



Nirvikara Paper Mills Ltd.



ANNUAL REPORT
2015-2016



BOARD OF DIRECTORS:

ANURAG P. PODDAR

(Chairman & Managing Director)

ANKIT P. PODDAR

(Executive Director)

SACHINDRA NATH CHATURVEDI

(Independent Director)

HARISH N. MOTIWALLA

(Independent Director)

RAKESH N. GARODIA

(Independent Director)

MEGHNA SHAH

(Independent Director)

SHRUTISHEEL JHANWAR

(Whole-time Director-CFO)

OMPRAKASH SINGH (w.e.f. 15.10.2015)

(Company Secretary)

BANKERS:

STANDARD CHARTERED BANK

CORPORATION BANK

AUDITORS:

M/s. JAYANTILAL THAKKAR & CO.

Chartered Accountants

INTERNAL AUDITORS:

DILIP A.JAIN & ASSOCIATES

Chartered Accountants

COST AUDITORS:

R S RAGHAVAN

Cost Accountants

REGISTERED OFFICE:

A/7, Trade World,

Kamala City, Senapati Bapat Marg,

Lower Parel (W), Mumbai - 400013

Tel No. 022-6120 7900. Fax No. 022-6120 7999

PLANTS:

Unit 1: (Paper/Paper Board & Coating Plant)

Village: Ambivli, P.O.Mohone

Taluka - Kalyan, Dist. Thane - 421 102

Unit 2: (Cutting & Packing Unit)

Building No. F3 & F4, Bhiwandi Nashik Road,

Village Dhamngaon, Taluka Bhiwandi, Dist. Thane- 421302

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NOTICE

Notice is hereby given that the Third Annual General Meeting of the members of Nirvikara Paper Mills Limited will be held on Friday, the 9th September, 2016 at 2.30 P.M. at Sunville, 9, Dr. Annie Beseant Road, Worli, Mumbai – 400 018, to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt:
 - a. the audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon; and
 - b. the audited consolidated financial statement of the Company for the financial year ended March 31, 2016 (upto 20th December, 2015).
2. To appoint a Director in place of Shri Ankit Poddar (DIN: 03521731), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Statutory Auditors and fix their remuneration and in this regard to consider and if thought it, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:
“RESOLVED THAT pursuant to the provisions of section 139, 141, 142 and all other applicable provisions, if any, of the companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the appointment of M/s. Jayantilal Thakkar & Co., Chartered Accountants (Firm Registration No. 104133W), as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the next AGM of the Company, be and is hereby ratified at a remuneration to be decided by the Board Directors.”

Special Business

4. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:
“RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable during the year 2016-17 to Shri R. S. Raghavan, Cost Accountant having Firm Registration No. 100098 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2016-17, amounting to ₹ 75,000/- (₹ Seventy Five Thousand only) plus service tax, as applicable and re-imbursement of out of pocket expenses incurred by him in connection with the aforesaid auditor be and is hereby ratified and confirmed.”

By Order of the Board of Directors
Omprakash Singh
Company Secretary & Compliance Officer

Registered Office:
A/7, Trade World, Kamala city,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai – 400 013
CIN: L21098MH2013PLC244963

Dated : 7th May, 2016

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** THE INSTRUMENT APPOINTING A PROXY SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A person can act as a proxy on behalf of Members not exceeding fifty in number 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 a proxy and such person shall not act as proxy for any other person or shareholder.
3. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. The Explanatory Statement, as required by the section 102 (1) of the Companies Act, 2013 (“Act”) in respect of special business is annexed hereto.
5. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
6. 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 at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company’s Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, 6th September, 2016 to Thursday, 8th September, 2016 (both days inclusive), for the purpose of AGM.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
10. There is no unclaimed dividend accounts lying with the Company which needs to be transfer to Investor Education and Protection Fund (IEPF), under Section 205A(5) and 205C of the Companies Act, 1956 (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), there was not unclaimed dividend accounts lying with the Company.
11. Members holdings shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they



are maintaining their demat accounts. Members holding are in physical form are requested to advise any change in their address or bank mandates immediately to the Company/ the Registrar and Transfer Agent, M/s. Sharex Dynamic (India) Private Limited.

12. Notice of Annual General Meeting along with Annual Report 2015-16 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same.
13. Electronic copy of the Notice of the 3rd Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose Email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 3rd Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.
14. Members may note that the Notice of the 3rd Annual General Meeting and the Annual Report for year 2015-2016 will also be available on the Company's web site for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e- communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id: opsingh@bpml.in or menon@sharexindia.com.
15. Members who have not registered their e- mail addresses, so far, are requested to register their e-mail address for, receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
16. A route map giving directions to reach the venue of the 3rd Annual General Meeting is given along with the Annual Report.
17. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to remote e- voting are given below in this Notice.

A. PROCESS FOR MEMBERS OPTING FOR E-VOTING

For Members whose e-mail addresses are registered with the Company/Depositories:

- i. You will receive an e-mail from NSDL. Open the email containing the PDF file namely "NPML e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
- ii. Open the internet browser and type the following URL: www.evoting.nsdl.com.
- iii. Click on Shareholder – Login

- iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
- v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
- vi. The password change menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digit or characters or combination of both. Please take utmost care to keep your password confidential.
- vii. Once the e-voting home page opens, click one-voting>Active e-Voting Cycles.
- viii. Select "EVEN" (E-Voting Event Number) of Nirvikara Paper Mills Limited which is 104522. Now you are ready for e-voting as the "Cast Vote" page opens.
- ix. Cast your vote by selecting appropriate option and click on "Submit" and also click "Confirm" when prompted.
- x. Upon confirmation, the message "Vote cast successfully" will be displayed on your screen.
- xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
- xii. Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are requested to send scanned copy (PDF/ JPG format) of the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to naithanipcs@gmail.com, with a copy marked to evoting@nsdl.co.in.
- xiii. The members who have casted their vote by remote e-voting prior to the Annual General Meeting may also attend the Annual General Meeting but shall not be entitled to cast their votes again.
- xiv. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and E-voting User Manual for Shareholders, available at the downloads section of www.evoting.nsdl.com.

B. For Members whose e-mail addresses are not registered with the Company/Depositories:

- i. Members will receive a physical copy of the Notice of AGM. They have to opt for e-voting by using the initial password which is provided with the Notice of the AGM with EVEN (E-Voting Even Number, User ID & Password). Follow all steps as given in Sr. No. (ii) to Sr. No. (xiv) above, to cast your vote..

C. Other Instructions:

- i. The e-voting period commences on Tuesday, 6th September, 2016 (9.00 a.m. IST) and ends Thursday, 8th September, 2016 (5.00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form as on 1st September, 2016, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/ she shall not be allowed to alter it subsequently.
- ii. The voting rights of Members shall be in proportion to the shares held by them on the paid up equity share capital of the Company as on 1st September, 2016 i.e. cut off date.



- iii. Shri Prasen Naithani, Paractising Company Secreaty (Membership No. FCS 3830), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
 - iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses (not in the employment of the Company) and make out a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - v. A Member can opt for only one mode of voting i.e. either through e-voting or in physical form. If a Member casts his / her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.
- The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.npml.in and on the website of NSDL www.evoting.nsdl.com within three days of the passing of the Resolutions at the 3rd AGM of the Company.
18. At the ensuing Annual Genral meeting, Shri Ankit Poddar, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment, resolution for his appointment is proposed for approval of the members at item no.2.

Registered Office:

A/7, Trade World, Kamala city,
 Senapati Bapat Marg,
 Lower Parel (West),
 Mumbai – 400 013
 CIN: L21098MH2013PLC244963
 Dated : 7th May, 2016

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013
Item 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2017 on remuneration of ₹ 75,000/- (₹ Seventy Five Thousand) plus service tax as applicable and re-imbursement of out of pocket expenses incurred by them.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2017.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

By Order of the Board of Directors

Omprakash Singh
 Company Secretary & Compliance Officer

ANNEXURE TO ITEM 2 OF THE NOTICE

Details of the Director seeking re-appointment in the forthcoming Annual General Meeting (Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and disclosure Requirement) Regulations, 2015.

Name of the Director	Mr. Ankit Poddar
Director Identification Number	03521731
Date of Joining the Board	11.02.2015
Profile of the Director	Bachelor of Business Administration
Age	27 years
Nature of Expertise in specific functional area	Industrialist with Specialised in Marketing and Finance.
No. of shares held in the Company	11 Equity Shares
Names of the listed entities in which person also holds the directorship and the membership of Committees of the Board.	NIL

**DIRECTOR'S REPORTS**

Dear Shareholders,
Nirvikara Paper Mills Ltd

Your directors have pleasure in presenting their Third Annual Report together with the Audited Statements of accounts for the Financial Year ended 31st March, 2016.

1. FINANCIAL STATEMENTS & RESULTS:**a. FINANCIAL SUMMARY OR HIGHLIGHTS/ PERFORMANCE OF THE COMPANY (STANDALONE)****FINANCIAL RESULTS:**

(₹ in crore)		
Particulars	Current Year ended 31.03.2016	Previous Year ended 31.03.2015
Gross Turnover and Other Income	168.02	21.09
Less: Excise Duty Recovered on Sales	9.31	1.31
Net Turnover and Other Income	158.71	19.78
Gross Profit/(Loss)	(13.14)	(2.50)
Less: Depreciation and Amortisation	3.66	0.54
Exceptional item	43.70	0.00
Profit/(loss) before Tax	26.90	(3.04)
Less: Provision for Taxation	-	-
Current Tax (MAT)	5.95	0.00
Deferred Tax (Net)	4.47	0.06
Profit after Tax	16.48	(3.10)
Balance brought forward from last year	(3.10)	(0.003)
Income tax of earlier year	(.06)	-
PROFIT AVAILABLE FOR APPROPRIATIONS:	13.44	(3.10)
APPROPRIATIONS:		
Proposed Dividend (including Tax on Dividend)	0.00	0.00
Balance Carried Forward to Balance Sheet	13.44	(3.10)

b. OPERATIONS:

During the year under review, the Gross turnover and other Income of your Company increased to ₹ 168.02 Crore from ₹ 21.09 Crore in the previous year. The net profit after tax stood at ₹ 16.48 Crore against loss of ₹ 3.10 Crore in the previous year.

c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

During the year under review, your company has disinvested entire shareholding in its wholly owned subsidiary, Balkrishna Synthetics Limited by way of sale, transfer or disposal of the entire shareholding of the company for an aggregate consideration of ₹ 44.70 Crores to Siyaram Silk Mills Ltd. A Statement of Performance of the subsidiary upto the period 20th December, 2016 is attached as Annexure - I.

d. DIVIDEND

Your Directors have not recommended any dividend for the financial year under review.

e. SHARE CAPITAL:

The paid up Share Capital of the Company as on 31st March,

2016 was ₹ 10.74 Crore. As on 31st March, 2016, none of the Directors of the Company hold convertible instruments.

f. REVISION OF FINANCIAL STATEMENT:

There was no revision of the financial statements for the year under review.

g. DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. There were no unclaimed deposits or interest thereon as on 31st March, 2016. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

h. BRIEF DESCRIPTION OF THE COMPANY WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR

The Company is engaged in manufacturing of "Coated Duplex Boards" segment. The applications of the Coated Boards are well diversified and ever expanding. This segment of the industry has witnessed a healthy growth over the past decade and is expected to continue to grow annually at a rate approximately 9%

The production for the year under review was 50844 MT and sales was 51475 M.T.

i. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except disinvestment of its entire shareholding of its subsidiary company to Siyaram Silk Mills Ltd., no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

j. INTERNAL CONTROL SYSTEM

Your company has adequate system of internal control to ensure that all the assets are safeguarded and are productive. Necessary checks and controls are in place to ensure that transactions are properly verified, adequately authorised, correctly recorded and properly reported.

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

k. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

During the year under review, there were no orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

l. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

During the year under review, there are no loans, guarantees, investments and securities provided by the Company.

m. DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013:

The Company has not issued any shares with differential



rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

n. DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013:

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

o. DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013:

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

p. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

q. CORPORATE GOVERNANCE:

A report on Corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchange(s)/ SEBI (LODR) Regulations, 2015 forms part of the Annual Report.

Certificate from the Auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid Para forms part of the Annual Report.

r. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2016 made under the provisions of Section 92(3) of the Act is attached as Annexure II which forms part of this Report.

s. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other related parties which may have a potential conflict with the interest of the Company at large except disinvestment of subsidiary company, Balkrishna Synthetics Limited to Siyaram Silk Mills Limited.

All related party transactions for the year are placed before the Audit Committee as well as before the Board for approval. The transactions entered into with related parties are reviewed on a quarterly basis by the Audit Committee.

The policy on Related Party Transactions as approved by the Audit Committee and Board is uploaded on the Company's website at the link www.npml.in, under the head Investor relations.

The details of the transactions with Related Parties to be provided in Form AOC-2 is annexed herewith as Annexure-III. Members can refer to Note No. 38 to the Financial Statements which set out related party disclosures.

t. INDUSTRIAL RELATIONS:

Industrial relations with staff and workmen during the year under review continued to be cordial.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013, Shri Ankit P. Poddar, Executive Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment.

Shri Om Prakash Singh was appointed as Company Secretary & Compliance officer and Key Managerial personnel w.e.f. October 15, 2015.

Shri. Rajesh A Solanki resigned as Company Secretary and Compliance Officer effective from September. 22, 2015.

b. DECLARATIONS BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

a. BOARD MEETINGS:

The Board of Directors met 4 times during the year on the following dates in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

June 8, 2015, August 7, 2015, November 5, 2015, and February 6, 2016.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31st March, 2016, the Board of Directors hereby confirms that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures,
- such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the Profit of the Company for that year;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the Company have been prepared on a going concern basis;
- internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;



- f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

c. NOMINATION AND REMUNERATION COMMITTEE:

The composition, role, terms of reference as well as powers of the Nomination and Remuneration Committee of the Company meets the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement/ Regulation 19 of the SEBI (LODR) Regulations, 2015.

Composition :

The Committee comprises of 3 Independent Directors.

The composition of the Nomination and Remuneration Committee, category of members, their attendance at the Committee Meetings held during the year under review is given in the table below:

Sr. No.	Name of the Director	Category	Number of Meetings *	
			Held	Attended
1	Shri Sachindra Nath Chaturvedi (Chairman)	Independent Director	-	-
2	Shri Harish N. Motiwalla	Independent Director	-	-
3	Shri Rakesh Kumar Garodia	Independent Director	-	-

* During the year no meeting was held.

Remuneration Policy:

The Company follows a policy on remuneration of Directors and Senior Management Employees as enumerated below:

Remuneration of Non-Executive Directors : The Non-executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in Board/Committee meetings and commission, if any, after approval of the members.

Remuneration of Chairman/Managing Director/ Whole Time Directors:

- At the time of appointment or re-appointment of the Managing Director & CEO/ Whole Time Directors, such remuneration shall be paid as may be mutually agreed between the company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the Chairman & Managing Director / Whole-time Directors within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the Managing Director & CEO/ Whole-time Director are broadly divided into Salary, Allowances, perquisites, amenities, retirement benefits and commission (subject to availability of profits).
- In determining the remuneration the Nomination and Remuneration Committee shall ensure/consider the following:-
 - The relationship of remuneration and performance benchmark is clear.
 - Responsibility required to be shouldered by the

Chairman & Managing Directors & Whole-time Director, the industry benchmarks and the current trends.

- c. The company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs/KPIs.

Remuneration of Senior Management Employees:

- In determining of Senior Management employees i.e. KMPs, the Nomination and Remuneration Committee shall ensure/consider the following:
 - The relationship and performance benchmark is clear.
 - The remuneration including annual increment is decided based on the critically of the roles and responsibilities the Company's performance vis-à-vis the annual budget achievement, individual performance vis-à-vis KRAs/ KPIs industry benchmark and current compensation trends in the market.

d. AUDIT COMMITTEE:

The composition of Audit Committee has been detailed in the Corporate Governance Report.

e. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The Board of Directors of the Company has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Whistle Blower Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimisation on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Policy is uploaded on Company's website at www.npml.in

f. RISK MANAGEMENT FRAMEWORK:

The Board of Directors of the Company has Risk Management Framework to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions.

g. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

The information required pursuant to Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided upon request in terms of section 196 of the Act, the Report is being sent to all the shareholders of the Company and other entitled thereto, excluding the information particulars of which is available for inspection by the Members



at the Corporate office of the Company during business hours on working days of the Company upto the date of the ensuing Annual General Meeting. Members interested in obtaining a copy thereof, may write to the Company Secretary in this regard.

h. PAYMENT OF REMUNERATION / COMMISSION TO DIRECTORS FROM HOLDING OR SUBSIDIARY COMPANIES:

None of the managerial personnel i.e. Managing Director and Whole time Directors of the Company are in receipt of remuneration/commission from the Holding or Subsidiary Company of the Company.

