issue of the equity shares with differential rights as to dividend, voting or otherwise.
- c) Issue of shares (including sweat equity shares) to directors or employees of the Company
- d) Issue of Employee Stock Option Scheme to employees of the company
- e) There is no subsidiary, Associate and joint venture of the company and further there are no companies, which have become or ceased to be the subsidiary and joint venture of the company during the year.
- f) No significant or material orders were passed by the regulators or courts or tribunals, which impact the going concern status and Company's operations in future.
- g) Purchase of or subscription for shares in the company by the employees of the company.
- h) There is no material subsidiary of company, so no policy on material subsidiary is required to be adopted.



**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

**Your Directors further state that:-**

- a) The Company has zero tolerance for sexual harassment and during the year under review, there were no complaint received and no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- b) And there is no change in the nature of business of company during the year.

**Acknowledgment**

Your Directors take this opportunity to place on record their appreciation for the shareholders, bankers and other business associates for their forbearance, understanding and support to the Company. They also wish to place on record their great appreciation of the commitment, sense of involvement and dedication exhibited by each staff member in the overall development, growth and prosperity of the company.

**Place: Kiratpur**  
**Date: 03.09.2019**

**BY ORDER OF THE BOARD**  
**FOR RAMA PAPER MILLS LIMITED**  
**Sd/-**  
**PRAMOD AGARWAL**  
**MANAGING DIRECTOR**  
**DIN: 00038838**

**Sd/-**  
**ARUN GOEL**  
**EXECUTIVE DIRECTOR**  
**DIN: 00035058**



## **REPORT ON CORPORATE GOVERNANCE**

### **1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Rama Paper Mills Limited ("The Company") governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders and the Charter-Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances. The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a global leader in paper industry while upholding the core values of Quality, Trust, Leadership and Excellence. A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of Listing Regulation is given below:

### **GOVERNANCE STRUCTURE**

The Corporate Governance structure at Rama Paper Mills Limited is as follows:

1. Board of Directors: The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.
2. Committees of the Board: The Board has constituted the following Committees viz, Audit Committee, Remuneration and Nomination Committee, and the Committee of Directors (which also acts as the Stakeholders' Relationship Committee). Each of the said Committee has been mandated to operate within a given framework.

### **2. BOARD OF DIRECTORS**

The Company's Board of Directors plays a key role in providing direction in terms of strategy, target setting and performance evaluation of top management. It places special emphasis on compliance as also ensuring that the Company operates in the best interests of all its shareholders.

The Company believes that an active, independent and participative board is a pre-requisite to achieve and maintain the highest level of Corporate Governance. The current policy is to have an appropriate mix of executive and independent Directors to maintain the independence of Board, and separate its functions of governance and management. At RPML, the Board approves and reviews strategy and oversees the actions and results of Management.

The management team of the Company is headed by the Managing Director Sh. Pramod Agarwal & Executive Director Sh. Arun Goel.



**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

**(A) SIZE AND COMPOSITION OF THE BOARD**

At present, the Board comprises of a total of Six Directors, out of which four are Non- Executive Directors:

Name of Director	Category of Director	Designation	Directorship in Other Indian Public Listed Company	No. of Board Committees in which Chairman / Member (excluding RPML)
Mr. Pramod Agarwal	Executive Director	Managing Director	NIL	NIL
Mr. Arun Goel	Executive Director	Whole Time Director	NIL	NIL
Mr. Gyanveer Singh	Non- Executive, Non Independent Director	Director	NIL	NIL
*Mr. H S Bhimrao	Non- Executive/ Independent Director	Director	NIL	NIL
Mr. Amarjeet Sandhu	Independent Director	Director	NIL	NIL
Mr. Alok Jain	Independent Director	Director	NIL	NIL
** Mr. Vijay Pal Singh	Independent Director	Additional Director	NIL	NIL

\*Mr. H.S. Bhimrao resigned from the Board of the Company w.e.f. 14.02.2019.

\*\*Mr. Vijay Pal Singh was appointed as Additional Director of the company w.e.f. 14.02.2019.

Excluding membership and chairmanship of committees of all private limited companies, foreign Companies and Companies under section 8 of the Companies Act, 2013.

None of independent director is serving more than 7 listed companies and managing director of company is also not acting as independent director in more than 3 listed companies.

There is no relationship between directors of the company except Sh. Pramod Agarwal and Sh. Arun Goel who are brothers. Further, non - executive directors does not have any shareholding in the company.

**BOARD PROCEDURES**

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

**B) Board Meetings**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The notice of each Board Meeting is given in writing to each Director.





## **RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

The Agenda along with the relevant notes and other material information are sent in advance separately to each director.

During the Financial year 2018-19, the Board met Eight (8) times. The meetings were held on 09.04.2018, 30.05.2018, 28.06.2018, 03.07.2018, 14.08.2018, 04.09.2018, 14.11.2018, and 14.02.2019. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulations.

### **Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM)**

<b>S. No.</b>	<b>Name of Director</b>	<b>Number of Board Meeting Held</b>	<b>No. of Meetings Attended</b>	<b>Attendance of each Director at Last AGM</b>
1	Mr. Pramod Agarwal	8	8	Present
2	Mr. ArunGoel	8	8	Present
3	Mr. Gyanveer Singh	8	8	Present
4	Mr. H S Bhimrao	8	6	Present
5	Mrs. Amarjeet Sandhu	8	5	Present
6	Mr. Alok Jain	8	6	Present
7.	Mr. Vijay Pal Singh	8	1	Not Applicable

### **POST MEETING MECHANISM**

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments/ divisions.

### **BOARD SUPPORT**

The Company Secretary attends the Board meetings and advises the Board on Compliances with applicable laws and governance.

### **INFORMATION PROVIDED TO THE BOARD**

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

### **DETAILS OF DIRECTORS BEING APPOINTED / RE- APPOINTED**

Mr. Gyanveer Singh, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for the re-appointment. His Directorship and membership in other Public Limited Companies and/or its Committees are reported to be NIL.

### **CODE OF CONDUCT**

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



## **GOVERNANCE CODES**

### **CODE OF BUSINESS CONDUCT & ETHICS**

The Company has adopted Code of Business Conduct & Ethics which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management Team are required to affirm semi-annual Compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company's website ([www.ramapaper.com](http://www.ramapaper.com)).

### **CONFLICT OF INTERESTS**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of the Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

### **INSIDER TRADING CODE**

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"). The PIT Regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulations is to curb the practice of insider trading in the securities of a listed company. The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the PIT Regulations. The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company's website ([www.ramapaper.com](http://www.ramapaper.com)).

### **COMMITTEES OF THE BOARD**

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of the Board and function under their respective Charters. These Committees play an important role in the overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee meetings are placed before the Board for noting. The Board currently has the following Committees:

### **3) AUDIT COMMITTEE**

#### **(a) Terms of reference**

(A) The terms of reference of the Audit Committee include inter-alia:

- (1) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;



## **RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

- (c) Major accounting entries involving estimates based on the exercise of judgment by management;
- (d) Significant adjustments made in the financial statements arising out of audit findings;
- (e) Compliance with listing and other legal requirements relating to financial statements;
- (f) Disclosure of any related party transactions;
- (g) Modified opinion(s) in the draft audit report;
- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) Scrutiny of inter-corporate loans and investments;
- (10) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- (13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the whistle blower mechanism;
- (19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

### **B. The audit committee reviewed the following:**

- (1) Management discussion and analysis of financial condition and results of operations;
- (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (4) Internal audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- (6) Statement of deviations:
  - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

### **(b) Composition, names of Members and Chairperson, its meetings and attendance:**

Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of SEBI LODR Regulation,



## **RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

2015. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

Shri Alok Jain, Non-Executive, Independent Director is the Chairperson of the Audit Committee. The other members of the Audit Committee include Smt. Amarjeet Sandhu, Shri H S Bhimrao.

### **MEETINGS AND ATTENDANCE**

The composition of the Audit Committee and number of meetings attended by the Members during the year are given below:

<b>S. No.</b>	<b>Name of Director</b>	<b>Status</b>	<b>Meetings held during FY 2018-19</b>	<b>No. of Meeting Attended</b>
1	Mr. Alok Jain	Chairperson	4	4 of 4
2	*Mr. Gyanveer Singh	Member	4	1 of 4
3	Mr. Amarjeet Sandhu	Member	4	4 of 4

\*During the year under review, there was change in the composition of Audit Committee, Mr. Gyanveer Singh was appointed as member of Audit Committee in place of Mr. H.S. Bhimrao who has resigned from the Board of the company w.e.f 14.02.2019.

The Audit Committee met four times during the Financial Year 2018-19. The maximum gap between two meetings was not more than 120 days. The Committee met on May 30, 2018, August 14, 2018, November 14, 2018 and February 14, 2019. The necessary quorum was present for all Meetings. The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company.

### **FUNCTIONS OF AUDIT COMMITTEE**

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2019. The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. To ensure good Governance, the Company has been rotating Partners of Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company's financial statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls. Besides the above, Managing Director, Whole-time Director, Chief Financial Officer, Business Heads of the Company's Divisions, the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The representatives of the Cost Auditor attend such meetings of the Audit Committee where matters relating to the Cost Audit Report are discussed at length. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(1)(e) of the Listing Regulation. The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Consolidated Financial Results as required by the Regulation 33 of the Listing Regulation. The Company's quarterly Un-audited Standalone Financial Results are made available on the web-site [www.ramapaper.com](http://www.ramapaper.com) and are also sent to the Stock Exchanges where the Company's equity shares are listed for display at their respective websites. The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as a Fraud Risk Management Policy and Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.



#### **4) NOMINATION AND REMUNERATION COMMITTEE**

The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation, The Nomination and Remuneration Committee met four times during the Financial Year 2018-19. The Committee met on May 30, 2018, August 14, 2018, November 14, 2018 and February 14, 2019.

The Table below provides the Attendance of the Nomination and Remuneration Committee members as on 31<sup>st</sup> March 2019:

<b>S. No.</b>	<b>Name of Director</b>	<b>Status</b>	<b>Meetings held during FY 2018-19</b>	<b>No. of Meeting Attended</b>
1	Mr. Alok Jain	Chairperson	4	4 of 4
2	*Ms. Amarjeet Sandhu	Member	4	1 of 4
3	Mr. Gyanveer Singh	Member	4	4 of 4

\* During the year under review, there was change in the composition of Committee, Ms. Amarjeet Sandhu was appointed as member of Audit Committee in place of Mr. H.S. Bhimrao who has resigned from the Board of the company w.e.f 14.02.2019.

#### **TERMS OF REFERENCE**

The terms of the Committee are wide enough covering the matters specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and Terms of reference of the Committee briefly are as under:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

#### **5) REMUNERATION POLICY**

Remuneration policy for the members of the Board of Directors of the Company takes into consideration their role and responsibilities. The salient features of the policy are highlighted below:

- The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors.
- The Nomination and Remuneration Committee decides the commission payable to the Non-Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 2013 and as approved by the shareholders at a General Meeting.
- Non-Executive Directors of the Company are currently paid sitting fees for attending meetings of the Board and meetings of Committees of the Board.