4. AUDITORS AND REPORTS

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016:

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2016 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

Further, there were no adverse remarks or qualifications of reservations in the audit report submitted by auditors.

b. COST AUDITORS:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, the Board of Directors have appointed Shri R. S. Raghavan, Cost Accountants as the Cost Auditors of the Company for the financial year 2016-17.

The remuneration to be paid to Cost auditors require ratification by the shareholders and accordingly necessary resolution for ratification for seeking approval of members is included in Notice of ensuing AGM.

c. Secretarial Auditors.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. J. H. Fatehchandka & Co., Company Secretaries in Practice to undertake Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as Annexure – IV.

5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in Annexure - V which forms part of this Report

6. MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report is annexed to this Report.

7. INSURANCE

All the properties/assets including buildings, furnitures/fixtures, etc. and insurable interests of the Company are adequately insured.

8. ACKNOWLEDGMENT

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

For and on behalf of the Board of Directors

Anurag Poddar

Chairman & Managing Director

Date: May 07, 2016.

Place: Mumbai

**ANNEXURE I****PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES**

(Information in respect of each subsidiary/ Associate Companies/ Joint Venture Companies to be presented with amounts in ₹)

1	Name of the subsidiary/Joint Venture/Associate Companies	Balkrishna Synthetics Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2015 to 20.12.2015
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	N.A
4	Share capital	₹ 1,00,00,000/-
5	Reserves and Surplus	₹ 9,55,15,207/-
6	Total Assets	₹ 50,37,84,778/-
7	Total Liabilities	₹ 39,82,69,572/-
8	Investments	₹ 5,01,99,300/-
9	Turnover	₹ 41,75,41,899/-
10	Profit before taxation	₹ 76,92,403/-
11	Provision for taxation	₹ Nil
12	Profit after taxation	₹ 3,359,796/-
13	Proposed Dividend	Nil
14	% of shareholding	100%

ANNEXURE II**Form No. MGT-9****EXTRACT OF ANNUAL RETURN**As on financial year ended on 31st March 2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L21098MH2013PLC244963
Registration Date	:	29.06.2013
Name of the Company	:	Nirvikara Paper Mills Limited
Category / Sub-Category of the Company	:	Company having Shares/ Indian Non-government Company
Address of the Registered office and contact details	:	A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013. Tel No. 022 6120 7900 Fax No. 022 6120 7999
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Sharex Dynamic (India) Pvt. Ltd. Unit No. 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072 Tel.: 022 -2851 5606/5644/6338 Fax: 022 -2851 2885

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Paper and Paper Board	280	100%
2			
3			


III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable section
1	Balkrishna Synthetics Limited (up to 20-12-2015)	U17299MH2007PLC168720	Subsidiary	100%	2(87)(ii)

I SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):
i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	6260849	-	6260849	58.30	6260849	-	6260849	58.30	58.30
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	26	0	26	0	26	0	26	0	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	6260875	0	6260875	58.30	6260875	0	6260875	58.30	0
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	6260875	-	6260875	58.30	6260875	-	6260875	58.30	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	1712134	0	1712134	15.94	33398	0	33398	0.31	-15.63
b) Banks / FI	-	-	-	-	1425	0	1425	0.01	0.01
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	1519539	0	1519539	14.15	85313	0	85313	0.79	-13.35
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	3231673	-	3231673	30.09	120136	-	120136	1.12	-28.97
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	204276	166	204442	1.90	874160	166	874326	8.14	6.24
ii) Overseas	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	632710	142326	775036	7.22	1316921	134517	1451438	13.51	6.30
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	175713	45065	220778	2.05	1897754	44435	1642819	18.09	16.03
c) Others (specify)									
Non-Resident Individual	43525	-	43525	0.41	90115	-	90115	0.84	0.43
Foreign National	111	-	111	-	111	-	111	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Bodies	-	-	-	-	-	-	-	-	-
Trust	3404	-	3404	0.3	24	-	24	-	-0.03
Clearing Member	-	-	-	-	-	-	-	-	-
Sub-total(B)(2):	1059739	187557	1247296	11.61	4179085	179118	4358833	40.59	28.97
Total Public Shareholding (B)=(B)(1)+(B)(2)	4291412	187557	4478969	41.70	4299221	179118	4478969	41.70	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10552287	187557	10739844	100	10560096	179118	10739844	100	0.00

ii. SHAREHOLDING OF PROMOTERS:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Vijaylaxmi Arvindkumar Poddar	169,877	1.58	-	10	-	-	-
2.	Rajiv A Poddar	100,722	0.94	-	10	-	-	-
3.	Rajiv Arvind Kumar Poddar	18,143	0.17	-	10	-	-	-
4.	Arvindkumar Mahabirprasad Poddar	55	-	-	10	-	-	-
5.	Rameshkumar Dharaprasad Poddar	11	-	-	11	-	-	-
6.	AKP Enterprises LLP	2,666,493	24.83	-	2666493	24.83	-	24.83
7.	RAP Enterprises LLP	2,663,110	24.80	-	2663110	24.8	-	24.8
8.	Khushboo Rajiv Poddar	421,833	3.93	-	421833	3.93	-	3.93
9.	Rishabh Sureshkumar Poddar	79,879	0.74	-	10	-	-	-
10.	Shyamlatra Sureshkumar Poddar	64,519	0.60	-	10	-	-	-
11.	TMP Enterprises LLP	38,902	0.36	-	38902	0.36	-	0.36
12.	GPP Enterprises LLP	37,011	0.34	-	37011	0.34	-	0.34
13.	VKP Enterprises LLP	13	-	-	13	-	-	-
14.	PKP Enterprises LLP	13	-	-	13	-	-	-
15.	HSP Enterprises LLP	13	-	-	13	-	-	-



Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
16.	DPP Enterprises LLP	13	-	-	13	-	-	-
17.	Pawankumar Dharaprasad Poddar	11	-	-	11	-	-	-
18.	Ashadevi Ramheskumar Poddar	11	-	-	108011	1.01	-	1.01
19.	Avnish Pawankumar Poddar	11	-	-	11	-	-	-
20.	Dharaprasad Ramrikhdas Poddar	11	-	-	11	-	-	-
21.	Madhudevi Pawankumar Poddar	11	-	-	108011	1.01	0	1.01
22.	Vibhadevi Shrikishan Poddar	11	-	-	108011	1.01	0	1.01
23.	Shrikishan Dharaprasad Poddar	11	-	-	11	-	-	-
24.	Sangeeta Pramodkumar Poddar	11	-	-	108011	1.01	0	1.01
25.	Harshit Shrikishan Poddar	11	-	-	11	-	-	-
26.	Ankit Pramodkumar Poddar	11	-	-	11	-	-	-
27.	Anurag Pramodkumar Poddar	11	-	-	11	-	-	-
28.	Geetadevi Dharaprasad Poddar	11	-	-	1146	0.01	-	0.01
29.	Gaurav Pramod Poddar	11	-	-	11	-	-	-
30.	Abhishek S Poddar	11	-	-	11	-	-	-
31.	Gaurav Poddar	11	-	-	11	-	-	-
32.	Dhara Prasad Poddar	11	-	-	11	-	-	-
33.	Dhara Prasad Poddar	11	-	-	11	-	-	-
34.	Dhara Prasad Poddar	11	-	-	11	-	-	-
35.	Ramesh Kumar Poddar	11	-	-	11	-	-	-
36.	Ramesh Kumar Poddar	11	-	-	11	-	-	-
37.	Pawan Kumar Poddar	11	-	-	11	-	-	-
38.	Shrikishan Poddar	11	-	-	11	-	-	-
39.	Balgopal Holding & Traders Ltd	5	-	-	5	-	-	-
40.	Poddar Brothers Investment Private Limited	5	-	-	5	-	-	-
41.	S P Finance And Trading Ltd	5	-	-	5	-	-	-
42.	Vishal Furnishings Ltd	5	-	-	5	-	-	-
43.	Sanchna Trading & Fin. Ltd.	3	-	-	3	-	-	-
44.	S P Investrade (India) Limited	3	-	-	3	-	-	-
	Total	6,260,875	58.30	-	6260875	58.30	-	-

**CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):**

Sr. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	RAMESHKUMAR DHARAPRASAD PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
2	ARVINDKUMAR MAHABIRPRASAD PODDAR			10	-
	At the beginning of the year	55	-		
	At the End of the year	10	-		
3	VIJAYLAXMI ARVINDKUMAR PODDAR			10	-
	At the beginning of the year	169877	1.58		
	At the End of the year	10	-		
4	RAJIV ARVIND KUMAR PODDAR			10	-
	At the beginning of the year	18143	0.17		
	At the End of the year	10	-		
5	RAJIV A PODDAR			10	-
	At the beginning of the year	100722	0.94		
	At the End of the year	10	-		
6	KHUSHBOO RAJIV PODDAR			421833	3.93
	At the beginning of the year	421833	3.93		
	At the End of the year	421833	3.93		
7	ASHADEVI RAMESHKUMAR PODDAR			108011	1.01
	At the beginning of the year	11	-		
	At the End of the year	108011	1.01		
8	MADHUDEVI PAWANKUMAR PODDAR			108011	1.01
	At the beginning of the year	11	-		
	At the End of the year	108011	1.01		
9	VIBHADEVI SHRIKISHAN PODDAR			108011	1.01
	At the beginning of the year	11	-		
	At the End of the year	108011	1.01		
10	SANGEETA PRAMODKUMAR PODDAR			108011	1.01
	At the beginning of the year	11	-		
	At the End of the year	108011	1.01		
11	GEETADEVI DHARAPRASAD PODDAR			1146	0.01
	At the beginning of the year	11	-		
	At the End of the year	1146	0.01		
12	PAWANKUMAR DHARAPRASAD PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
13	AVNISH PAWANKUMAR PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
14	DHARAPRASAD RAMRIKHDAS PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		



Sr. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
15	SHRIKISHAN DHARAPRASAD PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
16	HARSHIT SHRIKISHAN PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
17	ANKIT PRAMODKUMAR PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
18	ANURAG PRAMODKUMAR PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
19	GAURAV PRAMOD PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
20	ABHISHEK S PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
21	GAURAV PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
22	DHARA PRASAD PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
23	DHARA PRASAD PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
24	DHARA PRASAD PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
25	RAMESH KUMAR PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
26	RAMESH KUMAR PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
27	PAWAN KUMAR PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
28	SHRIKISHAN PODDAR			11	-
	At the beginning of the year	11	-		
	At the End of the year	11	-		
29	SHYAMLATA SURESHKUMAR PODDAR			10	-
	At the beginning of the year	64519	0.6		
	At the End of the year	10	-		



Sr. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
30	RISHABH SURESHKUMAR PODDAR			10	-
	At the beginning of the year	79879	0.74		
	At the End of the year	10	-		
31	AKP ENTERPRISES LLP			2666493	24.83
	At the beginning of the year	2666493	24.83		
	At the End of the year	2666493	24.83		
32	RAP ENTERPRISES LLP			2663110	24.8
	At the beginning of the year	2663110	24.8		
	At the End of the year	2663110	24.8		
33	TMP ENTERPRISES LLP			38902	0.36
	At the beginning of the year	38902	0.36		
	At the End of the year	38902	0.36		
34	GPP ENTERPRISES LLP			37011	0.34
	At the beginning of the year	37011	0.34		
	At the End of the year	37011	0.34		
35	VKP ENTERPRISES LLP			13	-
	At the beginning of the year	13	-		
	At the End of the year	13	-		
36	PKP ENTERPRISES LLP			13	-
	At the beginning of the year	13	-		
	At the End of the year	13	-		
37	HSP ENTERPRISES LLP			13	-
	At the beginning of the year	13	-		
	At the End of the year	13	-		
38	DPP ENTERPRISES LLP			13	-
	At the beginning of the year	13	-		
	At the End of the year	13	-		
39	BALGOPAL HOLDING & TRADERS LTD			5	-
	At the beginning of the year	5	-		
	At the End of the year	5	-		
40	PODDAR BROTHERS INVESTMENTS PRIVATE LIMITED			5	-
	At the beginning of the year	5	-		
	At the End of the year	5	-		
41	S P FINANCE AND TRADING LTD			5	-
	At the beginning of the year	5	-		
	At the End of the year	5	-		
42	VISHAL FURNISHINGS LTD			5	-
	At the beginning of the year	5	-		
	At the End of the year	5	-		
43	SANCHNA TRADING & FINANCE LTD			3	-
	At the beginning of the year	3	-		
	At the End of the year	3	-		
44	S P INVESTRADE (INDIA) LIMITED			3	-
	At the beginning of the year	3	-		
	At the End of the year	3	-		


iii. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	JHP SECURITIES PVT LTD	0	0	322600	3.00
2.	RAJNI TARUN JAIN	555	0	285436	2.66
3.	VINOD M SHAH	0	0	208500	1.94
4.	JHP SECURITIES PVT LTD	0	0	125716	1.17
5.	SAROJ JUGAL MAHESHWARI	19	0	124650	1.16
6.	KALPANA GUNVANTRAI SHAH	222	0	95222	0.89
7.	MANISHA GUNVANTAI SHAH	222	0	95222	0.89
8.	ANUJ PREMKUMAR AGARWAL	0	0	62997	0.59
9.	SUMEET JUGAL MAHESHWARI	0	0	62282	0.58
10.	NITIN KANJI SHAH	0	0	56226	0.52

iv. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Anurag Poddar				
	At the beginning of the year	11	-	11	-
	At the End of the year	11	-		
2	Ankit Poddar				
	At the beginning of the year	11	-	11	-
	At the End of the year	11	-		
3	Shrutisheel Jhanwar				
	At the beginning of the year	25	-	25	-
	At the End of the year	25	-		
4	Omprakash Singh				
	At the beginning of the year	-	-		
	At the End of the year	-	-		

II INDEBTEDNESS:

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

(₹ in Crores)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	76.74	9.98	2.5	89.22
ii) Interest due but not paid	0.70	-	-	0.70
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	77.44	9.98	2.5	89.92
Change in Indebtedness during the financial year				
- Addition				
- Reduction				
Net Change	(7.45)	0.02	0.08	(7.35)
Indebtedness at the end of the financial year				
i) Principal Amount	69.39	10.00	2.58	81.97
ii) Interest due but not paid	0.60	-	-	0.60
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	69.99	10	-	82.57


III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager			Total Amount
		Anurag Poddar	Ankit Poddar	Shrutisheel Jhanwar	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42,94,465	42,20,816	44,67,992	1,29,83,273
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	28,800	28,800	28,800	86,400
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify				
	Total (A)	43,23,265	42,49,616	44,96,792	1,30,69,673

B. REMUNERATION TO OTHER DIRECTORS:

Amount in ₹

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount RS.
		Harish N. Motiwalla	Sachindra Nath Chaturvedi	Rakesh Garodia	Meghan Shah	
1.	Independent Directors					
	· Fee for attending Board / Committee meetings	90,000	90,000	70,000	50,000	3,00,000
	· Commission	-	-	-	-	-
	· Others, please specify	-	-	-	-	-
	Total (1)	90,000	90,000	70,000	50,000	3,00,000
2.	Other Non-Executive Directors					
	· Fee for attending board / committee meetings	-	-	-	-	-
	· Commission	-	-	-	-	-
	· Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	90,000	90,000	70,000	50,000	3,00,000
	Total Managerial Remuneration					


C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

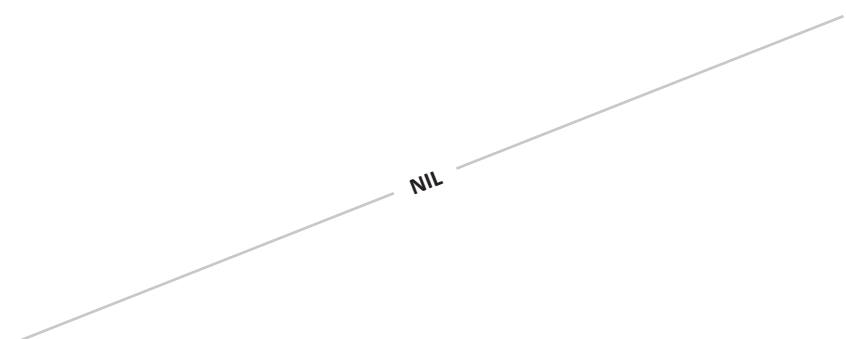
Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Rajesh Solanki@	Omprakash Singh#	CFO*	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,79,441	8,18,399	-	9,97,840
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	1,79,441	8,18,399	-	9,97,840

@ Up to 22.09.2015

Effective from 15.10.2015

*please refer to the Remuneration of Shri Shrutisheel Jhanwar who is acting as CFO without any additional remuneration which he is receiving in capacity of Whole-time Director.