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- The Company reimburses expenditure reasonably incurred by the Directors in the performance of their duties as per the provisions of the applicable laws Companies Act 2013 and in conjunction with the rules and policies of the Company.
- The Nomination and Remuneration Committee reviews and finalizes the remuneration of the key executives on an annual basis, or earlier if deemed necessary.

Pursuant to provisions of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 the same has also uploaded on Company's website i.e. [www.ramapaper.com](http://www.ramapaper.com).

### Details of Remuneration paid/ payable to the Directors for the year ended 31st March, 2019.

Name of Director's	Remuneration (In Rs)
Shri Pramod Agarwal	33,00,000/-
Shri ArunGoel	6,00,000/-

### PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulation, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation process.

### 6) STAKEHOLDER RELATIONSHIP COMMITTEE

#### COMPOSITION AND ATTENDANCE

The Composition of Stakeholder Relationship Committee as on 31.03.2019 is as follows:

SNo	Name of Director	Status	No. of Meetings held	No. of Meeting Attended
1	*Mr. Alok Jain	Chairperson	4	1 of 4
2	Mrs. Amarjeet Sandhu	Member	4	4 of 4
3	Mr. Gyanveer Singh	Member	4	4 of 4

\* During the year under review, there was change in the composition of Committee, Mr. Alok Jain was appointed as Chairman of Audit Committee in place of Mr. H.S. Bhimrao who has resigned from the Board of the company w.e.f 14.02.2019.

The Stakeholders Relationship Committee is entrusted with the responsibility to resolve the grievances of security holders. The Committee monitors and reviews the performance and service standards of the Registrar and Share Transfer Agents of the Company i.e. Indus Portfolio Private Limited and provides continuous guidance to improve the service levels for investors. The Committee received and redresses the



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complaints of the shareholders in respect of matters pertaining to transfer of shares, non-receipt of Annual Report, dematerialization of shares, non-receipt of declared dividend etc.

### **TERMS OF REFERENCE**

Remuneration policy for the members of the Board of Directors of the Company takes into consideration their role and responsibilities. The salient features of the policy are highlighted below:

- The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors.
- The Nomination and Remuneration Committee decides the commission payable to the Non-Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 2013 and as approved by the shareholders at a General Meeting.
- Non-Executive Directors of the Company are currently paid sitting fees for attending meetings of the Board and meetings of Committees of the Board.
- The Company reimburses expenditure reasonably incurred by the Directors in the performance of their duties as per the provisions of the applicable laws Companies Act 2013 and in conjunction with the rules and policies of the Company.
- The Nomination and Remuneration Committee reviews and finalizes the remuneration of the key executives on an annual basis, or earlier if deemed necessary.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Indus Portfolio Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

### **INVESTOR GRIEVANCE REDRESSAL**

The number of complaints received and resolved to the satisfaction of investors during the year under review is as under:

<b>Total Complaints Received</b>	<b>0</b>
<b>Total Pending Complaints</b>	<b>0</b>
<b>Total Resolved Complaints</b>	<b>0</b>

### **COMPLIANCE OFFICER**

Mr. Himanshu Duggal is the Compliance Officer of the Company is responsible for complying with requirements of Securities Laws and Listing Agreements with Stock Exchanges.

### **INDEPENDENT DIRECTOR'S MEETING**

During the year under review, the Independent Directors met on 14th February, 2019, inter alia, to discuss:

- i) Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole.
- ii) Evaluation of performance of the Chairman of the Company, taking into account the views of Executive & Non-Executive Directors.
- iii) Evaluation of quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

### **7) GENERAL BODY MEETINGS**

The last three General Body Meetings were held at the Registered Office of the Company at 4th KM Stone Najibabad Road, Kiratpur, Dist. Bijnor (U.P.) as per the details given below:



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Year	Day	Date	Time	Venue
2018	Saturday	29 <sup>th</sup> September, 2018	10.00 A.M.	Kiratpur Bijnor
2018	Saturday	28 <sup>th</sup> July, 2018	11.00 AM	Kiratpur Bijnor
2017	Thursday	28 <sup>th</sup> September, 2017	10.00 AM	Kiratpur Bijnor

### Details of Special Resolutions:

- The following are the Special Resolutions passed at the previous three General Body Meetings including Extra-ordinary General Meetings of the Company:

29.09.2018	Yes	For Entering into Related Party transactions pursuant to Section188
28.07.2018	Yes	<ul style="list-style-type: none"><li>Approval Of The Limits For The Loans And Investment By The Company In Terms Of The Provisions Section 186 Of The Companies Act, 2013.</li><li>For Approval Of Creation Of Security On The Properties Of The Company, Both Present And Future, In Favour Of Lenders Under Section 180 (1) (A) Of The Companies Act, 2013</li></ul>
28.09.2017	Yes	For Entering into Related Party transactions pursuant to Section188

### EXTRAORDINARY GENERAL MEETING

During the year 2018-2019, an Extra-Ordinary General Meeting was held on 28.07.2018.

### POSTAL BALLOT

During the Financial Year 2018-19 no resolution was passed through Postal Ballot.

### PROCEDURE FOR POSTAL BALLOT

No resolution was passed through Postal Ballot during the period under review

### 8) MEANS OF COMMUNICATION OF FINANCIAL RESULTS

The Quarterly Financial Results are uploaded at the Listing Centre portal of the Bombay Stock Exchange, where the Company's Shares are listed, after the conclusion of the Board Meeting at which the results are taken on record. The Company also publishes its Financial Results in the Newspaper (HINDI+ENGLISH) having a nationwide circulation in compliance to the Listing Agreement entered into by the Company with the Stock Exchange.

### 9) GENERAL SHAREHOLDER INFORMATION

#### A) ANNUAL GENERAL MEETING:

**Day, Date & Time:** Saturday, 28<sup>th</sup> September, 2019 at 10:00 A.M.

**Venue:** 4<sup>th</sup> KM Stone, Najibabad Road, KiratpurDist: Bijnor U.P.- 246 731

**B) FINANCIAL YEAR-** 01st April, 2018 to 31st March, 2019

#### C) DIVIDEND PAYMENT DATE

No dividend has been recommended for the year ended 31st March, 2019.





**D) LISTING AT STOCK EXCHANGES**  
**EQUITY SHARES**

S.No.	Name of Stock Exchange	Stock Code/Symbol
1.	The Bombay Stock Exchange Limited PhirozeJeejeebhoy Towers Dalal Street, Mumbai- 400001	500357 (BSE)

**E) STOCK CODE- -- ISIN – INE425E01013**

**F) MARKET PRICE DATA: HIGH LOW FOR THE PERIOD APRIL 2018 TO MARCH 2019**

<u>Month</u>	<u>Low</u>	<u>High</u>
April	8.74	10.85
May	8.17	10.99
June	8.35	11.40
July	8.15	11.30
August	10.05	19.59
September	19.95	27.40
October	26.70	36.90
November	29.30	36.25
December	19.65	28.75
January	16.65	24.20
February	12.90	18.75
March	13.50	16.75

**G) PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS BSE SENSEX, CRISIL INDEX ETC; Not Applicable**

**H) IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, THE DIRECTORS REPORT SHALL EXPLAIN THE REASON THEREOF; Not Applicable**

**I) REGISTRAR AND TRANSFER AGENTS**

M/s Indus Portfolio Pvt. Ltd. continue to be the Registrar and Transfer Agents for processing transfer, sub-division, consolidation, splitting of shares and for rendering depository services such as dematerialization and rematerialization of the Company's shares.

As the Company's shares are compulsorily to be traded in dematerialized form, members holding shares in physical form are requested to send the share certificate directly to the Registrar and Transfer Agents of the Company for dematerialization. Members have the option to open their accounts in Central Depository Services (India) Limited (CDSL) or National Services Depository Limited (NSDL) as the company has entered into agreements with both the depositories.



**THE ADDRESS OF THE REGISTRAR AND TRANSFER AGENTS IS AS UNDER.**

M/s Indus Portfolio (P) Limited

G-65, Bali Nagar  
New Delhi-110 015.

Tel No. 011-47671200 DP ID 12026000

Person to contact: Ms. Anamika

**J) SHARE TRANSFER SYSTEM:**

Transfers of Equity Shares are handled by M/s Indus Portfolio Private Limited. The transferee is required to furnish transfer deed duly completed in all respects together with share certificate to Link Intime India Private Limited at the above address in order to enable the Registrar and transfer agent to process the transfer.

The committee normally attends to share transfer formalities once in a fortnight. De-mat requests are normally confirmed within 21 days from the date of receipt of request. The Company obtains from a company secretary in Practice half yearly Certificate of compliance with the share transfer formalities as required under regulation 40(9) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and files a copy of the said certificate with Stock Exchanges.

**CONNECTIVITY IN NATIONAL SERVICES DEPOSITORY LIMITED (NSDL)**

The company has got connectivity from NSDL for activation of ISIN under the ISIN No. INE425E01013, which company already possess, dated 12th May, 2005.

**SHARE TRANSFER SYSTEM**

All Physical share transfers are effected within 07 days of lodgment, subject to the documents being in order. The Investor Grievance Committee meets as and when required.

**K) DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2019**

SI.No.	CATEGORY	No. of Shareholders	No. of Shares	% of Total
1	Promoters, Relatives & their Associates	11	1558802	20.56
2	Public	9269	6022598	79.44
	Total	9280	7581400	100.00

**NOTE: Company's 7581400 Equity Shares are listed with BSE, However the Company has applied for further listing of its 2083333 Equity Shares which were acquired by the Promoters under the Preferential Allotment.**



**L) TOP 10 SHAREHOLDERS AS ON MARCH 31, 2019**

S. No.	Folio No.	Name	Shares	%age
1	00000708	Pramod Kumar	299605	3.10
2	02427931	Pka Projects Pvt Ltd	226282	2.34
3	10664579	Liloo Pavan Batra	208000	2.15
4	33003854	Sonali Chandrakant Godbole	161001	1.67
5	00000869	Manju Agarwal	129000	1.33
6	02427950	Ram Singh Steels Pvt Ltd	120509	1.25
7	00022912	Kalpana Mukesh Mehta	106942	1.11
8	11072903	Prem Rewachand Budhirani	102012	1.06
9	05429400	MukeshMakandas Mehta	99059	1.02
10	10883067	VARUN PREM BUDHRANI	78020	0.81

**M) COMMUNICATION**

Communication regarding share transfer, change of address, dividend, etc. can be addressed to the RTA at the address given above. Shareholders' correspondence/communication is acknowledged and attended to within the stipulated time, as applicable.

**N) DEMATERIALIZATION OF SHARES & LIQUIDITY**

Pursuant to the SEBI directive, to enable the shareholders to hold their shares in electronic form, the company has enlisted its shares with National Securities Depository Limited (NSDL) & Central Depository Services (India) Ltd. (CDSL). Company has been allotted ISIN No. INE –**425E01013**. As at 31.03.2019, 4188710 Equity Shares were held in de-mat form in CDSL and 2243990 shares were held in de-mat form in NSDL and 3232033 in physical form and 10,00,000 Preference Shares which are in physical form.

**O) OUTSTANDING GDR'S/ADR'S/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY.**

There are no Outstanding GDR'S/ADR's/ Warrants or any Convertible instruments.

**P) COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES**

Not Applicable

**Q) PLANT LOCATION**

M/s Rama Paper Mills Ltd.- 4<sup>th</sup> KM Stone, Najibabad Road, KiratpurDist: Bijnor U.P.- 246 731

**10) OTHER DISCLOSURES**

**A) Disclosures on materially significant related party transactions that may have potential conflict with the Interests of company at large.**



## **RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

There were no transactions of materially significant nature with the promoters, the Directors or the Management or their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. All the transactions with the related parties were on arm's length basis and are done under the ordinary course of business. However, the disclosure of related party transactions has been made in the Auditor's Report. The transactions as stated in the Auditor Report were done in the Ordinary Course of business of the Company and are at the arm length price. These transactions don't affect the interest of the Company and its stakeholders in any manner whatsoever.

**B) Details of non-compliance by the company, penalties and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

During the last three years, there has been no instance of non-compliance by the Company on any matter related to capital market. The management of the Company pursue its best efforts to comply all the legal and statutory requirements as applicable to the Company.

**C) Whistle Blower policy and affirmation that no personnel have been denied access to the audit committee.**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and applicable provisions of SEBI LODR Regulation 2015, the Company has a Whistle Blower Policy for Directors & employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and directors who use such mechanism and makes provision for direct access to the Chairperson of Audit Committee. None of the personnel of the Company has been denied access to the Audit Committee.

**D) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause**

The Company has complied with all the mandatory applicable provisions of SEBI LODR Regulation 2015. As regard the non-mandatory requirements, Company tries to implement them to the extent possible.

**E) Policy for determining "material" subsidiaries is not applicable on your Company Rama Paper Mills Limited.**

**F) Policy on dealing with related party is available at [www.ramapaper.com](http://www.ramapaper.com).**

### **GENERAL**

A certificate duly signed by the Chief Financial Officer and Managing Director relating to financial statements and internal controls and internal control systems for financial reporting as per the format provided in Part B of Schedule II of SEBI (Listing Obligations Disclosure Requirement) Regulations, 2015 was placed before the Board, who took the same on record.

1. Profile and other information regarding the Directors being appointed/re-appointed as required under Regulations 36(3) of SEBI (Listing Obligations Disclosure Requirement) Regulations, 2015 have been given in the Notice of the Annual General Meeting annexed to this Annual Report.

2. The Company follows a formal management policy and system of legal compliance and reporting to facilitate periodical review by the Board of compliance status of laws applicable to the company and steps taken to rectify non-compliance, if any.

3. The Company's senior management has confirmed to the Board of Directors that they do not have any personal interest related to its material, financial and commercial transactions that may have a potential conflict with the interests of the Company at large.



**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

4. Declarations by the Chief Financial Officer regarding compliance by board members and senior management personnel with the company's code of conduct

Mr. Pramod Agarwal, Managing Director of the Company has furnished the requisite declaration affirming compliance with the Code of Conduct by the board members and senior management personnel, for the financial year ended March 31, 2019, which is attached with the report.

5. The company has complied with all the Accounting Standards applicable to the company.

6. The company has not come out with any Public Issue / Preferential Issue in the Financial Year 2018-2019.

7. Certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is attached herewith as part of Annual Report.

**Place: Kiratpur**

**Date: 03.09.2019**

**BY ORDER OF THE BOARD  
FOR RAMA PAPER MILLS LIMITED**

**Sd/-**

**PRAMOD AGARWAL  
MANAGING DIRECTOR  
DIN: 00038838**

**Sd/-**

**ARUN GOEL  
EXECUTIVE DIRECTOR  
DIN: 00035058**



**ANNEXURES TO DIRECTOR'S REPORT**

<b>ANNEXURE A</b>	Particulars of Employees
<b>ANNEXURE B</b>	Certificate on Corporate Governance
<b>ANNEXURE C</b>	Management Discussion and Analysis Report
<b>ANNEXURE D</b>	Secretarial Audit Report
<b>ANNEXURE E</b>	Particulars of Related Party Transaction in Form AOC-2
<b>ANNEXURE F</b>	Policy for Directors Appointment and Remuneration
<b>ANNEXURE G</b>	Policy for selection criteria of Directors and Senior Management



**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19  
ANNEXURE –A**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

<b>NAME OF DIRECTOR/KMP AND DESIGNATION</b>	<b>REMUNERATION OF DIRECTOR/KMP FOR THE FINANCIAL YEAR 2018-19</b>	<b>RATIO OF REMUNERATION OF EACH DIRECTOR/KMP TO MEDIAN REMUNERATION OF EMPLOYEES</b>	<b>% INCREASE IN REMUNERATION OF EACH DIRECTOR, CFO, CEO, CS OR MANAGER</b>
Sh. Pramod Agarwal (Managing Director)	33,00,000.00	0.30:1	NIL
Sh. Arun Goel (Executive Director)	6,00,000.00	1.67:1	NIL
Sh. Nirdesh Agarwal (CFO)	12,00,000.00	0.87:1	20%
Sh. Himanshu Duggal (CS)	8,10,000.00	1.24:1	11%

- 1) The Percentage increase in the median remuneration of employees of Rama Paper Mills Limited is 30%. This has been arrived at, by comparing the median remuneration of employees as on 31<sup>st</sup> March, 2019 with the median remuneration of employees as on 31<sup>st</sup> March, 2018.
- 2) The closing share price of the company at Bombay Stock Exchange of India Limited on March 31, 2019 being Rs. 14.40/- per equity share of face value Rs. 10 each in comparison to the closing share price of Rs. 11.40 of the company as on March 31, 2018.
- 3) The key parameters for the variable component of remuneration: -There are no variable components of remuneration which are availed by the directors.
- 4) 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 – Not Applicable
- 5) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy of the company.



**CERTIFICATE ON CORPORATE GOVERNANCE**

To,

The Members of  
Rama Paper Mills Limited,

We have examined the compliance of conditions of Corporate Governance by RAMA PAPER MILLS LIMITED for the year ended on March 31, 2019 as stipulated in SEBI LODR Regulations 2015 of the said Company with Stock Exchange.

The compliance of Conditions of Corporate Governance is the responsibility of the management. Our examination is limited to procedures and implementation thereof, adopted by the Company of ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors grievance Committee.

We further State that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Sameer Kishore Bhatnagar  
Practicing Company Secretary,**

**Sd/-**

**Place: New Delhi  
Date: 03.09.2019**

**PROP.  
Membership No. 30997**





### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management's discussion and analysis of the financial condition and results of operations include forward-looking statements based on certain assumptions and expectations of future events. The Company cannot assure that these assumptions and expectations are accurate. Although the Management has considered future risks as part of the discussions, future uncertainties are not limited to Management perceptions.

### **OVERVIEW**

The Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) under historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ('the Act') ('to the extent notified') and the guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and relevant amendment rules issued thereafter. The company has adopted all the Ind AS Standards w.e.f April 01, 2017, the same being the transition date and adoption was carried out in accordance with Ind AS 101.

Accordingly, Financial Statement for the year ended March 31, 2019 have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Previous periods figures (i.e. prepared in accordance with GAAP) have been restated as per Ind AS to make them comparable. The management of RAMA PAPER MILLS LIMITED accepts responsibility for the integrity and objectivity of these financial statements

### **SALES**

During the year ended 31<sup>st</sup> March, 2019, your Company has gross sales of Rs. 1,630,247,683 as compared to Rs. Rs. 1,288,057,626 during the previous year.

### **INDUSTRIAL STRUCTURE & DEVELOPMENTS**

Changing economic and business conditions, rapid technology, innovation and adoption and globalization are creating an increasingly competitive market environment that is driving corporations to transform the manner in which they operate. Companies in this environment are now focusing even more on their business objectives such as revenue growth, profitability and asset efficiency.

### **OPPORTUNITIES AND THREAT, OUTLOOK & AREA OF CONCERN**

Growth in the Indian economy and demand creates unprecedented opportunities for company to invest significantly in each of its core businesses.

Outlook for the overall industries is positive. In keeping with the philosophy of continuous consumer centric approach which is the hall mark of any organization, several developmental activities have been planned for the next fiscal year.

### **RISK MANAGEMENT & CONCERNS**

Risk in cost of raw materials, environmental liabilities, tax laws, labour relations, litigation and significant changes in the Global political and economical environment exert tremendous influence on the performance of the company. The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures.

### **HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS**

The Company believes that the employees are the backbone of the Company. Congenial and safe work atmosphere, appropriate recognition and rewards, constant communication, focus on meeting customer needs and change management through training are the hallmarks for development of human resources of



## **RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

the company. Every employee is aware of the challenges posed by the current economic environment. Employee morale has remained high even during difficult times. The employees have co-opted fully with the management in implementing changes as required by the market. And it is providing an opportunity to all the employees to utilize their full potential and grow in the Organization. There was no strike or labour unrest during the last financial year.

There are approx. 320 employees in the company as on 31st March, 2019.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate internal control procedures commensurate with the size of the Company and the nature of its business. These systems are designed to ensure that all the assets of the company are safeguarded and protected against any loss and that all the transactions are properly authorized recorded and reported.

The internal audit is entrusted to M/s GR & Co., a firm of Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business practices.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements to strengthen the same. The Board of Directors has framed a policy which ensures the orderly and efficient conduct of its business, safeguarding of its assets, to provide greater assurance regarding prevention and detection of frauds and accuracy and completeness of the accounting records of the company.

Further your company has adequate internal financial control with reference to its financial statements.

### **CAUTIONARY STATEMENT:**

Certain Statements in the "Management Discussion and Analysis" describing the Company's objectives, expectations or predictions may be "forward looking statements" within the meaning of applicable laws or regulations. These Statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied due to various risk & uncertainties. Important factors that could make a difference to the Company's operations include changes in Govt. regulations, tax regimes, economic developments and other factors such as litigation. The company does not undertake to update these statements.

**Place: Kiratpur**  
**Date: 03.09.2019**

**BY ORDER OF THE BOARD**  
**FOR RAMA PAPER MILLS LIMITED**  
Sd/- Sd/-  
**PRAMOD AGARWAL** **ARUN GOEL**  
**MANAGING DIRECTOR** **EXECUTIVE DIRECTOR**  
**DIN: 00038838** **DIN: 00035058**



**ANNEXURE'S TO DIRECTOR'S REPORT**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**For the Financial year ended March 31, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To**

**The Members**

**M/s Rama Paper Mills Limited**

**Najibabad Road, Kiratpur District**

**Bijnor, Uttar Pradesh - 246731**

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by M/s Rama Paper Mills Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the M/s Rama Paper Mills Limited 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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019, generally complied with the statutory provisions listed hereunder 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s Rama Paper Mills Limited for the financial year ended on March 31, 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -



**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) Other laws applicable to the Company as per the representations made by the Management.