IV PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

**ANNEXURE III****FORM NO. AOC- 2.**

Particulars of Contracts/ Arrangements with Related Parties

(Pursuant to section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

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 transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NONE
2. Details of material contracts or arrangement or transactions at arm's length basis.

(₹ in Lakhs)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Balkrishna Synthetics Ltd (BSL) –Promoters of the Company having significant influence.	Disinvestment of subsidiary BSL to Siyaram Silk Mills Ltd	One time	One time	Approved by the Board on 05.11.2015 and Members through Postal Ballot on 14.12.2015	Nil (Amount received ₹ 44.70 crores on 20.12.2015).
2	Siyaram Silk Mills Ltd	Rent paid for office premises	Yearly	As per Rent Agreement	Every Board Meeting on quarterly basis	₹0.44 Crores

For and on behalf of the Board of Directors**Anurag Poddar**

Chairman and Managing Director

Shrutisheel Jhanwar

Chief Financial Officer & Whole-time Director

Omprakash Singh

Company Secretary

Place : Mumbai.

Date : 7th May, 2016

**ANNEXURE IV****FORM NO.3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[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/ Board of Directors,
Nirvikara Paper Mills Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions of the Act, Rules and Regulations as mentioned below and the adherence to good corporate practices by **Nirvikara Paper Mills Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2016, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the Financial Year ended 31st March, 2016, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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'):-
 - (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 and / or Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) 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;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s) and / or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

I 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. There were no changes in the composition of the Board of Directors during the period under review.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that 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.



I further report that during the audit period, there were no instances of :

- (i) Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- (ii) Redemption / buy-back of securities .
- (iii) Merger / amalgamation / reconstruction, etc.
- (iv) Foreign technical collaborations

For J. H. Fatehchandka & Co.,
Company Secretaries

Jugalkishore Fatehchandka
Proprietor
FCS No.: 3392
C P No.:4942

Place : Mumbai.

Date : 7th May, 2016.

ANNEXURE – V

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

A. CONSERVATION OF ENERGY:

- (a) Energy Conservation measures taken by the Company;

- (i) Electrical Energy:

The Company is regularly monitoring the overall consumption of energy periodically during the year and losses if any are identified and suitable improvement action carried out immediately.

- (ii) Coal/Fuel Oil Consumption:

The Company is carrying out regular maintenance of steam lines/steam traps and user equipments to ensure high efficiency levels throughout the year, and new improvements are reviewed regularly and implemented wherever found suitable.

- (b) Additional investments and proposals, if any, being implemented for reduction of Consumption of energy;

The Company is reviewing various proposals for reduction in consumption of energy, mainly by way of replacement of existing equipments by modern and energy efficient equipments.

- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

The various energy conservation measures detailed above adopted by the Company have resulted in savings in energy consumption as per information given in Form 'A'.

I. Total energy consumption and energy consumption per unit of production as per Form 'A' hereunder:

FORM 'A'		Current Year	Previous year
POWER AND FUEL CONSUMPTION:			
1	Electricity		
	Purchased		
	Units (KWH)	2238614	633784
	Total amount (₹ in Lakhs)	270.16	63.66
	Rate/Unit (₹)	12.07	10.04
2	Coal (specify quality and where used)		
	The Company uses Steam Coal grade B/C in its Boilers		
	Quantity (Tons)	38394	4526
	Total Amount (₹ in Lakhs)	1955.86	261.30
	Average rate (₹/Ton)	5094	5773
3	H.S.D/L.D.O./Furnace Oil		
	Quantity (K.Ltrs)	-	-
	Total Amount (₹ in Lakhs)	-	-
	Average rate (₹/KL)(Net of Modvat, Wherever applicable)	-	-


II. Consumption per unit of production:

Electricity (KWH)	Coal (Kgs)	Furnace Oil (Ltr)
43.97 (96.92)	754.05 (692.15)	-

B. TECHNOLOGY ABSORPTION:

Efforts made in technology absorption as per Form 'B':

FORM 'B'
I. Research and development (R&D):

- Specific areas in which R&D carried out by the Company:
Product and quality improvement, development of new products, cost control and energy conservation.
- Benefits derived as a result of the above R&D:
The R&D activities have resulted in conserving of scarce raw materials, higher productivity and containing the costs all around.
- Future plan of action:
Water and energy conservation and further improvement in process technology and product mix.
- Expenditure on R&D (₹ in Lakhs):
 - Capital : NIL
 - Recurring : NIL
 - Total : NIL

II. Technology absorption, adaptation and innovation:

- Efforts, in brief, made towards technology absorption, adaptation and innovation:
The Company has been developing in-house modification/improvements in Process Technology in its various manufacturing sections-which, when found suitable, are integrated into the regular manufacturing operation.
- Benefits – which, when found suitable, are integrated into the regular manufacturing operation:
 - Quality improvement. N.A.
 - Energy conservation. N.A.

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

- Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans;
The Export of Paper & Paper Board during the year amounted to ₹ 24.32 Crores.
- Total foreign exchange used and earned (₹ in Crores)
Used: ₹24.59 Crore Earned: ₹24.32 Crores



MANAGEMENT DISCUSSION AND ANALYSIS:

Current Year Review

Our Company is engaged in manufacturing of Paper and Paper Boards, which are being used mainly for packing industry, catering to the needs of Pharmaceuticals, Cosmetics, Health Care Products, Readymade Garments, Food Products, Match Boxes and mainly for FMCG Segments. During the year under review due to recessionary trend prevailed in the economy on account of drought-like situation prevailing in the country, depletion in the commodity market, de-growth in the core-sectors, delay in implementation of infrastructure projects etc., has impacted over all demand for all the products. All these factors impacted the profitability of the Company.

Risk and concern

Currently, the risks are reviewed by the management of the Company periodically. The Management is minutely observing the prospective risks and is taking suitable preventive measures to adequately safeguard its resources so that the business continues as usual even during the difficult circumstances.

Customer demand for products, which also determine prices, is influenced by the economic conditions and inventory levels. The Management is regularly monitoring the risks pertaining to demand, price, competition, customers, suppliers and raw materials and evaluated to get a perspective of the Company's profit-making potential.

The Company depends mainly on imported coal for operating its Captive Power Plant, as the imported coal is cheaper than domestic coal. The rate of coal may further increase due to increase in crude rate because of revival in overall global economy & exchange fluctuation.

Like any organization, the human resources of company are a key to our success. In order to control/reduce attrition levels and continuously increase our services to our customers we conduct training programme on an annual basis for our employees.

Opportunities and Threats

The competitive strength and the opportunities that are available to the Indian Industry are:

- Its large and growing domestic paper board market and potential for export.
- Fast growing E-retail markets & contemporary printing sector.

While so, the following competitive weaknesses and threats confront the Industry:

- Weakening competitiveness of domestic industry due to shortage and cost of basic inputs.
- Shortage of waste paper in domestic markets.
- Lack of global competitiveness in costs.
- Undue fluctuation in the exchange rate between Indian Rupee and US Dollar will impact the margins of the Company.
- Stricter Environmental laws are adherence of the same by Government authorities.

Paper Industry is capital intensive and yields poor returns on investments. The Company is in a single segment i.e. Paper and paper board products. Hence, product wise performance is not provided.

Internal control system

The Company maintains all its records in ERP system and the work flow and majority of approvals are routed through the system.

- The Company has laid down adequate system and well-drawn procedure for ensuring internal financial controls.
- It has appointed an external audit firms as an Internal Auditors for regularly checking and monitoring the internal control measures.
- Internal Auditors are present at the Audit Committee Meetings where internal Auditors Reports are discussed alongwith the management comments and the final observation of the Internal Auditor.

Future Outlook

With the expectation of good monsoon, acceleration in the GDP growth of the country, initiative undertaken by the Government to boost the economy by way of Make-in-India campaign, infrastructure development etc., would create more employment and also increase disposal income with the people.

Further, there is expectation of growth in the international economy. Moreover, the necessary approvals have been received for our expansions and trial production has already been begun successfully and we are hopeful that this will go full stream by the next financial year. With this, we will be making Value-Added products that would give better realization. Over all, we expect our performance to improve in the coming years barring unforeseen circumstances.

Forward Looking Statements

Statements in this report describing the current industry structure, outlook, opportunities, etc, may be construed as forward looking statements based on certain assumptions of future events over which the Company exercises no control. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those that may be implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: growth, competition, domestic & international economic conditions affecting demand, supply & price conditions, changes in Government regulations, tax regimes economic developments within India and the countries in which the company conducts business and other incidental factors.



CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16

I. Company's Philosophy

Nirvikara's philosophy on Corporate Governance aims at achieving long term viability of the business by taking into consideration the customers' satisfaction in terms of quality, cordial relationship with shareholders. Corporate Governance is a continuous process that aims to align interest of the Company with its shareholders and other stakeholders. The principal characteristics of corporate governance are transparency, independence, accountability, fairness and responsibility. The company has a strong legacy of fair, transparent and ethical governance practices and compliance with statutory and legal requirements. The Company has formulated, inter alia, various policy documents and introduced best practices of governance like Code of Conduct, Prohibition of insider trading policy, whistle blower policy etc.

The Company's policies on Corporate Governance and

compliance thereof in respect of specific areas for the year ended March 31, 2016, as per the format prescribed by SEBI (LODR) Regulations, 2015 (the Listing Regulations or Listing Agreements) are set out below for the information of the shareholders of the Company.

II. Board of Directors

Composition:

The Board of Directors of the Company has an optimum combination of Executive, Non Executive and Independent Directors. As on 31st March, 2016, the Board comprises of 7 (Seven) Directors, out of which 3(Three) are Executive and Non Independent Directors, and 4(Four) are Non-Executive and Independent Directors. The Chairman is an Executive Director designated as Chairman and Managing Director of the Company.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Name of Directors	Category of Directors	Attendance		Directorship in other Public Companies**	Committee Positions***	
		Board	Last AGM		Chairman	Member
Shri Anurag P. Poddar *	Chairman and Managing Director –Executive & Non-Independent Director	4	Yes	-	-	-
Shri Ankit P. Poddar *	Executive & Non-Independent Director	4	Yes	-	-	-
Shri Sachindra Nath Chaturvedi @	Non-Executive & Independent Director	4	Yes	4	3	4
Shri Harish N Motiwala @	Non-Executive & Independent Director	4	Yes	8	5	3
Shri Rakesh Kumar Garodia @	Non-Executive & Independent Director	3	No	5	1	2
Smt. Meghna Shah @	Non-Executive & Independent Director	4	Yes	-	-	-
Shri Shruti Sheel Jhanwar *	Executive & Non-Independent Director	4	yes	-	-	-

@ Term of office of all above Non-Executive & Independent Directors is of 5 Consecutive years commencing from February 11, 2015 to February 10, 2020.

* Term of Office of the above Executive & Non-Independent Directors is from February 11, 2015 to February 10, 2018.

** The Directorship held by Directors as mentioned above, do not include Alternate Directorships and Directorships in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

*** Memberships/chairmanships of only Audit Committee and Stakeholders Relationship Committee in all public limited companies has been considered.

Board Meetings:

During the year, 4 (Four) Board Meetings were held on 8th June, 2015, 7th August, 2015, 5th November, 2015 and 6th

February, 2016. The Annual General Meeting was held on 24th August, 2015.

Board procedures:

Agenda papers for the Board and committee meeting are finalised in consultation with concern persons. The minutes of proceeding of each board meetings are maintained in terms of statutory provisions. The minutes of committee are placed before the Board on regular basis. The Agenda and notes to agenda for the Board & Committee meetings are circulated in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under the provision of SEBI (LODR) Regulations, 2015/Clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary. The Chairman & Managing Director/ Executive (s), at the Board Meetings, keeps the Board apprised of the overall performance of the Company.



Performance Evaluation:

During the year under review, the Board designed and conducted a formal evaluation mechanism for evaluating performance of the Board, its Committees and individual directors including the Chairman and Managing Director of the Company.

Familiarisation Programme for Board Members:

The Company designed the programmes and measures to familiarise independent Directors regarding Company, its business, updates, growth includes various measures i.e. issue of appointment letters containing the terms of appointment, duties, responsibilities etc. The policy and programme aims to provide insights into the Company to enable independent directors to understand the business, manufacturing, finance and other related matters. The details of such familiarisation programmes have been displayed under the head Investor on the Company's website or link, www.npml.in

III. Audit Committee

Terms of Reference:

The scope of activities of the Audit Committee is as set out in Regulation 18, Part C of Schedule II of SEBI (LODR) Regulations, 2015/Clause 49 of the Listing Agreement read with Section 177 of the Companies Act, 2013. These broadly includes oversights of financial reporting process, review reports of the Internal Auditors and to discuss the same with them periodically, to meet Statutory Auditors to discuss their findings/ suggestions, to review weaknesses in internal controls reported by Internal and Statutory Auditors and internal control systems, appointment and payment to statutory auditors, approval of related party transactions, to review quarterly/half yearly/annual financial results and other matters.

Audit Committee Composition:

The Audit Committee consists 3 (three) Independent Directors and 1 (one) Whole time Director having requisite knowledge of Finance, Accounts and Company Law. The composition of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 (1) of SEBI (LODR) Regulations, 2015/Clause 49 of the Listing Agreement. The Company Secretary, Shri Omprakash Singh, acts as the Secretary of the Committee. The Chairman of the Committee was present at the last Annual General Meeting.

Audit Committee Meetings:

During the year under review, the Committee met 4 times on 8th June, 2015, 7th August 2015, 5th November, 2015 and 6th February 2016.

Name of the Committee Members along with their attendance is given below:

Name of the Member	Designation	No. of meeting attended
Shri. Sachindra Nath Chaturvedi	Chairman	4
Shri. Harish N. Motiwalla	Member	4
Shri. Rakesh N. Garodia	Member	3
Shri. Shruti Sheel Jhanwar	Member	4

IV. Nomination and Remuneration Committee:

Terms of Reference:

Terms of reference of the Nomination and Remuneration Committee includes the matters specified under section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015/ Clause 49 of the Listing Agreement. The main reference includes formulation of remuneration policy, remuneration payable and determining the package to the Managing Directors, Executive Directors and Whole-time Directors, commission to be paid to the Directors.

Nomination and Remuneration Committee Composition, Meetings held and Attendance:

Composition:

The Committee consists three wholly Non-Executive and Independent Directors, as under:

Name of the Committee Members:

Name of the Member	Designation
Shri. Sachindra Nath Chaturvedi	Chairman
Shri. Harish N. Motiwalla	Member
Shri. Rakesh N. Garodia	Member

The Chairman of the Committee is an Independent Director.

Meetings:

During the year under review, there were no meetings of the committee.

Remuneration Policy:

The Board on recommendation of Nomination and Remuneration Committee approved Remuneration Policy for Directors, KMP and Senior Management Employees as numerated below:

Remuneration of Non Executive Directors

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/ Committee meetings and commission, if any, subject to approval of the members.

Remuneration of Managing Director/Whole Time Directors.

- At the time of appointment or re-appointment of the Managing Director & CEO/ Whole Time Directors, such remuneration shall be paid as may be mutually agreed between the Company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the Managing Director & CEO/ Whole Time Directors within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the Managing Director/Executive Director/Whole Time Directors is broadly divided into Salary, Allowances, perquisites, amenities, retirement benefits and commission (subject to availability of profits)..
- In determining the remuneration the Nomination and Remuneration Committee shall ensure/consider the following :-



- The relationship of remuneration and performance benchmark is clear.
- Responsibility required to be shouldered by the Managing Director/ Executive Director/Whole Time Directors, the industry benchmarks and the current trends.
- the company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs/KPIs.

Remuneration of Senior Management Employees:

The Board, on the recommendations of the Nomination and Remuneration Committee approves the remuneration payable to the KMP and Senior Management Personnel. The structure of remuneration payable to KMP and Senior Management Personnel will be in accordance with the compensation framework adopted for employees by the HR department of the Company.

Details of Directors' Remuneration * for the year 2015-16 are given below:-

(₹ in Lakhs)

Name of Director	Salary & Other Perquisites	Sitting Fees	Commission	Total Remuneration
Shri Anurag P Poddar	43.23	-	-	43.23
Shri Ankit P Poddar	42.50	-	-	42.50
Shri Shruti Sheel Jhanwar	44.97	-	-	44.97
Shri Sachindra Nath Chaturvedi	-	0.90	-	0.90
Shri Harish N Motiwalla	-	0.90	-	0.90
Shri Rakesh Kumar Garodia	-	0.70	-	0.70
Smt. Meghna Shah	-	0.50	-	0.50
Total	130.70	3.00	-	133.70

* Remuneration includes Salary, Allowance, Perquisites, Company's contribution to Provident Fund, Gratuity Fund, Provision for Gratuity and Leave Salary.