We have also examined compliance with the (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Company with Bombay Stock Exchange Limited and also the Secretarial Standard I and Secretarial Standard II issued by the Institute of Company Secretaries of India (ICSI) were applicable to the Company for the period under review.

We further report that 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.

We further report that adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings, as represented by the management, were taken unanimously.

We further report that as per the explanations given to us and the representations made by the Management and relied upon by us there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under review, as explained and represented by the management, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., having a major bearing on the Company's affairs.

**Sameer Kishore Bhatnagar  
Practicing Company Secretary,**

**Place: New Delhi  
Date: 03.09.2019**

**Sd/-  
PROP.  
Membership No. 30997**



**FORM NO. AOC-2**  
**(PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND RULE 8(2)**  
**OF THE COMPANIES (ACCOUNTS) RULES, 2014**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm’s length basis.**

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2019 which were not at arm’s length basis.

• **Details of contracts or arrangements or transactions at Arm’s length basis.**

The Details of material contracts or arrangements or transactions at Arm’s length basis for the year ended March 31, 2019 are as follows:

Name of related party & Nature of contracts/Arrangements /transactions	Nature of relationship	Duration of Contract	Salient terms	Date of approval by the Board	Amount paid as advance/repayment	Amount as on 31.03.2019
RAMFIN FORTUNES PRIVATE LIMITED	ENTERPRISE OVER WHICH KMP ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE	MULTIPLE TRANSACTIONS	WASTE PAPER PURCHASE AND SALES OF FINISHED GOODS ON ARM LENGTH BASIS AND IN THE ORDINARY COURSE OF BUSINESS		NIL	6836467.00
AAA PAPER LIMITED	ENTERPRISE OVER WHICH KMP ARE ABLE TO EXERCISE SIGNIFICANT INFLUENCE	MULTIPLE TRANSACTIONS	PURCHASE OF FUEL, WOOD CHIPS BASED ON ARM LENGTH BASIS AND IN THE ORDINARY		NIL	11575979.00



**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

			COURSE OF BUSINESS			
Sh. Pramod Agarwal	Key managerial Personnel	Multiple Transaction	Remuneration Paid			33,00,000.00
Sh. Arun Goel	Key Managerial Personnel	Multiple Transactions	Remuneration Paid			6,00,000.00

Place: Kiratpur  
Date: 03.09.2019

**BY ORDER OF THE BOARD  
FOR RAMA PAPER MILLS LIMITED  
Sd/-  
PRAMOD AGARWAL  
MANAGING DIRECTOR  
DIN: 00038838**

**Sd/-  
ARUN GOEL  
EXECUTIVE DIRECTOR  
DIN: 00035058**



## **Remuneration Policy for Directors, Key Managerial Personnels and Senior Management**

### **INTRODUCTION**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and Senior Management of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time this policy on remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

### **SCOPE**

The policy contains a description of the core principles of the company's remuneration policy with respect to executive and non-executive Board members, KMP and other senior management. It follows the principles of maximum transparency and disclosure regarding remuneration, which the company has been applying to its public reporting documents.

The terms of this policy shall not be binding on employment agreement entered prior to this date. This Policy is based upon following principals as drawn by nomination and remuneration committee of company:

The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

Relationship of remuneration to performance is clear and meets appropriate performance benchmarks

The remuneration of directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

### **APPLICABILITY**

This Policy is applicable on Directors, Key Managerial Personnel (KMP) and Senior Management and of the Company.

### **FUNDAMENTAL PRINCIPLES OF THE POLICY**

The fundamental Principals of this policy are mentioned below, which are the core factors while determining the remuneration of Director, KMP and senior management:

Industry Practice and Bench marks;

Long-term value creation.

Reward achievement of results on the basis of prudent practice, responsibility and risk taking abilities.

Attract and retain the best professionals.

Reward the experience and professional track record.

Ensure equity within the Group and competitiveness outside it.



Optimum mix of fixed and variable salary;

Reward in the form of stock options

Ensure transparency in its remuneration policy

## **TERMS OF THE POLICY**

### **Terms for Executive Directors, KMP and senior management of Company Fixed Salary**

Managerial Person, KMP and Senior Management are eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

#### **Minimum Remuneration**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government

#### **Provisions for excess remuneration**

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government

### **Terms for Non-Executive/ Independent Directors of company Remuneration/ Commission**

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

#### **Sitting Fees**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Further, the Sitting fees payable to independent directors shall not be less than the sitting fee payable to other directors.

#### **Limit of Remuneration/Commission**

Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013

#### **Stock Option**

An Independent Director shall not be entitled to any stock option of the Company.





**DISCLOSURES**

Disclosure in respect to the remuneration of the Company's Board of Directors will be disclosed annually in the Corporate Governance Report part of the Annual Report.  
The Policy shall be disclosed in the Board Report of the company.

**POLICY REVIEW**

This policy is framed based on the provisions of the Companies Act, 2013 and rules there under and requirements of SEBI LODR Regulation, 2015.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulation which makes any of the provisions in this policy inconsistent with the Act or regulations, the provisions of the Act or regulation would prevail over the policy, and provisions in the policy would be modified in due course to make it consistent with the law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when changes need to be incorporated in the policy due to changes in regulations or as may be felt appropriate by the Committee. Any change or modification in the policy as recommended by the Committee would be given for approval to the Board.



**POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTOR'S INDEPENDENCE FOR RAMA PAPER MILLS LIMITED**

This Policy will be applicable to the Company with the approval of Nomination and Remuneration Committee and Board of Directors. This Policy is in line with the provisions of the Companies Act, 2013 and as per applicable provisions of SEBI LODR Regulation 2015.

**SCOPE**

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

**POSITIVE ATTRIBUTES**

The Nominating and Remuneration Committee of the company works with the Board to determine the appropriate characteristics, skills, and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience.

Characteristics expected of all directors candidate include independence, integrity, high personal and professional ethics, sound business judgment, and the ability and willingness to commit sufficient time to the Board to discharge the duties of Board membership and exercise his responsibilities in a bona-fide manner in the interest of the company.

The director candidate should be able to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.

**QUALIFICATION & CRITERIA:**

The Nomination and Remuneration Committee has not established specific minimum age, education, years of business experience or specific types of skills for evaluating the suitability of individual Board member, but, in general, expects a candidate to have extensive experience and proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the company's business.

The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made; Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI LODR Regulation, 2015 and other relevant laws.



**CRITERIA OF INDEPENDENCE**

The criteria of independence, as laid down in Companies Act, 2013 and as per applicable provisions of SEBI LODR Regulation 2015, is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director:

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives—
  - holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - holds together with his relatives two per cent or more of the total voting power of the company; or
  - is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
  - is a material supplier, service provider or customer or a lessor or lessee of the company.
- f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age.

The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.



**APPOINTMENT**

The appointment of an Independent Director shall be approved by the Company in general meeting as provided in sub-section (2) of section 152 of the Act and the explanatory statement annexed to the notice of the general meeting called to consider the said appointment shall indicate the justification for choosing the appointee for appointment as Independent Director.

**INDEPENDENCE STANDARDS**

The candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon and the Listing Agreement with the Stock Exchanges. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relative to a director's independence.

**INDEPENDENCE REVIEW PROCEDURES**

- **ANNUAL REVIEW**

The director's independence for the independent director will be determined by the Board on an annual basis upon the declarations made by such Directors as per the Companies Act, 2013 read with rules thereon and the listing agreement.

- **NOTICE OF CHANGE OF INDEPENDENT STATUS**

Each director has an affirmative obligation to inform the Board of any change in circumstances that put his or her independence at issue.

**AMENDMENT**

Any amendment to the above criteria for appointment of directors shall be subject to the prior approval of the Board of Directors.

**DISCLOSURE**

The Company will disclose the details about this policy in its Board's Report



**CFO CERTIFICATION**

To,  
The Board of Directors  
Rama Paper Mills Ltd.

We have reviewed the financial statements, read with the cash flow statement of Rama Paper Mills Ltd., for the financial year ended March 31, 2019 and to the best of our knowledge and belief, we state that;

- We have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief;
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- We have indicated to the Auditors and the Audit Committee;
- Significant changes in internal control over financial reporting during the year; if any,
- Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; if any, and
- Instances of significant fraud of which We have become aware and the involvement therein, if any, of the Management or an Employee having a significant role in the Company's internal control system over financial reporting.

Place: Kiratpur  
Date: 03.09.2019

Sd/-  
For Rama Paper Mills Ltd  
**NIRDESH AGARWAL**  
CFO

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

To,  
The Members of Rama Paper Mills Ltd.

In Compliance with Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Pramod Agarwal, Managing Director of the Company, hereby declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct formulated by the Company for the financial year ended March 31, 2019 and there is no non-compliance thereof during the period under review.

Place: Kiratpur  
Date: 03.09.2019

Sd/-  
For Rama Paper Mills Ltd  
**PRAMOD AGARWAL**  
Managing Director



## **I NDEPENDENT AUDITOR’S REPORT**

**To the Members of  
RAMA PAPER MILLS LIMITED**

### **Report on the Audit of Standalone Financial Statements:**

#### **Opinion**

We have audited the accompanying standalone financial statements of Rama Paper Mills Limited (“the Company”), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, Statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (Hereinafter referred as “Standalone Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“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 2019, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters (‘KAM’) are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **Management’s Responsibility on the Financial Statements**

The Company’s management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit / loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate



## **RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

the Company or to cease operations, or has no realistic alternative but to do so. Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



**Report on Other Legal and Regulatory Requirement**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143 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 appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards;
  - e. on the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013;
  - 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company internal financial controls over financial reporting;
  - g. In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - h. 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:
    - i. the Company has no pending litigations which have the impact on its financial position in its financial statements;
    - ii. the Company is not required to make any provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
    - iii. No amount is required to be transfer to the Investor Education and Protection Fund by the Company.

**Place: Kiratpur  
Date: 30.05.2019**

**For Bajaj Arora & Co.  
Chartered Accountants  
Firm Regn No. 029625N  
Sd/-  
CA Sahil Bajaj  
Partner  
M No. 529715**





**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

**Annexure to Auditors' Report for the year ended on 31st March, 2019**

The Annexure referred to in our report to the members of RAMA PAPER MILLS LIMITED for the year ended on 31.03.2019.