V. Stakeholders Relationship Committee:
Terms of Reference:

Term of Reference and role of the Stakeholders Relationship Committee includes the matters specified under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Stakeholders Relationship Committee deals with all matters relating to Stakeholders Grievance and its redressal.

Name of the Committee Members:

Name of the Member	Designation
Shri. Harish N Motiwalla	Chairman & Independent Director
Shri. Anurag P Poddar	Member
Shri. Shruti Sheel Jhanwar	Member

Stakeholders Relationship Committee Meetings:

During the year there was no meeting of the Stakeholders Relationship Committee.

Stakeholders Grievance Redressal:

During the year ended 31st March, 2016, no Shareholders' Complaints were received. There were no outstanding complaints at the end of the year.

The Company Secretary, Shri Omprakash Singh, has been designated as Compliance Officer.

VI. Other Committees:
Share Transfer Committee:
Terms of Reference:

The Share Transfer Committee deals with all matters relating to transfer of Shares, issue of duplicate/ new shares, sub-divided and consolidated share certificates, demat / remat.

VII. Independents Directors Meeting.

All the Independents Directors' of the company met once on 15th March, 2016 during the financial year, inter-alia, to consider:

- the performance for Non-Independent Directors and the Board as a whole.
- the performance of the Chairman and Managing Director of the Company.
- Assessing the quality, quantity and timeliness of flow of information.

VIII. Information on Annual General Meeting:

Financial Year	Date	Time	Venue
2013-2014	10 th September, 2014	2.00 p.m	BKT House, C/15, Trade World, Kamala Mills Compound, S.B. Marg, Lower Parel (W), Mumbai 400013.
2014-2015	24 th August, 2015	2.30 p.m.	Sunville 9, Dr. Annie Besant Road, Worli, Mumbai 400 018.

The following are the special resolutions passed at AGM/EOGM during last three financial years.

Date of AGM/EOGM	Summary of special resolution passed
13.08.2014	Reduction of equity share capital of the company



Date of AGM/EOGM	Summary of special resolution passed
12.02.2015	<ul style="list-style-type: none"> Appointment of Shri Anurag Poddar as Chairman and Managing Director from 11/02/2015 to 10/02/2018. Appointment of Shri Ankit Poddar as a Whole-time Director designated as an Executive Director from 11/02/2015 to 10/02/2018. Appointment of Shri Shrutisheel Jhanwar as a Whole-time Director from 11/02/2015 to 10/02/2018. Alteration of Articles viz. Adoption of new set of Articles of Association of the Company. Alteration of Object Clause viz. Insertion of new clause of "Power Generation and Consumption" in clause objects incidental or ancillary to the attainment of the main objects III (B) 26(a) and 26(b). Increase in Authorised Share Capital of the Company from ₹ 5 Lakhs to ₹ 11 Crores. Increase in borrowing limit upto ₹200 crores under section 180(1)(c) of the Companies Act, 2013. Authorised Board to create charges, mortgages and hypothecation on movable and immovable properties of the Company not exceeding ₹ 200 Crores.
24.08.2015	Authority to invite/accept/renew/receive money by way of unsecured/secured deposits.

Special Resolutions passed through postal ballot

The Following special resolution passed through Postal Ballot as provided under Section 110 of the Companies Act, 2013:

Special Resolution pursuant to the Clause 49(V)(E) and Clause 49 (V)(F) of the Listing Agreement, provisions of Section 180(1)(a), Section 110 and other applicable provisions of the Companies of the Companies Act, 2013 for disinvestment of shares of subsidiary company viz. Balkrishna Synthetics Ltd., through postal ballot notice dated 5th November, 2015:

- The Board of Directors of the Company had appointed Shri Prasen Naithani, Practising Company Secretary, as the scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.
- The Company had completed the dispatch of the Postal Ballot Notice dated 5th November, 2015 together with the explanatory statement on 10th November, 2015,

alongwith forms and postage prepaid business reply envelopes to all the shareholders whose name(s) appeared on the Registered of Members/List of Beneficiaries as on 6th November, 2015.

- The voting under the postal ballot was kept open from 9.00 a.m. on 10th November, 2015 to 5.00 p.m. on 10th December, 2015 (either physically or through electronic mode).
- All postal ballots forms received/receivable on or before of close of working hours of 10th December, 2015, the last date and time fixed by the Company for receipt of the forms, had been considered for scrutiny or voting purpose.
- On 14th December, 2015 at 4.00 p.m. the results of the postal ballot as per the Scrutinizers Report was announced and declared that the above special resolution was passed with the requisite majority.

IX. Code of Conduct

The code of conduct for the Directors and the Employees of the Company has been laid down by the Board and it is internally circulated and necessary declaration has been obtained. Declaration regarding compliance by Board Members and Senior Management with the said code is given in **Annexure-A** to this Report. In addition the Company has framed a Code of Conduct for Prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992. The Code is applicable to all the Directors and Designated Employees. The Code also aims to prevent dealing in the shares by persons having access to unpublished price sensitive information.

X. Subsidiary Companies:

The Company had disinvested the shares of its wholly owned subsidiary, Balkrishna Synthetics Limited to Siyaram Silk Mills Limited with effect from 21st December, 2015. As on 31st March, 2016, the Company has no subsidiary.

XI. Disclosures:

- During the year under review, there were no materially significant transactions with related parties that may have potential conflict with the interest of the Company except disinvestment of shares of its wholly owned subsidiary w.e.f. 21st December, 2015 as mentioned in Para X above. All Related party transactions have been disclosed in the notes to financial statements and in Board's Report.
- No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last two years.
- All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
- The Company has a well defined Risk Management Policy covering identifying business risks of the Company and laying procedures for minimizing the risk.
- No money was raised by the Company through public issue, rights issue, preferential issues etc., in the last financial year.



- (6) The Company has a Whistle Blower Policy for Directors and Employees for establishing a vigil mechanism to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's code of conduct or ethical policy. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. No employee of the Company was denied access to the Audit Committee. The protected disclosure should be made to the Chairman of the Audit Committee to the email ID:snchaturvedi@gmail.com.
- (7) The Company is in compliance with all mandatory requirements of Clause 49 of the Listing Agreement/ SEBI (LODR) Regulations, 2015 and the adoption non-mandatory requirements is being reviewed by the Board from time-to-time.
- (8) There were no pecuniary relationships or transactions of non-executive director's vis-à-vis the Company during the year under review, except payment of sitting fees & in one of the case where the Company has paid interest

on Inter corporate deposit to Sawini Finvest Pvt. Ltd. in which one of the director is interested. The said Inter corporate deposit is squared off during the year.

XII. Means of Communication:

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual results and announces forthwith results to all the Stock Exchanges, where the shares are listed. The same are published in one English daily newspaper and one Marathi newspaper (Mumbai edition) and displayed on the Company's website- www.npml.in.

Annual Report containing inter-alia, Board's Report, Auditor's Report, Audited Financial Statements etc. circulated to members and others entitled thereto. The Annual Report is also available on the website of the Company.

Website: The Company's website www.npml.in contains an exclusive head "Investor Relations" where shareholders information is available. Quarterly and annual financial results, annual report, notice of AGM, shareholding pattern, corporate governance etc. are also available on the website.

XIII. General Shareholder Information:

1.	Annual General Meeting : Day/ Date: Time : Venue:	Friday, 9 th September, 2016 at 2.30 p.m. Sunville Banquets, 9 Dr., Annie Besant Road, Near Poonam Chambers, Worli, Mumbai - 400018.
2.	Financial Calendar (Tentative)	
	Financial Year of the Company	1 st April, 2016 to 31 st March, 2017.
	Results for the Quarter ending: June 30, 2016 September 30, 2016 December 31, 2016 March 31, 2017	On or before 14 th August, 2016. On or before 14 th November, 2016 On or before 14 th February, 2017 On or before 15 th May, 2017 (Unaudited) Or on or before 30 th May, 2017 (Audited).
3.	Date of Book Closure:	Tuesday, 6 th September, 2016 to Thursday, 8 th September, 2016 (both days inclusive).
4.	Dividend	The Board has not recommended the dividend for the year under review.
5.	Listing of Equity Shares on the Stock Exchanges:	1. BSE Limited, P. J. Towers, Dalal Street, Fort, Mumbai 400 001. 2. National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. The Company has paid annual listing fee for the F.Y. 2016-17 within time.

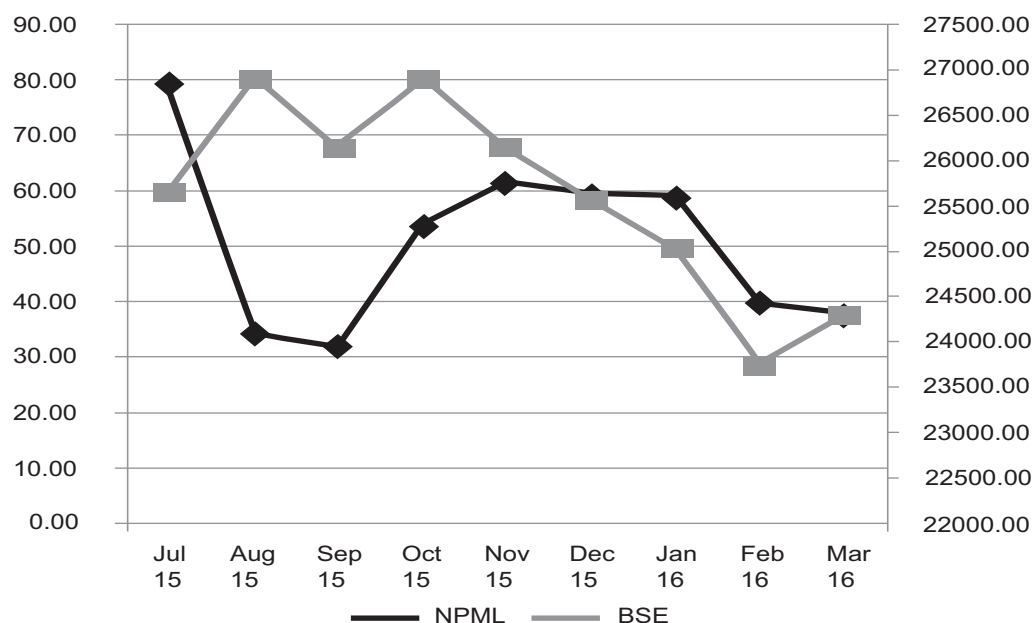

6. Stock Code/Symbol:

(a) Stock Exchange	Stock Code/ Symbol
1. Bombay Stock Exchange Ltd.	539251
2. National Stock Exchange of India Ltd.	NIRVIKARA
(b) Demat ISIN Number in NSDL & CDSL for Equity Shares	INE875RO1011

7. Stock Market Price Data:

Month	Bombay Stock Exchange (BSE) *		National Stock Exchange (NSE) *	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April-2015	-	-	-	-
May-2015	-	-	-	-
June-2015	-	-	-	-
July-2015	96.00	79.15	88.00	75.20
Aug-2015	75.20	28.70	71.45	24.70
Sep-2015	37.10	29.00	37.00	28.80
Oct-2015	59.00	31.35	58.65	30.65
Nov-2015	71.00	48.00	71.05	46.00
Dec-2015	68.55	58.30	68.65	58.05
Jan-2016	60.80	42.35	60.50	42.85
Feb-2016	59.80	38.10	59.10	38.50
Mar-2016	44.95	32.05	45.70	32.10

* The Company was listed first time with both BSE & NSE ON 28th July, 2015.

8. Performance of Nirvikara Paper Mills Limited share price in comparison to BSE Sensex.

9. Registrar and Transfer Agents (w.e.f June 07, 2016):

Name & Address: Sharex Dynamic (India) Pvt. Ltd. Unit no.1, Luthra Ind.Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400072.	Telephone No. : 91 (022) 2851 5606/5644/6338 Fax No. : 91 (022) 2851 2885. E-mail : menon@sharexindia.com Website : www.sharexindia.com
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10. Share Transfer System:

The shares received for transfers duly completed in all respect in physical form are registered and dispatched normally within three weeks. Demat confirmations are normally sent within two weeks. All transfer requests received are processed and approved by the Shareholders' / Investors' Grievance Committee.

11. Distribution of Shareholding as on 31st March, 2016.

Sr. No.	No of shares	Holding	Amount (₹)	% to Capital	No of Holders	%to Total Holders
1	1 - 500	430012	4300120	4.00	12811	94.60
2	501-1000	200714	2007140	1.87	266	1.96
3	1001-2000	302601	3026010	2.82	202	1.49
4	2001-3000	162048	1620480	1.51	64	0.47
5	3001-4000	132041	1320410	1.23	38	0.28
6	4001-5000	152988	1529880	1.42	32	0.24
7	5001-10000	377344	3773440	3.51	50	0.37
8	10001 and above	8982096	89820960	83.64	80	0.59
	TOTAL	10739844	107398440	100.00	13543	100.00

12. Shareholding pattern as on 31st March, 2016.

Sr. No.	Category	No of shares held	Percentage of Shareholding
1.	Promoters	6260875	58.30
2.	Banks/Financial Institutions	1425	0.01
3.	FII/OCBs/Foreign Companies	85424	0.80
4.	Private Corporate Bodies	874326	8.14
5.	Mutual Funds/UTI/Insurance Cos	33398	0.31
6.	Non Residents Individuals	90115	0.84
7.	Indian Public /Trusts	3394281	31.60
	Grand Total	10739844	100.00

13. Dematerialization of shares and liquidity:

98.33% of the Company's paid up Equity Share Capital is held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) as on 31st March, 2016.

14. Outstanding GDRs / ADRs / Warrants or any Convertible instruments:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2016, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

15. Commodity price risk or foreign exchange risk and hedging activities.

Risks are associated with various forex exposures like translation, transaction, economic etc. which the Company would have on risk on net import side. Import exposures includes Trade Payables, Trade Buyer's Credit, Interest Payable, CAPEX Buyer's Credit etc. and export exposure includes trade receivable etc.

There are various financial instruments for hedging which are available to mitigate these risks like Forward Contracts, Option Contracts and interest rate swap. Based on the risks involved in the hedging instrument, the Company is normally using Forward Cover as measure for mitigating the Forex Volatility.

The ECB Loan in Foreign Currency are fully hedged. Further, the Company has hedged the interest rate swap on the said ECB Loan also.

16. Plant Locations:

- Ambivali Plant:** Unit-1 (Paper/Paper Board & Coating Plant), Village Ambivali P.O. Mohane, Taluka Kalyan, Dist Thane-421102.
- Bhiwandi Plant:** Unit- 2 (Cutting & Packing Unit) F3 & F4 Bhiwandi Nashik Road, Village Dhamangoan, Taluka Bhiwandi, Dist. Thane-421302.



17. Address for Correspondence:

NIRVIKARA PAPER MILLS LIMITED

Registered Office

A/7, Trade World, Kamala City, Senapati Bapat Marg,
Lower Parel (W), Mumbai- 400013.

Tel. No: 022-61207900. Fax No.: 022-61207999

Website : www.npml.in

Email: opsingh@bpml.in

REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Pvt. Ltd.

Unit no.1, Luthra Ind.Premises, Safed Pool,

Andheri Kurla Road, Andheri (East), Mumbai – 400072.

Telephone No. : 91 (022) 2851 5606/5644/6338

Fax No. : 91 (022) 2851 2885.

E-mail : menon@sharexindia.com

Website : www.sharexindia.com

For and on behalf of the Board of Directors

NIRVIKARA PAPER MILLS LTD.

ANURAG P. PODDAR

Chairman & Managing Director

Place: Mumbai.

Date : May 07, 2016.

Annexure – A

Declaration

In accordance with the Regulation 26(3) of the SEBI (LODR) Regulation 2015, I, hereby declare that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for them, for the financial year ended March 31, 2016.

For **NIRVIKARA PAPER MILLS LIMITED**

ANURAG P PODDAR

Chairman & Managing Director

Place: Mumbai.

Date : May 07, 2016.

CERTIFICATION BY CHAIRMAN AND MANAGING DIRECTOR / CHIEF FINANCIAL OFFICER TO THE BOARD

We, the undersigned, in our respective capacities as Chairman and Managing Director and Chief Financial Officer of the Company to the best of knowledge and belief certify that:

- (a) We have reviewed financial statements for the year and that to the best of our knowledge and belief :
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements give a true and fair view of the state of affairs of Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our 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.