<b>S. No.</b>	<b>Particulars</b>	<b>Auditor's Remark</b>
(i)	a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	YES
	b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	YES
	c) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	YES
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	YES
(iii)	Whether the company has 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 Companies Act, 2013. If so;	YES
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	YES
	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	YES
	(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	NA
(iv)	in respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	YES
(v)	in case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law	YES



**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

	Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	
(vi)	Whether maintenance of cost records has been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	YES
(vii)	(a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income- tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, GST, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	The company has a outstanding liability for- PF-INR-2736611 GST(RCM)- INR-386911
	(b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	The company has a outstanding liability for- TDS- INR-4901866
(viii)	Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	No
(ix)	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	YES
(x)	Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	NO
(xi)	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	YES
(xii)	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1:20 to meet out the liability and whether the Nidhi	NA



**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

	Company is maintaining ten percent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	
(xiii)	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	YES
(xiv)	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non- compliance;	NO
(xv)	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with	NO
(xvi)	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	NA

**Place: Kiratpur  
Date: 30.05.2019**

**For Bajaj Arora & Co.  
Chartered Accountants  
Firm Regn No. 029625N  
Sd/-  
CA Sahil Bajaj  
Partner  
M No. 529715**



## **RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

**(Referred to paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Rama Paper Mills Limited of even date)**

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 Rama Paper Mills Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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.

### **Auditors' 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



## **RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

- 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.

### **Limitations 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 31st March 2019, 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 .

**Place: Kiratpur**  
**Date: 30.05.2019**

**For Bajaj Arora & Co.**  
**Chartered Accountants**  
**Firm Regn No. 029625N**  
**Sd/-**  
**CA Sahil Bajaj**  
**Partner**  
**M No. 529715**



## RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19

### PART I –BALANCE SHEET BALANCE SHEET AS AT 31st MARCH 2019

Particulars	1	Note No.	(Amount in Rs.)	
			As at 31.03.2019	As at 31.03.2018
	2	3	4	
<b>(1) ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	3	602,142,548.00	611,055,838.00	
(iii) Loans	4	5,791,991.00	5,904,593.00	
(j) Other non-current assets		-	-	
<b>(2) Current assets</b>				
(a) Inventories	5	130,003,864.00	63,734,950.00	
(b) Financial Assets				
(i) Investments				
(ii) Trade receivables	6	468,608,448.00	428,905,440.00	
(iii) Cash and cash equivalents	7	9,948,392.00	9,547,474.00	
(iv) Bank balances other than (iii) above		-	-	
(v) Loans	8	53,717,847.00	66,406,983.00	
(vi) Others (to be specified)				
(c) Current Tax Assets (Net)				
(d) Other current assets				
<b>Total Assets</b>		1,270,213,090	1,185,555,278	
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	9	96,647,330.00	96,647,330.00	
(b) Other Equity	10	(48,187,615.00)	(296,155,982.00)	
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	11	416,397,815.00	605,703,759.00	
(ii) Trade payables				
(iii) Other financial liabilities (other than those specified in item (b), to be specified)				
(b) Provisions				
(c) Deferred tax liabilities (Net)				
(d) Other non-current liabilities	12	60,807,120.00	58,101,572.00	
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	13	21,418,180.00	92,346,525.00	
(ii) Trade payables	14	591,829,040.00	503,278,715.00	
(iii) Other financial liabilities (other than those specified in item (c))				
(b) Other current liabilities	15	128,452,358.00	123,323,752.00	
(c) Provisions	16	2,848,862.00	2,309,607.00	
(d) Current Tax Liabilities (Net)				
<b>Total Equity and Liabilities</b>		1270213090.00	1185555278.00	

See accompanying notes to the financial statements

As per our report of even date  
For M/s Bajaj Arora & Co.  
Chartered Accountants,

Sd/-  
CA Sahil Bajaj  
(Partner)  
Membership No. 529715  
Firm Regn. No. 029625N  
Place: Kiratpur  
Date: 30.05.2019

For and on behalf of Board of Directors of  
M/s Rama Paper Mills Limited

Sd/-  
Pramod Agarwal  
Managing Director  
DIN: 00038838

Sd/-  
Himanshu Duggal  
Company Secretary  
PAN: ACDPH6376H

Sd/-  
Arun Goel  
Executive Director  
DIN: 00035058

Sd/-  
Nirdesh Agarwal  
CFO  
PAN: AHDP8176F



**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

**PART II – STATEMENT OF PROFIT AND LOSS  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2019**

		(Amount in Rs.)		
Particulars	Note No.	For the year ended 31.03.2019	For the year ended 31.03.2018	
I	Revenue From Operations	17	1,630,247,683.00	1,288,057,626.00
II	Other Income	18	229,875,891.00	83,171.00
<b>III</b>	<b>Total Income (I + II)</b>		<b>1,860,123,574.00</b>	<b>1,288,140,797.00</b>
	<b>EXPENSES</b>			
IV	Cost of materials consumed	19	1,378,720,934.00	1,244,567,361.00
	Purchases of Stock-in-Trade			
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	20	(11,791,691.00)	(4,865,423.00)
	Employee benefits expense	21	81,894,454.00	79,928,092.00
	Finance costs	22	56,802,674.00	(112,283,755.00)
	Depreciation and amortization expense	3	32,559,417.00	32,194,010.00
	Other expenses	23	73,969,421.00	48,411,220.00
	<b>Total expenses (IV)</b>		<b>1,612,155,209.00</b>	<b>1,287,951,505.00</b>
V	Profit/(loss) before exceptional items and tax (I-IV)		247,968,365.00	189,292.00
VI	Exceptional Items		-	-
VII	Profit/(loss) before tax (V-VI)		247,968,365.00	189,292.00
	Tax expense:			
VIII	(1) Current tax		-	-
	(2) Deferred tax			
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		247,968,365.00	189,292.00
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		247,968,365.00	189,292.00
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
XIV	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss			
	(ii) Income tax relating to items that will be reclassified to profit or loss			
XV	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		-	-
	Earnings per equity share (for continuing operation):			
XVI	(1) Basic		2.57	0.00
	(2) Diluted			

See accompanying notes to the financial statements

As per our report of even date  
For M/s Bajaj Arora & Co.  
Chartered Accountants,

Sd/-  
CA Sahil Bajaj  
(Partner)  
Membership No. 529715  
Firm Regn. No. 029625N  
Place: Kiratpur  
Date: 30.05.2019

For and on behalf of Board of Directors of  
M/s Rama Paper Mills Limited

Sd/-  
Pramod Agarwal  
Managing Director  
DIN: 00038838

Sd/-  
Arun Goel  
Executive Director  
DIN: 00035058

Sd/-  
Himanshu Duggal  
Company Secretary  
PAN: ACDPH6376H

Sd/-  
Nirdesh Agarwal  
CFO  
PAN: AHDP8176F



**RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19**

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET  
FOR THE YEAR ENDED 31ST MARCH 2019**

		(Amount in Rs)		
A. <u>CASH FLOW FROM OPERATION</u> <u>ACTIVITIES:</u>		2018-19	2017-18	
<b>Net Profit/(Loss) before tax and extraordinary items</b>		247,968,365	189,292	
<b>Adjustments for:</b>				
Depreciation	32,559,417		32,194,010	
Loss on sale of assets	-		-	
Finance Charges	56,802,674	89,362,091	(112,283,755) (80,089,745)	
<u>Operating Profit before working capital changes</u>		337,330,456	(79,900,452)	
<b>Adjustments for:</b>				
Trade and other receivables	(27,013,872)		(73,621,235)	
Inventories	(66,268,914)		8,580,676	
Trade Payables	23,289,840	(69,992,946)	48,965,609 (16,074,950)	
Cash generated from operations		267,337,510	(95,975,402)	
Finance Charges		(56,802,674)	112,283,755	
Taxes Paid		-	-	
Net Cash from operating activities		210,534,836	16,308,353	
<b><u>CASH FLOW FROM INVESTING</u></b>				
<b>ACTIVITIES:</b>				
Movement in Loans and Advances	112,602		2,864,857	
Sale of Fixed Assets	680,952		680,952	
Purchase of Fixed Assets(including Capital work in progress)	(15,810,033)	(15,016,479)	(15,810,033) (12,264,224)	
Net Cash used in Investing activities		195,518,357	4,044,129	
<b><u>CASH FLOW FROM FINANCING</u></b>				
<b>ACTIVITIES</b>				
Proceeds from Issue of Share Capital	-		-	
Receipt/Repayment of Long Term borrowings	(195,117,439)	(195,117,439)	(13,946,252) (13,946,252)	
Cash and Bank Balance (beginning of the year)	9,547,474	400,918	(9,902,123)	
Cash and Bank Balance(end of the year)	9,948,392	400,918	19,449,597 (9,902,123)	
		400,918	9,547,474 (9,902,123)	

See accompanying notes to the financial statements

As per our report of even date  
For M/s Bajaj Arora & Co.  
Chartered Accountants,

Sd/-  
CA Sahil Bajaj  
(Partner)  
Membership No. 529715  
Firm Regn. No. 029625N  
Place: Kiratpur  
Date: 30.05.2019

Sd/-  
Pramod Agarwal  
Managing Director  
DIN: 00038838

Sd/-  
Himanshu Duggal  
Company Secretary  
PAN: ACDPH6376H

For and on behalf of Board of Directors of  
M/s Rama Paper Mills Limited

Sd/-  
Arun Goel  
Executive Director  
DIN: 00035058

Sd/-  
Nirdesh Agarwal  
CFO  
PAN: AHDP A8176F





RAMA PAPER MILLS LIMITED  
Statement of changes in Equity for the period ended 31st March, 2019

Particulars	Notes	Reserves and surplus						Other reserves		Total
		Equity Share Capital	Preference Share Capital	General reserve	Capital reserve	Securities Premium Reserve	Retained earnings	Equity Instruments through Other Comprehensive Income	Hedging reserve	
<b>As at April 1, 2018</b>	12,13	96,647,330.00	100,000,000.00	-	64,000.00	116,666,670.00	(512,886,651.00)	-	-	(199,508,651.00)
Profit for the period		-		-	-	-	247,968,367.00	-	-	247,968,367.00
Other comprehensive income		-		-	-	-	-	-	-	-
Interim equity dividend including taxes thereon		-		-	-	-	-	-	-	-
Transfer from retained earnings to general reserve		-		-	-	-	-	-	-	-
TDS & Depreciation Adjustment		-		-	-	-	-	-	-	-
<b>As at March 31, 2019</b>		<b>96,647,330.00</b>		<b>-</b>	<b>64,000.00</b>	<b>116,666,670.00</b>	<b>(264,918,284.00)</b>	<b>-</b>	<b>-</b>	<b>48,459,716.00</b>

Statement of changes in Equity for the period ended 31st March, 2018

Particulars	Notes	Reserves and surplus						Other reserves		Total
		Equity Share Capital	Preference Share Capital	General reserve	Capital reserve	Securities Premium Reserve	Retained earnings	Equity Instruments through Other Comprehensive Income	Hedging Reserve	
<b>As at April 1, 2017</b>	12,13	96,647,330.00	100,000,000.00	-	64,000.00	116,666,670.00	(513,075,944.00)	-	-	(199,697,944.00)
Profit for the period		-		-	-	-	189,293.00	-	-	189,293.00
Other comprehensive income		-		-	-	-	-	-	-	-
Interim equity dividend including taxes thereon		-		-	-	-	-	-	-	-
Transfer from retained earnings to general reserve		-		-	-	-	-	-	-	-
Adjustment for Depreciation		-		-	-	-	-	-	-	-
<b>As at March 31, 2018</b>		<b>96,647,330.00</b>		<b>-</b>	<b>64,000.00</b>	<b>116,666,670.00</b>	<b>(512,886,651.00)</b>	<b>-</b>	<b>-</b>	<b>(199,508,651.00)</b>



**Notes to financial statements for the year ended 31st March 2019**

**1 Nature of Operations**

Rama Paper Mills Limited (hereinafter referred to as 'the Company') was incorporated on December 4th, 1985. The Company is a Public Limited company and its shares are listed on the Bombay Stock Exchange Limited (BSE Limited).