- (c) We accept overall responsibility for the Company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and report significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.
- (d) We indicate to the Auditors and to the Audit Committee :
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year;
 - iii) instances of significant fraud of which we have become aware of and which involve management or other employees who have a significant role in the Company's internal control system over the financial reporting. However, during the year there were no such changes or instances.

For **NIRVIKARA PAPER MILLS LIMITED**

Anurag P Poddar

Chairman & Managing Director

Place: Mumbai

Date: May 07, 2016.

Shruti Sheel Jhanwar

CFO & Whole Time Director

AUDITORS' CERTIFICATE

To the Members of

Nirvikara Paper Mills Limited

We have examined the compliance of regulations of Corporate Governance by Nirvikara Paper Mills Limited (the Company) for the year ended March 31, 2016, as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of regulations of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of 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 explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

For Jayantilal Thakkar & Co.

Chartered Accountants

(FIRM REG. NO.104133W)

VIRAL A. MERCHANT

Partner

Place : Mumbai,

Dated : May 07, 2016

Membership No.116279



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NIRVIKARA PAPER MILLS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Nirvikara Paper Mills Limited ("the Company") which comprise the Balance Sheet as at 31 March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 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, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

FOR JAYANTILAL THAKKAR & CO.

Chartered Accountants
(Firm Reg. No. 104133W)

VIRAL A. MERCHANT

Partner
Membership No.116279

Mumbai
Dated : 07th May, 2016



ANNEXURE - A TO AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) (a) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of these fixed assets has been conducted by the management at intervals during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification..
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except in the following cases:
- In case of Buildings:-
- | | |
|-----------------------|-------------|
| Total number of cases | 2 |
| Gross Block | 7,47,55,718 |
| Net Block | 6,62,44,170 |
- Remarks: As explained to us, the Company is in the process of getting the title deeds of the property transferred/endorsed in its name.
- (ii) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties as covered

in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the order are not applicable.

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans, investments and guarantees made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government, the maintenance of cost records have been prescribed under Section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the records of the Company and the information and explanations given to us, the Company has been regularly depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales-Tax, Service tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues applicable to it. There are no undisputed statutory dues as referred to above as at 31st March, 2016 outstanding for a period of more than six months from the date they become payable.
- (b) According to the information and explanations given to us, the dues in respect of Income Tax, Sales Tax, Service Tax, Duty of Customs and Excise Duty and that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below :-

Name of Statute	Nature of Dues	Amount (₹)	Period to which the Amount Relates	Forum where dispute is pending
Sales Tax Act	Sales Tax (Including Interest and Penalty)	34,80,883 2,28,22,324	1991-1992 2002-2003	Jt. Commissioner of Sales Tax (Appeals) Assessing Authority
Water Cess	Cess	2,06,48,660	1992-2016	Court of Civil Judge, Senior Division, Thane
Central Excise Act	Excise Duty (Including Interest and Penalty)	10,75,006 7,48,650	2000-2006, 2006-2015	Tribunal Assessing Authority

- (viii) Based on our audit procedures and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans from bank.
- Further as per the records of the Company, during the year there were no loans or borrowings from any financial institution, government or debenture holders.
- (ix) In our opinion and according to the information and the explanations given to us, the term loans have been applied

for the purposes for which they were obtained. Further as per the records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments).

- (x) Based upon the audit procedures performed and to the best of our knowledge and belief and according to the information and explanations given to us no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.



- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

FOR JAYANTILAL THAKKAR & CO.

Chartered Accountants
(Firm Reg. No. 104133W)

VIRAL A. MERCHANT

Partner
Membership No.116279

Mumbai
Dated : 07th May, 2016



ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT

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 Nirvikara Paper Mills Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent 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 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR JAYANTILAL THAKKAR & CO.

Chartered Accountants
(Firm Reg. No. 104133W)

VIRAL A. MERCHANT

Partner
Membership No.116279

Mumbai
Dated : 07th May, 2016

**BALANCE SHEET AS AT 31ST MARCH, 2016**

PARTICULARS	Note No.	Current Year ₹	Previous Year ₹
I EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUND			
(a) Share Capital	2	10,73,98,440	10,73,98,440
(b) Reserves and Surplus	3	64,36,68,897	47,81,91,553
		75,10,67,337	58,55,89,993
2 NON-CURRENT LIABILITIES			
(a) Long-Term borrowings	4	46,58,54,327	39,93,85,754
(b) Deferred Tax Liabilities (Net)	5	14,25,10,080	9,77,96,372
(c) Other Long term Liabilities	6	18,57,475	3,52,350
(d) Long-term provisions	7	11,02,771	(68,679)
		61,13,24,653	49,74,65,797
3 CURRENT LIABILITIES			
(a) Short Term borrowings	8	18,78,38,965	32,59,82,036
(b) Trade Payables	9	28,90,05,344	23,94,34,200
(c) Other current liabilities	10	22,05,14,159	21,14,95,983
(d) Short-term provisions	11	83,91,600	62,50,891
		70,57,50,068	78,31,63,110
TOTAL		206,81,42,058	186,62,18,900
II. ASSETS			
1 Non-current Assets			
(a) Fixed Assets			
(i) Tangible assets	12	77,10,36,186	79,25,55,363
(ii) Intangible assets	13	13,89,368	6,94,788
(iii) Capital work-in-progress		80,16,59,525	65,10,22,556
		157,40,85,079	144,42,72,707
(b) Non-current Investments	14	-	1,00,00,000
(c) Long-term loans and advances	15	2,15,90,227	2,92,57,636
(d) Other Non Current Assets	16	12,26,117	-
		2,28,16,344	3,92,57,636
2 Current Assets			
(a) Current investments	17	12,09,97,851	-
(b) Inventories	18	13,29,54,151	16,58,80,556
(c) Trade receivables	19	10,40,01,343	14,78,07,467
(d) Cash and cash equivalents	20	3,58,60,788	36,49,018
(e) Short-term loans and advances	21	7,49,31,214	6,28,88,210
(f) Other current assets	22	24,95,288	24,63,306
		47,12,40,635	38,26,88,557
TOTAL		206,81,42,058	186,62,18,900

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 1 to 50

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.

Chartered Accountants

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Place: Mumbai

Dated: 7th May, 2016

ANURAG P PODDAR

Chairman & Managing Director

SHRUTISHEEL JHANWAR

Whole-time Director & CFO

OMPRAKASH SINGH

Company Secretary


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS		Note No.	Current Year ₹	Previous Year ₹
I	Revenue from operations	23	158,12,11,600	19,72,96,847
II	Other Income	24	58,68,824	5,33,042
III	Total Revenue (I+II)		<u>158,70,80,424</u>	<u>19,78,29,889</u>
IV	Expenses :			
	Cost of materials consumed	25	99,49,24,423	12,61,05,375
	Changes in inventories of finished goods and work-in-progress	26	2,18,34,565	46,23,241
	Employee benefits expense	27	10,58,34,727	1,04,50,001
	Finance Cost	28	5,33,87,990	59,61,002
	Depreciation and other amortisation expense	29	3,66,18,019	53,61,854
	Other Expenses	30	54,24,44,848	7,57,49,750
	Total Expenses		<u>175,50,44,572</u>	<u>22,82,51,223</u>
V	(Loss) before tax ((III-IV)		(16,79,64,148)	(3,04,21,334)
	Add: Exceptional Item		43,70,00,000	-
	Profit/(Loss) after Exceptional Item		<u>26,90,35,852</u>	<u>(3,04,21,334)</u>
VI	Tax expense:			
	- Current tax- MAT		5,95,00,000	-
	- Deferred tax		4,47,13,708	5,80,979
VII	Profit/(Loss) after Tax (V-VI)		<u>16,48,22,144</u>	<u>(3,10,02,313)</u>
VIII	Earnings per equity share:	37		
	Basic and Diluted		15.35	(2.89)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 1 to 50

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.
Chartered Accountants

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Place: Mumbai

 Dated: 7th May, 2016

ANURAG P PODDAR

Chairman & Managing Director

SHRUTISHEEL JHANWAR

Whole-time Director & CFO

OMPRAKASH SINGH

Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

	Current Year ₹	Previous Year ₹
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/(Loss) after exceptional item	26,90,35,852	(3,04,21,334)
Less:- Exceptional Item	(43,70,00,000)	
Adjustment for :		
Depreciation and Amortisation	3,66,18,019	53,61,854
Finance Cost	5,33,87,990	59,61,002
Interest Income	(4,87,0,973)	(5,33,042)
Profit on Sale of Short Term Investment	(9,97,851)	-
Loss on Sale of Fixed Assets (Net)	1,20,571	1,91,366
Provision For Doubtful Debts	40,79,990	
Unrealised Foreign Exchange differences Loss	45,152	8,040
Retiring Gratuities	12,08,768	1,11,955
Leave Encashment	39,60,899	2,77,573
	<u>9,35,52,565</u>	<u>1,13,78,748</u>
Operating (loss) before working capital changes	(7,44,11,583)	(1,90,42,586)
Adjustment for:		
Trade and other receivables	2,40,57,663	(79,27,332)
Inventories	3,29,26,405	3,24,18,463
Trade payables	<u>6,10,08,607</u>	<u>2,53,00,773</u>
	<u>11,79,92,675</u>	<u>4,97,91,904</u>
Cash generated from operations	4,35,81,092	30,749,318
Direct taxes refund (paid)/received	(6,10,06,184)	42,769
Gratuity paid	(37,318)	(15,23,567)
Leave Encashment paid	(18,20,190)	(8,14,819)
Net cash from Operating Activities	<u>(1,92,82,600)</u>	<u>2,84,53,701</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Mutual Fund	(21,29,97,851)	-
Sale of Mutual Fund	9,20,00,000	-
Profit on Sale of Short Term Investment	997,851	-
Purchase of Fixed Assets & Capital Work in Progress	(15,62,31,449)	(2,45,56,593)
Sale of Fixed Assets	18,07,155	1,42,223
Sale of Investment in Subsidiary	44,70,00,000	-
Interest received	<u>58,47,141</u>	<u>6,97,043</u>
Net cash used in Investing Activities	<u>17,84,22,847</u>	<u>(2,37,17,327)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :		
(Repayment)/ Proceeds of Short Term Borrowings (Net)	(13,81,43,071)	3,95,50,929
Proceeds from Long Term Borrowings	23,31,25,000	-
(Repayment) of Long Term Borrowings	(16,75,65,681)	(39,7,94,100)
Finance Cost Paid	<u>(5,43,44,725)</u>	<u>(27,15,377)</u>
Net Cash from Financing Activities	<u>(12,69,28,477)</u>	<u>(29,58,548)</u>
Net Increase in cash and cash equivalent	3,22,11,770	17,77,826
Cash and cash equivalent as at the beginning of the year	36,49,018	4,75,204
Cash and cash equivalent transferred upon acquisition of Subsidiary	-	13,95,988
Cash and cash equivalent as at the end of the year	<u>3,58,60,788</u>	<u>36,49,018</u>

Note :

Direct Taxes paid on income are treated as arising from Operating Activities and are not bifurcated between Investing and Financing Activities.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.**Chartered Accountants**

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Place: Mumbai

Dated: 7th May, 2016**ANURAG P PODDAR**

Chairman & Managing Director

SHRUTISHEEL JHANWAR

Whole-time Director & CFO

OMPRAKASH SINGH

Company Secretary

**NOTES FORMING PART OF THE FINANCIAL STATEMENT****NOTE NO. 1****SIGNIFICANT ACCOUNTING POLICIES****Basis of Accounting**

The accounts have been prepared in accordance with historical cost convention and on accrual basis.

Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual and estimates are recognized in the period in which the results are known/ materialised.

Fixed Assets

- A) Fixed Assets are stated at cost less depreciation. Cost comprises of purchase price and attributable expenses (including financing charges, if any) and is net of permissible credits/set offs.
- B) Expenditure (including financing charges, if any), incurred for fixed assets, the construction/ installation /acquisition of which is not completed, is included under the Capital Work-in-Progress and the same is related/classified to the respective fixed assets on the completion.

Depreciation/Amortisation

Depreciation on fixed assets (other than leasehold land) has been provided based on useful life of the assets in accordance with Schedule II to the Companies Act, 2013, on Straight Line Method except in respect of Plant and Machineries where the useful life is considered differently based on an independent technical evaluation as 9 to 30 years.

Premium on Leasehold Land is amortised over the duration of the Lease.

Investments

Investments are valued at cost plus attributable expenses of acquisition and are classified as Long Term Investments and Current Investments (investments intended to be held for not more than one year) as the case may be. Current Investments are stated at lower of cost and fair value, computed on individual investment basis. Long Term Investments are to be stated at cost except where there is a diminution in the value, other than temporary, necessary provision will be made to recognise the decline.

Valuation of Inventories

Inventories are valued at lower of the cost and net realizable value. Cost of inventories is computed on first in first out (FIFO) basis. Cost comprises of all costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Sales

Sales are inclusive of Excise Duty but excluding Value Added Tax/Central Sales Tax and are net of Trade Discounts, Rebates and Incentives.

Export Benefits

Export Incentive under Duty Drawback Scheme and MEIS- Merchandise Exporters from India Scheme under the EXIM Policy is accounted for in the year of Export.

Foreign Exchange Transactions

Transactions in foreign currencies are accounted at the exchange rates prevailing on the day of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment/realisation. Monetary items related to foreign currency transactions, remaining unsettled at the end of the year are adjusted at the rates prevailing at the year end or are stated at the amounts likely to be realised or required to be disbursed. The exchange fluctuation arising on account of such adjustments are dealt in Statement of Profit and Loss. Non-monetary items are reported by using the exchange rate on the date of transaction.

Employee Benefits:

- A) Short-term employee benefits:
Short-term employee benefits consisting of wages, salaries, social security contributions, ex-gratia and accrued leave are recognised in the year to which it relates.
- B) Post employment benefits:
 - i) Benefits in the nature of contribution to provident fund, employee state insurance scheme etc. provided by the company to its employees have been identified as defined contribution plans in terms of provisions of AS-15 on "Employee Benefits" where the obligation of the company is limited to a pre-agreed amount as fixed by the administrator of those plans. Such contributions are recognised in the year to which they relate.



- ii) Benefit in the nature of gratuity paid by company to its employees has been identified as defined benefit plan in terms of provisions of AS-15 on "Employee Benefits". The gratuity scheme in respect of the Employees of the company is administered through Life Insurance Corporation of India (LIC). Annual contributions as determined by LIC are charged to profit and loss account. The liability of the company is also determined through actuarial valuation technique at balance sheet date and the additional liability, if any, arising out of the difference between the actuarial valuation and the plan assets as at the balance sheet date is provided for at the year end.

Borrowing Cost

Borrowing costs directly attributable to the acquisition/construction/installation of fixed assets are capitalised as part of the cost of the assets up to the date the assets are put to use. Other borrowing costs are charged to Statement of Profit and Loss.

Taxation

Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.

Deferred tax assets and liabilities are recognised for timing differences between the accounting and taxable income, based on tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets, subject to the consideration of prudence, are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realised. At Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure its realisation.

Leases

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

Impairment

The carrying amount of an asset is reviewed at Balance Sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

Provisions, Contingent Liabilities and Contingent Assets

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefit will be required to settle an obligation. Contingent Liabilities, if material, are disclosed by way of note to accounts. Contingent Assets are not recognised or disclosed in the financial statements.



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.2		
SHARE CAPITAL		
Authorised :		
1,10,00,000 (Previous Year 1,10,00,000) Equity Shares of ₹10 each	<u>11,00,00,000</u>	<u>11,00,00,000</u>
Issued Subscribed and fully paid up:		
1,07,39,844 (Previous Year 1,07,39,844) Equity Shares of ₹10 each, fully paid up	<u>10,73,98,440</u>	<u>10,73,98,440</u>
	<u>10,73,98,440</u>	<u>10,73,98,440</u>
All the above shares are allotted as fully paid up pursuant to scheme of Arrangement, without payment being received in cash (Refer Note No. 47)		
Terms/rights attached to equity shares:		
All the Equity Shares have equal rights in respect of distribution of dividends and the repayment of capital		
Shareholder's holding more than 5% Shares in the Company		
Name of Shareholders	No of Shares held	No of Shares held
AKP EnterprisesLLP	26,66,493	26,66,493
% holding	24.83%	24.83%
RAP Enterprises LLP	26,63,110	26,63,110
% holding	24.80%	24.80%
NOTE NO.3		
RESERVES AND SURPLUS		
a. Capital Reserves		
Opening Balance	50,92,25,404	-
Add: Addition during the year on account of Scheme of Arrangement (Refer Note No. 47)	-	50,92,25,404
Closing Balance	<u>50,92,25,404</u>	<u>50,92,25,404</u>
b. Surplus		
Opening Balance	(3,10,33,851)	(31,538)
Net Gain/(Loss) for the year	16,48,22,144	(3,10,02,313)
(Add) : Income Tax of Earlier year	6,55,200	
	<u>13,44,43,493</u>	<u>(3,10,33,851)</u>
Closing Balance	<u>64,36,68,897</u>	<u>47,81,91,553</u>
NOTE NO.4		
LONG TERM BORROWINGS		
Secured		
Term loans from Bank		
- External Commercial Borrowings	25,00,07,325	25,43,50,234
Secured/ to be Secured by :		
Exclusive mortgage charge over the immoveable Fixed Assets and hypothecation charge by way of pari-passu over the movable Fixed Assets of the Company (3 million USD- Repayment in 15 Quarterly Equal Installments starting from September, 2013)		
(7 million USD- Repayment in 15 Quarterly Equal Installments starting from June 2014)		
# (2.50 million USD- Repayment in 20 Quarterly Installments starting from January, 2018)		
(Interest rate 3 months LIBOR + 3.50% p.a)		
-Working Capital Term Loan	19,00,00,000	12,00,00,000
# To be secured by immovable and movable fixed Assets, Repayment Schedule from year 3- 5%, year 4- 20%, year 5 to year 7- 25%, rate of interest 12% or such other rate as may be specified by the bank from time to time.		
# Personal Guarantee given by the Directors		
Unsecured		
Distributors/Dealers Deposit	<u>2,58,47,002</u>	<u>2,50,35,520</u>
	<u>46,58,54,327</u>	<u>39,93,85,754</u>



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.5		
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on account of :		
Depreciation	14,59,36,475	9,89,38,593
Deferred Tax Assets on account of :		
Expenses allowable for tax purpose when paid	21,65,678	11,42,221
Provision for Doubtful Debts	12,60,717	-
Net Deferred Tax Liability	14,25,10,080	9,77,96,372
NOTE NO.6		
OTHER LONG TERM LIABILITIES		
- Security Deposits	18,57,475	3,52,350
	18,57,475	3,52,350
NOTE NO.7		
OTHER LONG TERM PROVISIONS		
- Provision for employee benefits - Gratuity	11,02,771	(68,679)
	11,02,771	(68,679)
NOTE NO. 8		
SHORT TERM BORROWINGS		
Secured Loan From Banks		
- Loans repayable on demand (Cash Credit)	1,22,87,179	10,87,34,112
- Other Loans	7,54,59,320	11,74,47,924
Secured by first pari-passu charge by way of hypothecation of inventory, receivable and movable fixed assets of the Company.		
Unsecured		
Loans repayable on demand		
- from Related Party	10,00,92,466	9,98,00,000
	18,78,38,965	32,59,82,036
NOTE NO.9		
TRADE PAYABLE		
Sundry Creditors (including Acceptances)	28,90,05,344	23,94,34,200
(Refer Note No. 40 for details of Dues to Micro and Small Enterprises)		
NOTE NO.10		
OTHER CURRENT LIABILITIES		
- Current Maturity of Long Term Debt	16,60,83,000	16,69,92,254
- Interest accrued but not due on borrowings	60,37,340	69,94,075
- Income received in advance	38,74,333	-
Other payables		
- Others - Payable towards Capital Goods	1,31,00,956	1,21,49,129
- Statutory dues towards TDS/VAT/CST/Service Tax etc.	3,11,61,676	1,61,24,602
- Security Deposits	2,56,854	16,06,225
- Others	-	76,29,698
	22,05,14,159	21,14,95,983
NOTE NO.11		
SHORT TERM PROVISIONS		
Provision for employee benefits		
- Leave encashment	83,91,600	62,50,891
	83,91,600	62,50,891



NOTE NO.12

Tangible assets		GROSS BLOCK (AT COST)			Depreciation (Including Amortisation)				Net Block		
	Fixed Assets	Balance As at 01.04.2015	Additions During the year	Deductions During the year	Balance As at 31.03.2016	Balance As at 01.04.2015	For the Year	Deductions During the year	Total upto 31.03.2016	As At 31.03.2016	As At 31.03.2015
Tangible assets											
(a)	Land										
	(i) Free Hold	35,43,134	2,00,000	-	37,43,134	-	-	-	-	37,43,134	35,43,134
	(ii) Lease Hold	42,000	-	-	42,000	14,042	425	-	14,467	27,533	27,958
(b)	Buildings	18,03,63,019	21,65,338	18,39,983	18,06,88,374	1,42,88,341	82,22,918	4,10,549	2,21,00,710	15,85,87,664	16,60,74,678
(c)	Plant and Equipment	68,06,11,073	1,05,30,603	9,45,547	69,01,96,129	8,10,02,516	2,17,45,113	4,47,255	10,23,00,374	58,78,95,756	59,96,08,557
(d)	Factory Equipment	97,86,625	6,58,097	-	1,04,44,722	48,72,531	15,45,095	-	64,17,626	40,27,096	49,14,094
(d)	Furniture and Fixtures	32,93,943	1,94,122	-	34,88,065	10,13,791	3,15,193	-	13,28,984	21,59,081	22,80,152
(e)	Vehicles	1,02,68,620	23,73,474	-	1,26,42,094	41,37,474	14,54,705	-	55,92,179	70,49,915	61,31,146
(f)	Office Equipment	33,38,073	12,809	-	33,50,882	16,53,773	7,53,109	-	24,06,882	9,44,000	16,84,300
(g)	Others	-	-	-	-	-	-	-	-	-	-
	-Electric Installations	80,47,340	-	-	80,47,340	23,61,996	11,09,321	-	34,71,317	45,76,023	56,85,344
	-Air Conditioners	9,41,693	1,93,813	-	11,35,506	6,67,138	1,17,836	-	7,84,974	3,50,532	2,74,555
	-Computer	64,08,003	2,63,138	-	66,71,141	40,76,558	9,19,131	-	49,95,689	16,75,452	23,31,445
TOTAL TANGIBLE - CURRENT YEAR		90,66,43,523	1,65,91,394	27,85,530	92,04,49,387	11,40,88,160	3,61,82,846	8,57,804	14,94,13,202	77,10,36,186	79,25,55,363
TOTAL TANGIBLE - PREVIOUS YEAR		-	90,72,53,537	6,10,014	90,66,43,523	-	11,43,64,585	2,76,425	11,40,88,160	79,25,55,363	-

NOTE NO.13

Intangible assets										
(a) Computer software	49,20,297	11,29,753	-	60,50,050	42,25,509	4,35,173	-	46,60,682	13,89,368	6,94,788
TOTAL INTANGIBLE - CURRENT YEAR	49,20,297	11,29,753	-	60,50,050	42,25,509	4,35,173	-	46,60,682	13,89,368	6,94,788
TOTAL INTANGIBLE - PREVIOUS YEAR	-	49,20,297	-	49,29,297	-	42,25,509	-	42,25,509	6,94,788	-
CAPITAL WORK IN PROGRESS	-	-	-	-	-	-	-	-	80,16,59,525	6,510,22,556



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.14		
NON- CURRENT INVESTMENTS		
(Unquoted (In 100% Subsidiaries Companies)		
10,00,000 shares of ₹ 10 each fully paid up of Balkrishna Synthetics Ltd	-	1,00,00,000
(Ref Note No. 48)		
(Sold during the year)		
	-	1,00,00,000
NOTE NO.15		
LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
(a) Capital Advances	48,20,737	1,59,95,578
(b) Security Deposits	12,68,180	14,30,180
(c) Others loans and advances		
- Advance payment to suppliers	15,08,048	-
- Advance Payments of Taxes and Tax deducted at source (Net of Provisions)	1,39,93,262	1,18,31,878
	2,15,90,227	2,92,57,636
NOTE NO.16		
OTHER NON - CURRENT ASSETS		
Trade Receivables - Unsecured		
- Considerd Good	12,26,117	-
- Considerd Doubtful	40,79,990	-
	53,06,107	-
Less:- Provision for Doubtful Debts	(40,79,990)	-
	12,26,117	-
NOTE NO.17		
CURRENT INVESTMENTS		
[At lower of Cost and Fair Market value]		
In Mutual Funds : Current Year -Quoted, Previous Year- Nil (Ref Note No 49)	12,09,97,851	-
Market Value ₹ 12,17,61,689	12,09,97,851	-
NOTE NO.18		
INVENTORIES		
(As Certified by the Management)		
(At lower of Cost and Net Realisable Value)		
(a) Raw materials	3,73,77,866	5,79,10,891
(b) Work-in-Progress	2,08,648	14,360
(c) Finished Goods	3,48,51,274	5,68,80,127
(d) Stores and Spares	5,48,87,061	4,66,51,618
(e) Others - Packing Material & Fuel	56,29,302	44,23,560
	13,29,54,151	16,58,80,556
NOTE NO.19		
TRADE RECEIVABLES		
Trade Receivables outstanding for a period less than Six Months		
(a) Secured Considered good	-	-
(b) Unsecured Considered good	1,15,01,705	14,78,07,467
Trade Receivables outstanding for a period exceeding Six Months		
(a) Secured Considered good	-	-
(b) Unsecured Considered good	9,24,99,638	-
	10,40,01,343	14,78,07,467
NOTE NO.20		
CASH AND CASH EQUIVALENTS		
-Balances with banks	4,95,464	34,54,401
-Fixed Deposit	3,50,00,000	-
-Cash on hand	3,65,324	1,94,617
	3,58,60,788	36,49,018



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.21		
SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
- Advance payment to suppliers	1,12,79,015	88,43,582
- Excise/Sales Tax/Service Tax/Custom Duty etc. receivables	6,19,52,842	5,27,29,539
-Loans and advances to employees	16,99,357	13,15,089
	<u>7,49,31,214</u>	<u>6,28,88,210</u>
NOTE NO.22		
OTHER CURRENT ASSETS		
- Export Incentive Receivables	23,24,363	13,16,213
- Interest Accrued on others	1,70,925	11,47,093
	<u>24,95,288</u>	<u>24,63,306</u>
NOTE NO.23		
REVENUE FROM OPERATIONS		
- Sale of Products	166,17,31,403	20,96,38,109
Other Operating Revenue:		
-Export Incentives	46,50,231	3,50,625
-Scrap Sales	63,44,001	2,60,016
-Others	16,00,070	1,59,646
	<u>167,43,25,705</u>	<u>21,04,08,396</u>
Less: Excise Duty	9,31,14,105	1,31,11,549
	<u>158,12,11,600</u>	<u>19,72,96,847</u>
NOTE NO.24		
OTHER INCOME		
Interest Income from:		
- Deposits, Customers and Income tax	48,70,973	5,33,042
- Profit on Sale of Short Term Investment	9,97,851	-
	<u>58,68,824</u>	<u>5,33,042</u>
NOTE NO.25		
COST OF MATERIAL CONSUMED		
- Raw Material Consumed	<u>99,49,24,423</u>	<u>12,61,05,375</u>
NOTE NO.26		
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Opening Stock :		
Work-in-Progress	14,360	7,05,523
Finished Goods	5,68,80,127	6,08,12,205
	<u>5,68,94,487</u>	<u>6,15,17,728</u>
Less : Closing Stock		
Work-in-Progress	2,08,648	14,360
Finished Goods	3,48,51,274	5,68,80,127
	<u>3,50,59,922</u>	<u>5,68,94,487</u>
Net Decrease in Inventories	<u>2,18,34,565</u>	<u>46,23,241</u>



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.27		
EMPLOYEE BENEFIT EXPENSES		
-Salaries and wages	9,57,17,868	79,43,941
-Contribution to provident and other funds	71,42,392	22,39,122
- Staff welfare expenses	29,74,467	2,66,938
	<u>10,58,34,727</u>	<u>1,04,50,001</u>
NOTE NO.28		
FINANCE COST		
(a) Interest expenses	4,12,11,833	60,48,957
(b) Other borrowing costs	76,19,435	-
(c) Applicable net loss on foreign currency transactions and translation	45,56,722	(87,955)
	<u>5,33,87,990</u>	<u>59,61,002</u>
NOTE NO.29		
DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation and amortisation	<u>3,66,18,019</u>	<u>53,61,854</u>
NOTE NO.30		
OTHER EXPENSES		
- Consumption of stores and spare parts	5,62,92,585	80,99,627
- Packing expenses	3,58,44,634	53,92,151
- Power and fuel	25,00,97,027	3,33,03,109
- Freight and forwarding	1,84,86,358	36,28,583
- Labour/Job Charges	5,56,42,642	71,98,483
- Water charges	18,63,615	2,77,306
- Repairs and Maintenance to Buildings	36,11,444	1,07,431
- Repairs and Maintenance to Machinery	1,06,34,754	8,28,211
- Repairs and Maintenance to Others	31,21,088	1,98,671
- Insurance Charges	1,01,93,484	13,94,762
- Rates and Taxes excluding taxes on income	37,16,142	38,05,706
- Rent	45,58,865	5,60,601
- Legal and Professional charges	1,40,84,354	25,32,792
- Commission	1,00,86,297	11,55,945
- Discount	1,68,34,269	23,74,157
- Travelling Expenses	35,74,031	3,31,881
- Directors Meeting Fees	3,00,000	20,000
- Net Foreign Exchange Loss	45,152	1,40,301
- Interest Others	1,54,544	1,86,651
- Loss on Sale of Fixed Assets	1,20,571	1,91,366
- Provision For Doubtful Debts	40,79,990	-
- Miscellaneous expenses	3,91,03,002	40,22,016
	<u>54,24,44,848</u>	<u>7,57,49,750</u>



NOTE NO.31

Contingent Liabilities and commitments

(i) Contingent Liabilities

- a) Claims against the Company not acknowledge as debts
- Disputed claims for excise, cess, sales tax and service tax
 - Disputed income tax demands
 - Others

b) Guarantees

-Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity

(ii) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for

4,87,75,523	4,71,12,595
-	20,56,130
5,89,92,096	5,87,48,723
1,71,15,156	1,75,97,656
80,16,439	2,00,66,723

NOTE NO.32

Value of Imports on CIF Basis

- a) Raw materials
- b) Stores and Spare parts

17,47,03,914	2,09,68,056
1,64,72,115	13,49,386
19,11,76,029	2,23,17,442

NOTE NO.33

Consumption of Raw Materials

(As Certified by the Management)

- a) Waste Paper
- b) Colours and Chemicals

81,62,68,568	10,23,16,296
17,86,55,855	2,37,89,079
99,49,24,423	12,61,05,375

NOTE NO.34

Expenditure in Foreign currency

- Interest *
- Finance Charges
- Other matters (Commission, Travelling and Bank Charges)

4,21,37,378	65,43,914
64,83,634	-
61,49,835	8,68,255
5,47,70,847	74,12,169

* Including amount capitalised ₹3,86,78,577 (Previous year ₹49,62,435)

NOTE NO.35

Value of Raw Materials and Stores and Spare Parts consumed

(As Certified by the Management)

- a) Imported
- b) Indigenous

Raw Materials		Stores and Spare Parts	
₹	%	₹	%
20,50,64,616	20.61	1,23,84,369	22.00
(5,04,69,420)	(40.02)	(3,75,160)	(4.63)
78,98,59,808	79.39	4,39,08,216	78.00
(7,56,35,955)	(59.98)	(77,24,467)	(95.37)
99,49,24,423	100.00	5,62,92,585	100.00
(12,61,05,375)	(100.00)	(80,99,627)	(100.00)


NOTE NO.36
Earning in Foreign exchange

- a) Export of goods on FOB Basis
- b) Recovery towards Freight and Insurance on Export

24,04,09,188	2,04,20,047
28,22,646	4,05,106
24,32,31,834	2,08,25,153

NOTE NO.37
Earning Per Share (EPS)

(In accordance with Accounting Standard - 20)

- Profit/(Loss) after Tax
- Number of Equity Shares outstanding for Basic/ Diluted Earning Per Share
- Nominal Value of Equity Shares (in ₹)
- Earning Per Share Basic/Diluted

16,48,22,144	(3,10,02,313)
1,07,39,844	1,07,39,844
10	10
15.35	(2.89)

NOTE NO.38
I) Related Party Disclosures *

(Where transactions have taken place)

- a) Key Management Personnel (KMP)
Mr. Anurag P. Poddar- Chairman & Managing Director , Mr. Ankit P. Poddar - Executive Director, Mr. Shrutisheel Jhanwar - Whole-time Director & CFO
- b) Other Related Parties -(Enterprises- KMP having significant influence/owned by major share holders) Siyaram Silk Mills Ltd., S P Finance & Trading Ltd., Sanchana Trading & Finance Ltd., Balkrishna Industries Ltd.,SPG Power Ltd., SPG Infrastructure Ltd.