**2 Statement of Significant Accounting Policies**

**a Basis of preparation of Financial Statements**

The accounts of the Company are prepared on going concern basis, under the historical cost convention, as per applicable accounting standards and generally accepted Accounting principles, and the company adopts the accrual basis in the preparation of the accounts, unless otherwise stated.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

**Statement of Compliance:**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 30th May 2019.

**Functional and Presentation Currency:**

The financial statements are presented in Indian Rupees, which is the functional currency of the Company.

**b Property Plant & Equipment and Intangible Assets**

i) Property Plant & Equipment are stated at original cost of acquisition and includes insurance, freight, Finance Charge and installation expenses.

ii) Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any.

**c Depreciation**

The Company depreciates property, plant and equipment over the estimated useful life on a written down value basis from the date the assets are available for use. The estimated useful life of assets are reviewed and where appropriate are adjusted, annually.

The amortization of an intangible asset has been made as per stright line method with a finite useful life reflects the manner in which the economic benefit is expected to be generated.

**d Impairment of Property Plant & Equipment and Intangible Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value, an impairment loss is charged to the statement of profit and loss in the year in which asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been change in the estimate of recoverable amount. No impairment Profit or Loss has been identified during the year.



**e Valuation of Inventories**

Inventories are valued as follows:

Inventories are valued at cost. Cost includes cost for manufactured goods/process stock components of material, custom duty, shipping freight, inland freight, transportation cost, consumables and labour charges etc. Closing stock has been calculated following FIFO method.

**f Foreign currency transactions**

Transactions in the foreign exchange are recorded at prevailing rate on/or near to the date of transaction. All exchange gains and losses are accounted for in the Profit and Loss Account.

**g Revenue recognition**

(i) Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

**h Segment Reporting Policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

**i Retirement and other employee benefits**

Retirement benefits in the form of Provident Fund are defined contribution schemes and the contributions are charged to the Profit and Loss Account of the year when the contribution to the fund is due. There are no other obligations other than the contribution payable to that fund.

**j Finance cost**

Finance cost comprise interest cost on borrowings made by company.

**k Income tax**

Tax expense comprises 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 current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

**l Earning Per share**

Basic Earnings Per 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 year.

For the purpose of calculating Diluted Earning Per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**m** A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.



Note-3 Property Plant & Equipment

Particulars	The Changes in Carrying Value of property, plant & equipment for the year ended March 31, 2019								
	Land	Factory Buildings	Building (Staff Colony)	Plant & Machinery	Turbine & Boiler	Furniture & Office Equipment	Vehicles	Computer Equipment	Total
Gross Carrying Value as of April 1, 2018	13,435,022.00	118,775,314.00	8,499,405.00	945,941,202.00	251,261,125.00	13,576,346.00	5,651,027.00	2,739,594.00	1,359,879,035.00
Additions	-	1,046,995.00	-	21,535,818.00	-	-	848,145.00	215,169.00	23,646,127.00
Deletions	-	-	-	-	-	-	-	-	-
Gross Carrying Value as of March 31, 2019	13,435,022.00	119,822,309.00	8,499,405.00	967,477,020.00	251,261,125.00	13,576,346.00	6,499,172.00	2,954,763.00	1,383,525,162.00
Accumulated Depreciation as of April 1, 2018	-	58,609,456.00	2,981,578.00	558,184,599.00	110,069,141.00	11,661,243.00	4,788,086.00	2,529,094.00	748,823,197.00
Depreciations	-	3,643,871.00	135,490.00	23,381,683.00	4,428,572.00	379,436.00	462,852.00	127,513.00	32,559,417.00
Accumulated Depreciation on Deletion	-	-	-	-	-	-	-	-	-
Adj. With Retained Earning	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as of March 31, 2019	-	62,253,327.00	3,117,068.00	581,566,282.00	110,448,577.00	12,124,095.00	5,250,938.00	2,656,607.00	781,382,614.00
Carrying Value as of March 31, 2019	<b>13,435,022.00</b>	<b>57,568,982.00</b>	<b>5,382,337.00</b>	<b>385,910,738.00</b>	<b>140,812,548.00</b>	<b>1,452,251.00</b>	<b>1,248,234.00</b>	<b>298,156.00</b>	<b>602,142,548.00</b>
Carrying Value as of April 1, 2018	<b>13,435,022.00</b>	<b>60,165,858.00</b>	<b>5,517,827.00</b>	<b>387,756,603.00</b>	<b>141,191,984.00</b>	<b>1,915,103.00</b>	<b>862,941.00</b>	<b>210,500.00</b>	<b>611,055,838.00</b>

Particulars	The Changes in Carrying Value of property, plant & equipment for the year ended March 31, 2018								
	Land	Factory Buildings	Building (Staff Colony)	Plant & Machinery	Turbine & Boiler	Furniture & Office Equipment	Vehicles	Computer Equipment	Total
Gross Carrying Value as of April 1, 2017	13,435,022.00	-	-	-	-	-	-	-	-
Additions	-	774,628.00	-	15,035,404.00	-	-	-	-	15,810,032.00
Deletions	-	-	-	-	-	-	-	-	-
Gross Carrying Value as of March 31, 2018	13,435,022.00	118,775,314.00	8,499,405.00	945,941,202.00	251,261,125.00	13,576,346.00	5,651,027.00	2,739,594.00	1,359,879,035.00
Accumulated Depreciation as of April 1, 2017	-	54,868,312.00	2,846,088.00	535,391,805.00	105,640,569.00	11,250,925.00	4,240,253.00	2,391,235.00	716,629,187.00
Depreciations	-	3,741,144.00	135,490.00	22,792,794.00	4,428,572.00	410,318.00	547,833.00	137,859.00	32,194,010.00
Accumulated Depreciation on Deletion	-	-	-	-	-	-	-	-	-
Adj. With Retained Earning	-	-	-	-	-	-	-	-	-
Accumulated Depreciation as of March 31, 2018	-	58,609,456.00	2,981,578.00	558,184,599.00	110,069,141.00	11,661,243.00	4,788,086.00	2,529,094.00	748,823,197.00
Carrying Value as of March 31, 2018	<b>13,435,022.00</b>	<b>60,165,858.00</b>	<b>5,517,827.00</b>	<b>387,756,603.00</b>	<b>141,191,984.00</b>	<b>1,915,103.00</b>	<b>862,941.00</b>	<b>210,500.00</b>	<b>611,055,838.00</b>
Carrying Value as of April 1, 2017	<b>13,435,022.00</b>	<b>63,132,374.00</b>	<b>5,653,317.00</b>	<b>395,513,993.00</b>	<b>145,620,556.00</b>	<b>2,325,421.00</b>	<b>1,410,774.00</b>	<b>348,359.00</b>	<b>627,439,816.00</b>



**4. LOANS (OTHER NON CURRENT ASSETS)**

Particulars	Non-current portion	
	31/Mar/19	31/Mar/18
<b>Unsecured Considered Good</b>		
Advance Income Taxes	200,719.00	153,321.00
Security Deposits	5,241,272.00	5,401,272.00
Others	350,000.00	350,000.00
<b>Total</b>	<b>5,791,991.00</b>	<b>5,904,593.00</b>

**5. Inventories (valued at lower of cost & net realisable value)**

Particulars	31/Mar/19	31/Mar/18
RAW MATERIAL	65,092,182.00	17,149,672.00
RAW MATERIAL IN TRANSIT	-	77,845.00
WORK IN PROGRESS	3,409,329.00	3,409,329.00
FINISHED GOODS	37,694,865.00	25,916,822.00
SEMI-FINISHED GOODS	4,863,319.00	4,849,671.00
STORES AND SPARES	12,062,696.00	7,113,119.00
STORES IN TRANSIT	-	-
PACKING MATERIAL	1,000,211.00	1,611,699.00
CHEMICALS	4,973,676.00	2,962,607.00
FUEL	907,586.00	644,186.00
<b>Total</b>	<b>130,003,864.00</b>	<b>63,734,950.00</b>

**6. Trade receivables**

Particulars	31/Mar/19	31/Mar/18
<b>Unsecured, considered good unless stated otherwise</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	-	102,646,996.00
Unsecured, considered doubtful	250,552,493.00	39,556,234.00
<b>(A)</b>	<b>250,552,493.00</b>	<b>142,203,230.00</b>
<b>Other receivables</b>		
Unsecured, considered good	218,055,955.00	286,702,210.00
Unsecured, considered doubtful	-	-
<b>(B)</b>	<b>218,055,955.00</b>	<b>286,702,210.00</b>
<b>Total ( A + B )</b>	<b>468,608,448.00</b>	<b>428,905,440.00</b>



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**7. Cash & Cash Equivalent**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
<b>Cash and Cash equivalents</b>		
<b>Balance with bank</b>		
Fixed deposit (Lien Marked to shapoorji)	5,361,000.00	-
Others	1,355,229.00	4,292,290.00
<b>Cheques in hand</b>	-	800,000.00
<b>Cash in hand</b>	3,232,163.00	4,455,184.00
<b>Total</b>	<b>9,948,392.00</b>	<b>9,547,474.00</b>

**8. Loans & Advances**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
<b>Short-term loans &amp; Advances</b>		
Unsecured Loans, considered good		
Balance with Central Excise Authorities	(322,437.00)	(3,856,777.00)
Advance to Suppliers	52,371,870.00	68,668,595.00
Others	1,668,414.00	1,595,165.00
<b>Total</b>	<b>53,717,847.00</b>	<b>66,406,983.00</b>