	Transactions	KMP	Other Related Parties	Total
1	Purchase of Goods/Materials	NIL	2,03,546	2,03,546
		(NIL)	(8,894)	(8,894)
2	Reimbursement of Expenses	NIL	2,57,396	2,57,396
		(NIL)	(90,643)	(90,643)
3	Rent Paid	NIL	45,51,667	45,51,667
		(NIL)	(3,79,083)	(3,79,083)
4	Remuneration	1,30,69,673	NIL	1,30,69,673
		(17,89,038)	(NIL)	(17,89,038)
5	Inter Corporate Loan Received	NIL	10,35,00,000	10,35,00,000
		(NIL)	(10,00,000)	(10,00,000)
6	Inter Corporate Loan Repayment	NIL	10,33,00,000	10,33,00,000
		(NIL)	(10,00,000)	(10,00,000)
7	Interest paid on Loan Received	NIL	95,47,753	95,47,753
		(NIL)	(17,77,617)	(17,77,617)
8	Payables	NIL	10,00,00,000	10,00,00,000
		(NIL)	(9,98,00,000)	(9,98,00,000)
9	Interest accrued but not due on borrowings	NIL	1,02,740	1,02,740
		(NIL)	(1,915,979)	(19,15,979)
10	Sale of Finished Goods	NIL	62,55,133	62,55,133
		(NIL)	(NIL)	(NIL)
11	Sale of Investments in subsidiary	NIL	44,70,00,000	44,70,00,000
		(NIL)	(NIL)	(NIL)
12	Outstanding Personal Guarantee against Working Capital Term Loan	41,31,25,000	NIL	41,31,25,000
		(25,00,00,000)	(NIL)	(2,50,000,000)

Figures in brackets pertain to previous year.


Disclosure in respect of Material Related Party Transaction during the year :

- 1 Purchase of Goods/ Materials includes : Siyaram Silk Mills Limited ₹ **2,03,546** (Previous Year ₹8894)
- 2 Reimbursement of Expenses includes: Balkrishna Industries Ltd. ₹ **2,16,000** (Previous Year ₹ 90,643)
Siyaram Silk Mills Ltd. ₹**41,396** (Previous Year ₹NIL)
- 3 Rent Paid Includes : Siyaram Silk Mills Ltd. ₹**44,70,202** (Previous Year ₹ 3,67,501), Balkrishna Industries Ltd ₹**81,465** (Previous Year ₹ 11,582)
- 4 Remuneration to Key Management Personnel includes : Mr. Anurag P Poddar ₹**43,23,265** (Previous Year ₹5,86,612), Mr. Ankit P Poddar ₹**42,49,616** (Previous Year ₹ 5,95,366), Mr. Shrutisheel Jhanwar ₹ **44,96,792** (Previous Year ₹6,07,060)
- 5 Inter Corporate Loan Received includes : S. P. Finance & Trading Ltd. ₹**10,35,00,000** (Previous Year ₹ 10,00,000)
- 6 Inter Corporate Loan Repayment includes : Sanchana Trading & Finance Limited ₹ **Nil** (Previous Year ₹10,00,000), S.P. Finance & Trading Ltd. ₹ **10,33,00,000** (Previous Year ₹Nil)
- 7 Interest Paid on Loan Received includes : S. P. Finance & Trading Ltd. ₹**95,47,753** (Previous Year ₹ 17,71,918), Sanchana Trading & Finance Limited ₹ **Nil** (Previous Year ₹ 5,699)
- 8 Payables to Other Related Parties includes : S. P. Finance & Trading Ltd. ₹**10,00,00,000** (Previous Year ₹99,800,000)
- 9 Interest accrued but not due on borrowings includes: S. P. Finance & Trading Ltd. ₹**1,02,740** (Previous Year ₹19,07,966), Sanchana Trading & Finance Limited ₹ **Nil** (Previous Year ₹ 8,013)
- 10 Sale of Finished goods includes: SPG Power Ltd. ₹**50,08,098** (Previous Year ₹Nil), SPG Infrastructure Ltd. ₹**12,47,035** (Previous year ₹Nil)
- 11 Sale of Investments in subsidiary (Balkrishna Synthetics Limited) to Siyaram Silk Mills Limited ₹ **44,70,00,000** (Previous Year ₹Nil)
- 12 Outsanding Personal Guarantee against working capital Term loan given by KMP: Mr Anurag P. Poddar and Mr Ankit P. Poddar ₹ **41,31,25,000** (Previous Year ₹25,00,00,000)

* Parties identified by the Management and relied upon by the auditors.

No amount in respect of related parties have been written off/back or are provided for during the year.

PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.39		
Leases - Operating leases		
i) The company has taken commercial premises under cancellable operating leases.		
ii) The rental expenses recognised in Statement of Profit and Loss for operating leases :		
(a) Minimum Rent	45,58,865	3,27,075
(b) Contingent Rent	NIL	NIL
iii) The Company does not have any assets given on lease.		

NOTE NO.40

- a) As at 31st March, 2016, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
- b) The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTE NO.41

Disclosures in accordance with accounting standard AS-15 on "Employee Benefits".

Defined benefit plans - As per actuarial valuation in respect of Gratuity

Sr. Descriptions no.	Current Year ₹	Previous Year ₹
i Components of employer expenses		
Current Service Cost	10,25,067	1,51,915
Interest Cost	(5,487)	15,472
Expected Return on Plan Assets	NIL	NIL
Actuarial (Gain)/Loss	1,89,188	(55,432)
Total Expenses recognised in the statement of Profit & Loss Account in Note No.27	12,08,768	1,11,955

Sr. no.	Descriptions	Current Year ₹	Previous Year ₹
ii	Actual Contribution and Benefit Payments for the year end		
	Actual Benefit Payments	26,76,859	26,60,236
	Actual Contributions	37,318	15,23,567
iii	Net Liability recognised in balance sheet at the year end		
	Present Value of Defined Benefit Obligation	1,52,22,253	1,54,91,435
	Fair value of plan assets	(1,41,19,482)	(1,55,60,114)
	Net Liability/(Asset) recognised in balance sheet	11,02,771	(68,679)
iv	Reconciliation of Opening and Closing Balances of Defined Benefit Obligations (DBO)		
	Present Value of DBO at the beginning of the year	1,54,91,435	1,79,58,251
	Current Service cost	10,25,067	1,51,915
	Interest cost	12,37,766	2,06,894
	Past Service Cost (Vested Benefit)	NIL	NIL
	Actuarial (Gain)/Loss on DBO	1,44,844	(1,65,389)
	Benefits paid	(26,76,859)	(26,60,236)
	Present Value of DBO at the end of the year	1,52,22,253	1,54,91,435
v	Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets		
	Plan assets at the beginning of the year	1,55,60,114	1,66,15,318
	Expected return on plan assets	12,43,253	1,91,422
	Actual Company contributions	37,318	15,23,567
	Actuarial (Loss)/ Gain on Plan Assets	(44,344)	(1,09,957)
	Benefits paid	(26,76,859)	(26,60,236)
	Plan assets at the end of the year	1,41,19,482	1,55,60,114
vi	Actuarial Assumptions		
	Discount Rate	8.04%	7.99%
	Expected Return on plan Assets	8.04%	7.99%
	Salary escalation	4.50%	4.50%
a)	Defined Contribution Plans-		
	The Company's contribution to defined contribution plans aggregating to ₹ 59,33,624 (Previous Year ₹7,15,555) has been recognised in the statement of Profit and Loss under the heading 'Contribution to Provident and Other Funds' (Note No.27)		
b)	The assumption of future salary increase, considered in actuarial valuation, takes into account of inflation and other relevant factors.		

NOTE NO.42

Payment to Auditors

a) **Statutory Auditors**

- Audit Fees	5,00,000	1,00,000
- For Tax Audit	1,00,000	-
- For taxation matters	-	80,000
- For Company Law matters	50,000	-
- For Other Services- Certification Charges, etc.	1,82,500	55,000
- For reimbursement of expenses		
Service Tax	1,20,752	29,046
Expenses	15,500	-
Cost Auditors		
- Audit Fees	75,000	10,274
- For reimbursement of Service Tax	10,875	1,270

NOTE NO.43

-Amount of Borrowing Cost capitalised	4,90,14,512	67,34,353
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NOTE NO.44

Sale of Products:

Paper / Paper Boards	166,17,31,403	20,96,38,109
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NOTE NO.45

As the Company's business activity falls within a single segment viz 'Paper and Paper Boards' and sales being mainly in the domestic market, the disclosure requirements of Accounting Standard -17 "Segment Reporting" are not applicable.

NOTE NO.46

PARTICULARS	Current Year	Previous Year
Derivative Instruments		
i) The Company uses derivative financial instruments (comprising of foreign currency forward exchange contracts, option contracts and interest rate swap) to hedge its exposure to foreign exchanges and the Company does not use such contracts for trading or speculation purpose.		
ii) Derivative Instruments outstanding		
Particulars		
Total No. of forward contracts outstanding for amount receivable on account of	18	19
Foreign Currency Value covered :		
US Dollars	9,50,000	9,50,000
Total No. of forward contracts outstanding towards Buyers Credit	5	Nil
Foreign Currency Value covered :		
US Dollars	2,96,453	Nil
Total No. of forward/option contracts outstanding towards External Commercial Borrowings	3	Nil
Foreign Currency Value covered :		
US Dollars	65,63,700	Nil
iii) Interest rate (LIBOR) Swap Contracts :		
The Company also uses derivative contracts other than forward/option contracts to hedge the interest rate. Such transactions are governed by the strategy approved by the Board of Directors which provides principles on the use of these instruments, consistent with the Company's Risk Management Policy. The Company does not use these contracts for speculative purposes.		
Total No. of contracts outstanding	3	2
Principal Amount outstanding (US Dollar)	65,63,700	67,31,700
b) Unhedged foreign currency exposure is as follows:		
Particulars		
Amounts Payable :		
Loans		
US Dollars	Nil	70,20,596
Interest US Dollars	31,084	21,899

NOTE NO.47

The Scheme of arrangement (Scheme) between Balkrishna Industries Ltd (BIL), Balkrishna Paper Mills Ltd (BPML) and Nirvikara Paper Mills Ltd (Company) had been approved by the Hon'ble High Court of Bombay and the order was filed with the Registrar of Companies, Mumbai, on 10th February, 2015. Pursuant to the scheme, (a) BPML was amalgamated with BIL w.e.f. appointed date, i.e. 1st April, 2013 and (b) the Paper division was demerged to the Company w.e.f. the effective date, i.e. 10th February, 2015. Hence the figures for the current year are not comparable with the previous year.

NOTE NO.48

In the current year, the Shareholders of the Company has approved the disinvestment of the entire shareholding of its wholly owned subsidiary company viz Balkrishna Synthetics Limited to Siyaram Silk Mills Limited through postal ballot & e-voting. All the compliances have been made. The exceptional item represents profit on sale of the said investment.

**NOTE NO.49**

Details of Current Investment in units of Mutual fund purchased and Sold during the year:

Name of Mutual Fund	Purchased During the Year		Sold / Redeemed During the Year		Closing Balance	
	No. of Units	Cost ₹	No. of Units	Cost ₹	No. of Units	Cost ₹
BOI Axa Treasury Advantage Fund-Growth	10,12,56.195	18,00,00,000	51511.679	9,20,00,000	4,97,44.516	8,80,00,000
BOI Axa Liquid Fund-Growth	1,83,54.345	3,20,00,000	NIL	NIL	1,83,54.345	3,20,00,000
TOTAL (₹)		2,120,00,000		9,20,00,000		12,00,00,000

NOTE NO.50

- a) Figures in brackets in notes 35 and 38 pertain to previous year.
- b) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.**Chartered Accountants**

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Mumbai, Dated: 7th May, 2016**ANURAG P PODDAR**

Chairman & Managing Director

SHRUTISHEEL JHANWAR

Whole-time Director & CFO

OMPRAKASH SINGH

Company Secretary



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

NIRVIKARA PAPER MILLS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Nirvikara Paper Mills Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the

Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2016, and their consolidated profit and their consolidated Cash Flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the Directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and there port of the statutory auditors of its subsidiary company, none of the directors of the Group, are disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, – Refer Note No.31 to the consolidated financial statements.
- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education

and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

FOR JAYANTILAL THAKKAR & CO.

Chartered Accountants

(Firm Reg. No. 104133W)

VIRAL A. MERCHANT

Place :Mumbai

Dated: 7th May, 2016

Partner

Membership No.116279

ANNEXURE - A TO AUDITORS' REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2016, we have audited the internal financial controls over financial reporting of Nirvikara Paper Mills Limited("the Holding Company") and its subsidiary company, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are 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") issued by ICAI 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 issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent 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 Holding Company and its subsidiary companies, which are companies incorporated in India, have, 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 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

FOR JAYANTILAL THAKKAR & CO.

Chartered Accountants

(Firm Reg. No. 104133W)

VIRAL A. MERCHANT

Partner

Membership No.116279

Place :Mumbai

Dated: 7th May, 2016


CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	Note No.	Current Year ₹	Previous Year ₹
I EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUND			
(a) Share Capital	2	10,73,98,440	10,73,98,440
(b) Reserves and Surplus	3	64,36,68,897	57,03,46,961
		<u>75,10,67,337</u>	<u>67,77,45,401</u>
2 NON-CURRENT LIABILITIES			
(a) Long-term borrowings	4	46,58,54,327	47,53,85,754
(b) Deferred tax liabilities (Net)	5	14,25,10,080	12,74,66,194
(c) Other long term liabilities	6	18,57,475	3,52,350
(d) Long-term provisions	7	11,02,771	58,13,284
		<u>61,13,24,653</u>	<u>60,90,17,582</u>
3 CURRENT LIABILITIES			
(a) Short Term borrowings	8	18,78,38,965	38,69,97,081
(b) Trade payables	9	28,90,05,344	31,56,94,474
(c) Other current liabilities	10	22,05,14,159	26,51,32,415
(d) Short-term provisions	11	83,91,600	87,16,079
		<u>70,57,50,068</u>	<u>97,65,40,049</u>
TOTAL		<u>206,81,42,058</u>	<u>226,33,03,032</u>
II. ASSETS			
1 NON-CURRENT ASSETS			
(a) Fixed Assets			
(i) Tangible assets	12	77,10,36,186	1,04,61,67,954
(ii) Intangible assets	13	13,89,368	6,94,788
(iii) Capital work-in-progress		80,16,59,525	69,44,20,035
		<u>157,40,85,079</u>	<u>174,12,82,777</u>
(b) Non Current Investments	14	-	55,65,700
(c) Long-term loans and advances	15	2,15,90,227	8,08,00,718
(d) Other Non current assets	16	12,26,117	-
		<u>2,28,16,344</u>	<u>8,63,66,418</u>
2 CURRENT ASSETS			
(a) Current investments	17	12,09,97,851	-
(b) Inventories	18	13,29,54,151	19,96,60,474
(c) Trade receivables	19	10,40,01,343	14,78,07,467
(d) Cash and cash equivalents	20	3,58,60,788	39,61,469
(e) Short-term loans and advances	21	7,49,31,214	8,15,65,910
(f) Other current assets	22	24,95,288	26,58,517
		<u>47,12,40,635</u>	<u>43,56,53,837</u>
TOTAL		<u>206,81,42,058</u>	<u>226,33,03,032</u>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 1 to 43

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.
Chartered Accountants

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Place: Mumbai

 Dated: 7th May, 2016

ANURAG P PODDAR

Chairman & Managing Director

SHRUTISHEEL JHANWAR

Whole-time Director & CFO

OMPRAKASH SINGH

Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

PARTICULARS	Note No.	Current Year ₹	Previous Year ₹
I Revenue from operations	23	199,87,53,499	28,29,89,918
II Other Income	24	58,68,824	9,53,467
III Total Revenue (I+II)		200,46,22,322	28,39,43,385
IV Expenses :			
Cost of materials consumed	25	106,65,79,435	14,03,07,183
Changes in inventories of finished goods and work-in-progress	26	2,26,60,807	64,12,418
Employee benefits expense	27	17,51,35,494	2,31,82,935
Finance Cost	28	6,28,65,017	81,66,453
Depreciation and other amortisation expense	29	6,92,50,928	1,08,93,573
Other Expenses	30	76,84,02,387	11,91,63,963
Total Expenses		216,48,94,067	30,81,26,525
V (Loss) before tax ((III-IV)		(16,02,71,745)	(2,41,83,140)
Add: Exceptional Item		43,70,00,000	-
Profit/(Loss) after Exceptional Item		27,67,28,255	(2,41,83,140)
VI Tax expense:			
- Current tax		5,95,00,000	40,70,388
- Deferred tax		4,90,46,315	(13,25,082)
VII Profit/(Loss) after Tax (V-VI)		16,81,81,940	(2,14,37,834)
VIII Earnings per equity share:			
Basic and Diluted	32	15.66	(2.00)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

1 to 43

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.