## RAMA PAPER MILLS LIMITED – ANNUAL REPORT 2018-19

### RAMA PAPER MILLS LIMITED

#### Notes to financial statements for the Period ended 31st March, 2019

9. Share capital	Audited		Audited	
1. Equity Shares				
Particulars	31/Mar/19			31/Mar/18
<b>Authorised shares</b>				
1,70,00,000 (Previous year 1,70,00,000) equity shares of Rs. 10/- each	17,000,000.00			17,000,000.00
15,00,000 Preference shares of Rs 100 Each	150,000,000.00			150,000,000.00
<b>Issued, subscribed and fully paid-up shares</b>				
96,64,733 (Previous year 96,64,733) equity shares of Rs. 10/- each fully paid up	96,647,330.00			96,647,330.00
10,00,000 (Previous Year 10,00,000) preference shares of Rs 100/- each fully paid up	100,000,000.00			100,000,000.00
<b>Total subscribed and fully paid-up share capital</b>	<b>196,647,330.00</b>			<b>196,647,330.00</b>
<b>(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year</b>				
<b>1. Equity shares</b>	<b>31/Mar/19</b>		<b>31/Mar/18</b>	
	<b>No. of shares</b>	<b>(Amount in Rs. )</b>	<b>No. of shares</b>	<b>(Amount in Rs. )</b>
At the beginning of the year	9,664,733	96,647,330.00	9,664,733	96,647,330.00
Outstanding at the end of the year	9,664,733	96,647,330.00	9,664,733	96,647,330.00
<b>2. Preference shares</b>				
	<b>31/Mar/19</b>		<b>31/Mar/18</b>	
<b>At the beginning of the year</b>	<b>No. of shares</b>	<b>(Amount in Rs.)</b>	<b>No. of shares</b>	<b>(Amount in Rs.)</b>
5,00,000 Redeemable 6% non-Cumulative non-convertible Preference Shares of Rs 100 Each fully Paid up	500,000	50,000,000.00	500,000	50,000,000.00
5,00,000 Redeemable 14% non-Cumulative non-convertible Preference Shares of Rs 100 Each fully Paid up	500,000	50,000,000.00	500,000	50,000,000.00
Outstanding at the end of the year	1,000,000	100,000,000	1,000,000	100,000,000
<b>Outstanding at the end of the year (1+2)</b>	<b>10,664,733</b>	<b>196,647,330</b>	<b>10,664,733</b>	<b>196,647,330</b>
<b>(b) Terms/ rights attached to equity shares</b>				
The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.				
<b>(c) Shares in the company held by each equity shareholder holding more than 5% shares</b>				
	<b>31/Mar/19</b>		<b>31/Mar/18</b>	
<b>Particulars</b>	<b>No. of shares</b>	<b>% holding in the class</b>	<b>No. of shares</b>	<b>% holding in the class</b>
<b>Equity shares of Rs. 10/- each fully paid</b>				
Ram Fin Fortunes Private Limited	933,517	9.66	933,517	9.66
AAA Paper Marketing Limited	694,444	7.19	694,444	7.19
<b>(d) Shares in the company held by each preference shareholder holding more than 5% shares</b>				
	<b>31/Mar/19</b>		<b>31/Mar/18</b>	
<b>Particulars</b>	<b>No. of shares</b>	<b>% holding in the class</b>	<b>No. of shares</b>	<b>% holding in the class</b>
<b>Equity shares of Rs. 10/- each fully paid</b>				
M/s Devesh Foods & Agro Product Private Limited	500,000	50.00	500,000	50.00
P.K.A Projects (P) Limited	250,000	25.00	250,000	25.00
Ram Singh Steels (P) Limited	250,000	25.00	250,000	25.00

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



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### 10. Other Equity

Particulars	31/Mar/19	31/Mar/18
<b>Preference Shares</b>		
10,00,000 (Previous Year 10,00,000) preference shares of Rs 100/- each fully paid up	100,000,000.00	100,000,000.00
<b>Retained Earnings</b>		
Balance as per the last financial statement	(512,886,652.00)	(513,075,944.00)
Profit for the year	247,968,367.00	189,292.00
Net surplus in the statement of profit and loss	(164,918,285.00)	(512,886,652.00)
<b>Total (A)</b>	<b>(164,918,285.00)</b>	<b>(412,886,652.00)</b>
<b>Other Reserve</b>		
Capital Reserve	64,000.00	64,000.00
Securities Premium Reserve	116,666,670.00	116,666,670.00
<b>Total (B)</b>	<b>116,730,670.00</b>	<b>116,730,670.00</b>
<b>Total reserves and surplus (A+B)</b>	<b>(48,187,615.00)</b>	<b>(296,155,982.00)</b>

#### Preference Shares:-

##### The 6% Non- Cumulative Convertible Preference Shares have :

-The right to receive a fixed preferential dividend at specified rate on the paid up capital.  
-The right in a winding up to have the capital paid up on such shares and the arrears, if any, of the said preferential dividend, whether earned or declared, be paid off in priority to any payment of capital on equity shares. However, it shall not confer the right to any further participation in the profits or assets of the Company.  
Terms of Redemption:- The company has preference shares having a par value of Rs. 100 per share. Resolution passed by the shareholders of the company at their annual general meeting held on 08.09.2009 to convert the Preference Shares into Equity Shares could not be given effect in absence of in-principle approval from Bombay Stock Exchange, which has been kept in abeyance due to earlier listing issues yet to resolved in SEBI for conversion of equity share application money into equity share capital.

##### The 14% cumulative redeemable preference shareholders have:-

-The right to receive a fixed cumulative preferential dividend at specified rate on the paid up capital.  
-The right to receive arrears of cumulative dividend, if any, whether earned or declared, at the time of redemption of the said shares, and,  
-The right in a winding up to have the capital paid up on such shares and the arrears, if any, of the said preferential dividend, whether earned or declared, be paid off in priority to any payment of capital on equity shares. However, it shall not confer the right to any further participation in the profits or assets of the Company.  
Terms of Redemption:- Preference Shares shall be redeemable at the option of the Board any time not later than five years from the date of allotment and such redemption shall be in accordance to the provisions of the Companies Act 2013.

### 11. Financial Liabilities (Borrowings)

Particulars	31/Mar/19	31/Mar/18
<b>Term Loans</b>		
<b>Secured Loans</b>		
Long Term Borrowings	272,377,275.00	458,532,719.00
<b>Unsecured Loans From Related Parties</b>	<b>8,600,000.00</b>	<b>8,600,000.00</b>
<b>Intercorporate Deposits</b>	<b>135,420,540.00</b>	<b>138,571,040.00</b>
	<b>416,397,815.00</b>	<b>605,703,759.00</b>

#### Term Loans from Financial Institutions

Term Loan of Rs 31 crores has been obtained from two FI to repay the OTS of Bank of Baroda And IDBI Bank. Out of 31 crores, 1 crore is undisbursed and 29.91 crores is disbursed. Term loan from Shapoorji Pallonji Finance Company Private Limited (SPFPL- Rs 26.05 Crores) & Aten Capital Finance Private Limited (ACPL-Rs 3.86 crores) are secured against hypothecation of Plant & Machinery, Land & Building (both present & future) of the Company and extension of hypothecation over stock & book debts of the company and also personal guarantee of Directors/Promoters of the Company. The Shareholding of the Promoter Directors has also been pledged in favor of the lenders.

##### **From SPFPL (for term loan of Rs. 26,05,50,000)**

At the rate of 20.75%. Repayable in 11 quarterly installments of Rs. 2,36,86,364 each and first installment starting from 28.02.2019. Interest to be paid monthly.

##### **From Aten Capital Private Limited (for of Rs. 3,86,00,000)**

At the rate of 20.75%. Repayable in 11 quarterly installments of Rs. 35,09,091 each and first installment starting from 28.02.2019. Interest to be paid monthly.





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**12. Other non-current liabilities**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Security Deposits	2,500,000.00	2,500,000.00
Advance Against Land	36,135,000.00	36,135,000.00
Other Payables	22,172,120.00	19,466,572.00
<b>Total</b>	<b>60,807,120.00</b>	<b>58,101,572.00</b>

**13. Current liabilities (Borrowings)**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Short -term borrowing working capital loan	-	92,346,525.00
Aten capital Private Limited	2,763,636.00	-
Shapoorji Pallonji Finance Private Limited	18,654,544.00	-
<b>Total</b>	<b>21,418,180.00</b>	<b>92,346,525.00</b>

**14. Trade Payables**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Trade Payables		
Sundry creditors	591,829,040.00	503,278,715.00
<b>Total</b>	<b>591,829,040.00</b>	<b>503,278,715.00</b>

**15. Other Current liabilities**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Other Current liabilities		
Current maturities of long term debt	658,816.00	-
Interest accrued and due on borrowings	-	-
Advance from customers	14,019,266.00	31,456,259.00
Cheques payables	3,118,828.00	-
others payables	30,379,427.00	34,291,472.00
List of advance against Asset	80,276,021.00	57,576,021.00
<b>Total</b>	<b>128,452,358.00</b>	<b>123,323,752.00</b>

**16. Provisions**

<b>Particulars</b>	<b>Long term</b>		<b>Short term</b>	
	<b>31/Mar/19</b>	<b>31/Mar/18</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
<b>Other provisions</b>				
Excise Duty/GST	-	-	2,848,862.00	2,309,607.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,848,862.00</b>	<b>2,309,607.00</b>



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**17. Revenue from operations**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
<b>Revenue from operations</b>		
Sale of products	1,769,828,368.00	1,386,586,568.00
<b>Revenue from operations (gross)</b>	<b>1,769,828,368.00</b>	<b>1,386,586,568.00</b>
Less: Sales Tax/GST	(139,580,685)	(98,528,942)
<b>Revenue from operations (net)</b>	<b>1,630,247,683.00</b>	<b>1,288,057,626.00</b>

**18. Other income**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Interest received	229,684,064.00	66,840.00
Unclaimed balance written back		
Duty draw back		16,331.00
Insurance Claim received	7,200.00	
Miscellaneous income	184,627.00	
Excise & service tax refund		
<b>Total</b>	<b>229,875,891.00</b>	<b>83,171.00</b>

**19. Cost of Materials Consumed**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
<b>Cost of material consumed</b>		
Waste paper (Indian)	536,647,298.00	705,806,995.00
Waste paper (Imported)	266,709,559.00	195,379,572.00
<b>Others exp manufacturing</b>		
Chemicals	107,291,365.00	90,690,828.00
Stores & spares	47,061,679.00	35,242,672.00
Packing Material	19,248,139.00	20,129,683.00
Power & fuel	401,762,894.00	197,317,611.00
<b>Total</b>	<b>1,378,720,934.00</b>	<b>1,244,567,361.00</b>

**20. Change in inventories of work in progress, stock in trade and finished goods**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
<b>Opening stock:</b>		
Finished goods	25,916,822.00	21,666,124.00
Semi finished goods	4,849,671.00	4,485,718.00
Stock in process	3,409,329.00	3,158,557.00
<b>Total (a)</b>	<b>34,175,822.00</b>	<b>29,310,399.00</b>
<b>Closing Stock:</b>		
Finished goods	37,694,865.00	25,916,822.00
Semi finished goods	4,863,319.00	4,849,671.00
Stock in process	3,409,329.00	3,409,329.00
<b>Total(b)</b>	<b>45,967,513.00</b>	<b>34,175,822.00</b>
<b>Total(a-b)</b>	<b>(11,791,691.00)</b>	<b>(4,865,423.00)</b>



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**21. Employee benefit expense**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Employee benefit expenses		
Salaries, wages & allowances	69,768,526.00	66,157,330.00
Provident fund	1,812,680.00	1,841,245.00
BONUS	3,934,602.00	3,555,362.00
Watch & Ward	1,774,195.00	2,087,194.00
Gratuity	3,454,916.00	5,286,056.00
Staff welfare	1,149,535.00	1,000,905.00
<b>Total</b>	<b>81,894,454.00</b>	<b>79,928,092.00</b>

**22. Finance costs**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
<b>Interest on:</b>		
Term loans	33,270,086.00	(84,045,273.00)
Bank borrowing & others	20,257,262.00	(35,116,894.00)
Unsecured borrowings	2,769,000.00	6,645,600.00
Bank charges & others	506,326.00	232,812.00
<b>Total</b>	<b>56,802,674.00</b>	<b>(112,283,755.00)</b>

**23. Other Expenses**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
<b>Administrative &amp; overhead</b>		
Printing & stationary	1,336,268.00	835,105.00
Postage & telephone expenses	933,256.00	886,337.00
Insurance	1,258,833.00	821,255.00
Rent, rates & taxes	1,316,065.00	2,400,673.00
Repairs-factory building	260,499.00	771,749.00
Repairs-plant & machinery	12,741,181.00	7,030,836.00
Repairs & maintenance	2,270,174.00	2,384,772.00
Director remuneration	3,600,000.00	3,900,000.00
Auditors remuneration	150,000.00	350,000.00
Legal & professional charges	4,681,073.00	4,766,093.00
Bad debts	(1,812,984.00)	2,188,128.00
Travelling expenses	11,365,585.00	8,406,749.00
Vehicle running & maintenance	356,849.00	353,398.00
E.T.P running expenses	3,893,434.00	716,054.00
Miscellaneous expenses	1,471,673.00	875,996.00
<b>Selling &amp; forwarding</b>		
Sales promotion	994,226.00	24,544.00
Advertisement	680,460.00	289,008.00
Rebate & discount	13,383,561.00	389,196.00
Commission on sale	2,727,716.00	2,355,398.00
Freight & forwarding	9,512,690.00	5,587,281.00
<b>Excise duty related to the difference between closing stock and Stock-in-progress</b>	<b>2,848,862.00</b>	<b>3,078,648.00</b>
<b>Total</b>	<b>73,969,421.00</b>	<b>48,411,220.00</b>



**23. Earning per equity share**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Net profit as per profit and loss statement	247,968,365.00	189,292.00
No. of equity shares at the beginning and closing of the period / year	96,647,330.00	96,647,330.00
Weighted average number of equity shares for calculating basic and diluted EPS	2.57	0.00
<b>Basic and Diluted earnings per share (Rs.)</b>	<b>96,647,330.00</b>	<b>96,647,330.00</b>

**24. Auditor's Remuneration:-**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Audit fees	220,000.00	120,000.00
Tax audit fees	30,000.00	30,000.00
<b>Total</b>	<b>250,000.00</b>	<b>150,000.00</b>

**25. Segment Information**

**Primary Segments**

The following is the distribution of the Company's consolidated sales (net of Excise duty & Sales Tax) by geographical market, regardless of where the goods were produced.

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Domestic Market	1,630,247,683.00	1,288,057,626.00
Overseas Markets	-	-
<b>Total</b>	<b>1,630,247,683.00</b>	<b>1,288,057,626.00</b>

**26. Contingent liabilities (not provided for) in respect of**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
(a) Corporate Guarantee given	30,000,000.00	30,000,000.00
(b) Bank Guarantee	-	-
(c) Sales Tax	3,411,083.00	3,411,083.00
(d) Customs, Excise & service Tax	1,683,603.00	1,683,603.00
<b>Total</b>	<b>35,094,686.00</b>	<b>35,094,686.00</b>

**26.1 Value of Imports calculated on CIF Basis (on accrual basis)**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Raw materials	293,020,255.10	190,562,804.00
	<b>293,020,255.10</b>	<b>190,562,804.00</b>

**26.2 Earnings in Foreign Currency (on accrual basis)**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Exports at F.O.B value	-	-
	-	-

**26.3 Expenditure in Foreign Currency (on accrual basis)**

<b>Particulars</b>	<b>31/Mar/19</b>	<b>31/Mar/18</b>
Travelling	-	-
	-	-



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**27. Quantity Details (Waste Paper)**

Particulars	31/Mar/19	31/Mar/19	31/Mar/18	31/Mar/18
	Qty (KG)	Value	Qty (KG)	Value
<b>Opening Stock</b>				
: Indian	710,230	12,233,410	1,605,751	20,136,489
: Imported	401,990	4,916,262	348,209	9,733,030
<b>Purchases of Stock</b>				
: Indian	37,931,408	558,279,113	43,201,573	697,903,916
: Imported	25,444,996	293,020,255	8,937,570	190,562,804
<b>Consumption of Stock</b>				
: Indian	37,042,450	536,647,299	44,097,094	705,806,995
: Imported	22,823,574	266,709,559	8,840,579	195,379,572
<b>Closing Stock</b>				
: Indian	1,599,188	33,865,224	710,230	12,233,410
: Imported	3,023,412	31,226,958	401,990	4,916,262

**28. Imported and indigenous raw materials, components, stores and spares consumed**

Particulars	% of total consumption		(Amount)	
	31/Mar/19	31/Mar/18	31/Mar/19	31/Mar/18
<b>Raw materials</b>				
Imported	<b>33.20%</b>	<b>21.68%</b>	266,709,559.00	195,379,572.00
Indigenously obtained	<b>66.80%</b>	<b>78.32%</b>	536,647,298.00	705,806,995.00
			<b>803,356,857.0</b>	
	<b>100.00%</b>	<b>100.00%</b>	<b>0</b>	<b>901,186,567.00</b>
<b>Stores and spares</b>				
Imported	<b>4.96%</b>	<b>0.00%</b>	2,333,384.00	2,490,752.00
Indigenously obtained	<b>95.04%</b>	<b>100.00%</b>	44,728,295.00	32,751,920.00
	<b>100.00%</b>	<b>100.00%</b>	<b>47,061,679.00</b>	<b>35,242,672.00</b>

**29. Related party disclosures**

**Key Management Personnel**

- Mr. Promod Agarwal (Managing Director )
- Mr. Arun Goel (Executive Director)

**Companies Controlled by Directors/Relatives**

- Ram Fin Fortunes (P) Limited
- AAA Paper Limited

**Related party transactions**

The following table provides the total amount of transactions those have been entered into with related parties for the relevant financial year:

Particulars	Key Management Personnel	
	31/Mar/19 (Rs)	31/Mar/18 (Rs)
<b>Transactions for the year:</b>		
Directors Remuneration paid	3,600,000.00	3,900,000.00
Purchase/Sales to/from M/s Ram Fin Fortunes Private Limited	6,836,467.00	42,429,340.00
Purchase/Sales to/from M/s AAA Paper Limited	11,575,979.00	-

Note: Transactions and balances relating to reimbursement of expenses to / from related parties have not been considered above.



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30. Income Tax assessment has been completed up to assessment year 2016-17. Sales Tax assessment has been completed up to financial year 2015-16
31. In the opinion of the management, all the Current Assets, Loan and Advances have a value at which they are stated in the Balance Sheet, if realized in the ordinary course of the business and the provision for all known liabilities are adequate and are not in excess of the amount payable.
32. The accounts of sundry Debtors/Creditors and advances are subjected to confirmation from parties.
33. Previous year figures have been re-arranged/re-grouped wherever necessary.
34. Notes No's 1 to 33 form an integral part of Balance Sheet and Statement of Profit and Loss Account.

As per our report of even date  
For M/s Bajaj Arora & Co.  
Chartered Accountants,

Sd/-  
CA Sahil Bajaj  
(Partner)  
Membership No. 529715  
Firm Regn. No. 029625N  
Place: Kiratpur  
Date: 30.05.2019

Sd/-  
Pramod Agarwal  
Managing Director  
DIN: 00038838

Sd/-  
Himanshu Duggal  
Company Secretary  
PAN: ACDPH6376H

For and on behalf of Board of Directors of  
M/s Rama Paper Mills Limited

Sd/-  
Arun Goel  
Executive Director  
DIN: 00035058

Sd/-  
Nirdesh Agarwal  
CFO  
PAN: AHDP A8176F



**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]**

**CIN:** L27104UP1985PLC007556

**Name of the Company:** Rama Paper Mills Limited

**Registered office:** 4<sup>TH</sup> Km Stone, Najibabad Road, Kiratpur , Distt. Bijnor (U.P)

**I / We being the member of ..... , holding.....shares, hereby appoint**

**1. Name:** .....  
**Address:**.....  
.....  
**E-mail Id:** .....  
**Signature:** .....,

**or failing him**

**2. Name:** .....  
**Address:**.....  
.....  
**E-mail Id:** .....  
**Signature:** .....,

**as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 34<sup>th</sup> Annual General Meeting of members of the Company, to be held on 28<sup>th</sup> September, 2019 at the registered office of the Company at 4<sup>th</sup> Km Stone, Najibabd Road, Kiratpur, Distt Bijnor, Uttar Pradesh - 246731, and at any adjournment thereof in respect of such resolutions as are indicated below:**

**Resolution No.**

- 1** .....
- 2** .....
- 3** .....
- 4** .....
- 5** .....

<p>Affix Revenue Stamp</p>
------------------------------------

**Signed this ..... day of..... 2019**

**Signature of Shareholder**

**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, before the commencement of the Meeting.**



ATTENDANCE SLIP

**CIN:** L27104UP1985PLC007556

**Name of the Company:** Rama Paper Mills Limited

**Registered office:** 4<sup>TH</sup> Km Stone, Najibabad Road, Kiratpur , Distt. Bijnor (U.P)

**34<sup>th</sup> Annual General Meeting on Saturday, 28<sup>th</sup> of September, 2019 at 10:00 A.M. at Registered Office of the Company situated at Najibabad Road, Kiratpur , Distt. Bijnor (U.P)**

**Member's Folio No. :** \_\_\_\_\_

**Client ID No. :** \_\_\_\_\_

**DP ID No. :** \_\_\_\_\_

**No. of Shares held :** \_\_\_\_\_

I / We hereby record my/our presence at the THIRTY FOURTH ANNUAL GENERAL MEETING of the Company at Registered Office of the Company situated at Najibabad Road, Kiratpur , Distt. Bijnor (U.P), at 10.00 a.m. on Saturday, 28<sup>th</sup> September, 2019.

Name of member: _____	Signature: _____
Name of Proxyholder: _____	Signature: _____

Notes:

1. Only Member/Proxyholder can attend the Meeting.
2. Please complete the Folio No./DP ID No., Client ID No. and name of the Member/Proxyholder, sign this Attendance Slip and hand it over, duly signed, at the entrance of the Meeting Hall.
3. A Member/Proxyholder attending the meeting should bring copy of the Annual Report for reference at the meeting.





**ROUTE MAP FOR THE VENUE OF THE AGM I.E. 4<sup>TH</sup> KM STONE, NAJIBABAD ROAD, KIRATPUR, DISTT. BIJNOR, UTTAR PRADESH - 246731**





## BOOK-POST



If Undelivered please return to:

**RAMA PAPER MILLS LIMITED**

Regd Office & Works

4<sup>th</sup> K.M Stone, Najiababd Road,

Kiratpur- 246 731,

Distt. Bijnor (U.P)

Ph. 01341 – 240300, 240301