Chartered Accountants

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Place: Mumbai

Dated: 7th May, 2016

ANURAG P PODDAR

Chairman & Managing Director

SHRUTISHEEL JHANWAR

Whole-time Director & CFO

OMPRAKASH SINGH

Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

	Current Year ₹	Previous Year ₹
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/ (Loss) Before tax	27,67,28,255	(2,41,83,140)
Less:- Exceptional Item	(43,70,00,000)	
Adjustment for :		
Depreciation and Amortisation	6,92,50,928	1,08,93,573
Finance Cost	6,28,65,017	81,66,453
Interest Income	(48,70,973)	(7,14,834)
Profit on Sale of Short Term Investment	(9,97,851)	-
Loss/ (Profit) on Sale of Fixed Assets (Net)	1,20,571	(23,86,33)
Provision For Doubtful Debts	40,79,990	-
Unrealised Foreign Exchange differences Loss/(Gain)	45,152	74,152
Retiring Gratuities	21,14,423	17,50,094
Leave Encashment	49,52,925	17,70,491
	13,75,60,182	2,17,01,296
Operating Loss before working capital changes	(2,27,11,563)	(24,81,844)
Adjustment for:		
Trade and other receivables	(3,21,10,971)	(28,90,340)
Inventories	2,45,31,425	3,32,50,779
Trade payables	11,92,74,018	3,56,17,074
	11,16,94,471	6,59,77,513
Cash generated from operations	8,89,82,908	6,34,95,669
Direct taxes refund received/(paid)	(5,88,78,024)	(5,98,373)
Gratuity paid	(37,318)	(35,07,105)
Leave Encashment paid	(19,91,416)	(20,51,460)
Net cash from Operating Activities	2,80,76,150	5,73,38,731
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Mutual Fund	(21,29,97,851)	-
Sale of Mutual Fund	9,20,00,000	-
Profit on Sale of Short Term Investment	9,97,851	-
Purchase of Investments	(4,46,33,600)	-
Purchase of Fixed Assets & Capital Work in Progress	(17,86,45,481)	(2,45,56,593)
Sale of Fixed Assets	18,07,155	47,00,784
Sale of Investment in Subsidiary	4,47,000,000	-
Interest received	60,10,754	6,97,043
Net cash used in Investing Activities	11,15,38,828	(1,91,58,766)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
(Repayment)/ Proceeds of Short Term Borrowings (Net)	(9,43,02,334)	1,99,57,368
Proceeds from Long Term Borrowings	7,95,59,319	-
Repayment of Long Term Borrowings	(2,88,24,364)	(5,07,94,100)
Finance Cost Paid	(6,37,56,531)	(52,59,351)
Net Cash from Financing Activities	(10,73,23,910)	(3,60,96,083)
Net Increase/ (Decrease) in cash and cash equivalent	3,22,91,068	20,83,880
Cash and cash equivalent as at the beginning of the year *	39,61,469	4,81,601
Cash and cash equivalent (disposal) / transferred upon acquisition of Subsidiary *	(3,91,749)	13,95,988
Cash and cash equivalent as at the end of the year	3,58,60,788	39,61,469

Note :

Direct Taxes paid on income are treated as arising from Operating Activities and are not bifurcated between Investing and Financing Activities.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.

Chartered Accountants

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Place: Mumbai,

Dated: 7th May, 2016

ANURAG P PODDAR

Chairman & Managing Director

SHRUTISHEEL JHANWAR

Whole-time Director & CFO

OMPRAKASH SINGH

Company Secretary

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****NOTE NO.1****SIGNIFICANT ACCOUNTING POLICIES****Basis of preparation of consolidated financial statements**

The consolidated financial statement relates to Nirvikara Paper Mills Limited (the Company) and its 100% subsidiary (Balkrishna Synthetics Limited) up to 20th December 2015. The Company and its Subsidiary constitute the Group. The accounts have been prepared in accordance with historical cost convention and on accrual basis.

Principal of consolidation

The consolidated financial statement are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statement as laid down under the Accounting Standard (AS 21) 'Consolidated Financial Statement', as notified under the Companies (Accounting Standard) Rules, 2006.

The Financial statement of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra group balances/ transactions and unrealised profits or losses.

All intra-group transactions have been entered at actual rates. Intragroup balances and intragroup transaction resulting unrealised profits are eliminated in full.

The excess of cost of investments in the Subsidiary Companies over the Company's portion of equity of the Subsidiary at the date of investment made is recognised in the financial statements as goodwill. The excess of Company's portion of equity of the Subsidiaries over the cost of the investment there in is treated as Capital Reserve.

The consolidated financial statement are prepared by using uniform accounting policies for like transactions and other events in similar circumstances are presented to the extent possible, in the same manner as in the Company's separate financial statement unless stated otherwise.

Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual and estimates are recognised in the period in which the results are known/materialised.

Fixed Assets

- A) Fixed Assets are stated at cost less depreciation. Cost comprises of purchase price and attributable expenses (including financing charges, if any) and is net of permissible credits/set offs.
- B) Expenditure (including financing charges, if any), incurred for fixed assets, the construction/installation/acquisition of which is not completed, is included under the Capital Work-in-Progress and the same is related/classified to the respective fixed assets on the completion.

Depreciation/Amortisation

Depreciation on fixed assets (other than leasehold land) has been provided based on useful life of the assets in accordance with Schedule II to the Companies Act, 2013, on Straight Line Method except in respect of Plant and Machineries where the useful life is considered differently based on an independent technical evaluation as 9 to 30 years.

Premium on Leasehold Land is amortised over the duration of the Lease.

Investments

Investments are valued at cost plus attributable expenses of acquisition and are classified as Long Term Investments and Current Investments (investments intended to be held for not more than one year) as the case may be. Current Investments are stated at lower of cost and fair value, computed on individual investment basis. Long Term Investments are to be stated at cost except where there is a diminution in the value, other than temporary, necessary provision will be made to recognise the decline.

Valuation of Inventories

Holding Company: Inventories are valued at lower of the cost and net realizable value. Cost of inventories is computed on first in first out (FIFO) basis. Cost comprises of all costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Subsidiary Company: Inventories are valued at lower of the cost and net realisable value. Cost of inventories is computed on moving weighted average basis. Cost comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Sales-(Holding Company)

Sales are inclusive of Excise Duty but excluding Value Added Tax/Central Sales Tax and are net of Trade Discounts, Rebates and Incentives.

**Processing Charges-(Subsidiary Company)**

Processing charges are excluding of Excise Duty, as the Company is not liable to pay the duty

Export Benefits

Export Incentive under Duty Drawback Scheme and MEIS- Merchandise Exporters from India Scheme under the EXIM Policy is accounted for in the year of Export.

Foreign Exchange Transactions

Transactions in foreign currencies are accounted at the exchange rates prevailing on the day of the transaction. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment/realisation. Monetary items related to foreign currency transactions, remaining unsettled at the end of the year are adjusted at the rates prevailing at the year end or are stated at the amounts likely to be realised or required to be disbursed. The exchange fluctuation arising on account of such adjustments are dealt in Statement of Profit and Loss. Non-monetary items are reported by using the exchange rate on the date of transaction.

Employee Benefits:**A) Short-term employee benefits:**

Short-term employee benefits consisting of wages, salaries, social security contributions, ex-gratia and accrued leave are recognised in the year to which it relates.

B) Post employment benefits:

- i) Benefits in the nature of contribution to provident fund, employee state insurance scheme etc. provided by the company to its employees have been identified as defined contribution plans in terms of provisions of AS-15 on "Employee Benefits" where the obligation of the company is limited to a pre-agreed amount as fixed by the administrator of those plans. Such contributions are recognised in the year to which they relate.
- ii) Benefit in the nature of gratuity paid by company to its employees has been identified as defined benefit plan in terms of provisions of AS-15 on "Employee Benefits". The gratuity scheme in respect of the Employees of the company is administered through Life Insurance Corporation of India (LIC). Annual contributions as determined by LIC are charged to profit and loss account. The liability of the company is also determined through actuarial valuation technique at balance sheet date and the additional liability, if any, arising out of the difference between the actuarial valuation and the plan assets as at the balance sheet date is provided for at the year end.

Borrowing Cost

Borrowing costs directly attributable to the acquisition/construction/installation of fixed assets are capitalised as part of the cost of the assets up to the date the assets are put to use. Other borrowing costs are charged to Statement of Profit and Loss.

Taxation

Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961.

Deferred tax assets and liabilities are recognised for timing differences between the accounting and taxable income, based on tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets, subject to the consideration of prudence, are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realised. At Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure its realisation.

Leases

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

Impairment

The carrying amount of an asset is reviewed at Balance Sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

Provisions, Contingent Liabilities and Contingent Assets

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefit will be required to settle an obligation. Contingent Liabilities, if material, are disclosed by way of note to accounts. Contingent Assets are not recognised or disclosed in the financial statements.



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.2		
SHARE CAPITAL		
Authorised :		
1,10,00,000 Equity Shares of ₹10 each	<u>11,00,00,000</u>	<u>11,00,00,000</u>
Issued Subscribed and fully paid up:		
1,07,39,844 Equity Shares of ₹10 each, fully paid up	<u>10,73,98,440</u>	<u>10,73,98,440</u>
	<u>10,73,98,440</u>	<u>10,73,98,440</u>
All the above shares are allotted as fully paid up pursuant to scheme of Arrangement, without payment being received in cash		
Terms/rights attached to equity shares:		
All the Equity Shares have equal rights in respect of distribution of dividends and the repayment of capital		
Shareholder's holding more than 5% Shares in the Company		
Name of Shareholders	No of Shares held	No of Shares held
AKP EnterprisesLLP	26,66,493	26,66,493
% holding	24.83%	24.83%
RAP Enterprises LLP	26,63,110	26,63,110
% holding	24.80%	24.80%
NOTE NO.3		
RESERVES AND SURPLUS		
a. Capital Redemption Reserve		
Opening Balance	-	-
Add: Addition during the year on account of scheme of Arrangement	-	65,00,000
Closing Balance	<u>-</u>	<u>65,00,000</u>
a. Capital Reserves		
Opening Balance	50,92,25,404	-
Add: Addition during the year on account of scheme of Arrangement	-	50,92,25,404
Closing Balance	<u>50,92,25,404</u>	<u>50,92,25,404</u>
b. Surplus		
Opening Balance	(3,10,33,851)	(31,538)
Add: Addition during the year on account of scheme of Arrangement	-	7,60,90,929
Net Gain/(Loss) for the current year	16,81,81,940	(2,14,37,834)
(Less) : On account of Disposal of Investment in Subsidiary	(33,59,796)	-
Add : Income Tax of Earlier year	6,55,200	-
Closing Balance	<u>13,44,43,493</u>	<u>5,46,21,557</u>
	<u>64,36,68,897</u>	<u>57,03,46,961</u>
NOTE NO.4		
LONG TERM BORROWINGS		
Secured		
Term loans from Bank		
- External Commercial Borrowings	25,00,07,325	33,03,50,234
Secured/ to be Secured by :		
Exclusive mortgage charge over the immoveable Fixed Assets and hypothecation charge by way of pari-passu over the movable Fixed Assets of the Company (3 million USD- Repayment in 15 Quarterly Equal Installments starting from September, 2013)		
(7 million USD- Repayment in 15 Quarterly Equal Installments starting from June 2014)		
# (2.50 million USD- Repayment in 20 Quarterly Installments starting from January, 2018)		
(Interest rate 3 months LIBOR + 3.50% p.a)		
- Working Capital Term Loan	19,00,00,000	12,00,00,000
# To be secured by immovable and movable fixed Assets, Repayment Schedule from year 3- 5%, year 4- 20%, year 5 to year 7- 25%, rate of interest 12% or such other rate as may be specified by the bank from time to time.		
# Personal Guarantee is given by the Directors		
- Unsecured		
Distributors/Dealers Deposit	<u>2,58,47,002</u>	<u>2,50,35,520</u>
	<u>46,58,54,327</u>	<u>47,53,85,754</u>



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.5		
DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability on account of :		
Depreciation	14,59,36,475	13,01,43,284
Deferred Tax Assets on account of :		
Expenses allowable for tax purpose when paid	21,65,678	26,77,090
Provision for Doubtful Debts	12,60,717	-
Net Deferred Tax Liability	14,25,10,080	12,74,66,194
NOTE NO.6		
OTHER LONG TERM LIABILITIES		
Trade payable		
(Refer Note No.35 for details of Dues to Micro and Small Enterprises)		
- Security Deposits	18,57,475	3,52,350
	18,57,475	3,52,350
NOTE NO.7		
LONG TERM PROVISIONS		
- Provision for employee benefits - Gratuity	11,02,771	58,13,284
	11,02,771	58,13,284
NOTE NO.8		
SHORT TERM BORROWINGS		
Secured Loan From Banks		
- Loans repayable on demand (Cash Credit)	1,22,87,179	11,92,49,157
- Other Loans	7,54,59,320	11,74,47,924
Secured by first pari-passu charge by way of hypothecation of inventory, receivable and movable fixed assets of the Company.		
Unsecured		
Loans repayable on demand		
- from Other Related Parties	10,00,92,466	15,03,00,000
	18,78,38,965	38,69,97,081
NOTE NO.9		
TRADE PAYABLE		
Sundry Creditors (including Acceptances)	28,90,05,344	31,56,94,474
(Refer Note No. 35 for details of Dues to Micro and Small Enterprises)		
NOTE NO.10		
OTHER CURRENT LIABILITIES		
- Current Maturity of Long Term Debt	16,60,83,000	19,58,16,618
- Interest accrued but not due on borrowings	60,37,340	69,94,075
- Income received in advance	38,74,333	2,21,81,552
Other payables		
- Others - Payable towards Capital Goods	1,31,00,956	1,21,49,129
- Statutory dues towards TDS/VAT/CST/Service Tax etc.	3,11,61,676	1,86,72,286
- Security Deposits	2,56,854	16,89,057
- Others	-	76,29,698
	22,05,14,159	26,51,32,415
NOTE NO.11		
SHORT TERM PROVISIONS		
Provision for employee benefits		
- Leave encashment	83,91,600	87,16,079
	83,91,600	87,16,079

NOTE NO.12

Tangible assets	GROSS BLOCK (AT COST)				Depreciation (Including Amortisation)			Net Block	
	Balance As at 01.04.2015	Additions During the year	Deductions During the year	Balance As at 31.03.2016	Opening during the year	For the Year	Deductions During the year	Total upto 31.03.2016	As At 31.03.2016 As At 31.03.2015
Tangible assets									
(a) Land									
Free Hold	35,43,134	2,00,000	-	37,43,134	-	-	-	-	35,43,134
Lease Hold	2,65,74,096	-	2,65,32,096	42,000	19,63,271	3,24,170	22,72,974	14,467	27,533 2,46,10,825
(b) Buildings	21,12,84,102	21,65,338	3,27,61,066	18,06,88,374	2,19,54,134	90,22,898	88,76,322	2,21,00,710	15,85,87,664 18,93,29,968
(c) Plant and Equipment	1,01,11,05,714	5,61,91,393	37,71,00,977	69,01,96,129	22,73,12,983	4,88,14,901	17,38,27,510	10,23,00,374	58,78,95,756 78,37,92,731
(d) Factory Equipment	2,31,36,657	13,06,704	1,39,98,639	1,04,44,722	96,35,903	30,34,139	62,52,416	64,17,626	40,27,097 1,35,00,754
(d) Furniture and Fixtures	91,28,843	1,94,122	58,34,900	34,88,065	31,88,693	8,77,948	27,37,656	13,28,985	21,59,080 59,40,150
(e) Vehicles	1,10,53,582	23,73,474	7,84,961	1,26,42,095	41,80,486	15,5,480	1,13,787	55,92,179	70,49,916 68,73,096
(f) Office Equipment	44,71,783	12,809	11,33,710	33,50,882	19,67,647	8,73,005	4,33,770	24,06,882	9,44,000 25,04,136
(g) Others									
- Electric Installations	2,13,76,090	-	1,33,28,750	80,47,340	89,41,044	29,61,385	84,31,112	34,71,317	45,76,023 1,24,35,046
- Air Conditioners	20,24,880	2,29,655	11,19,029	11,35,506	11,63,673	2,77,536	6,56,235	7,84,974	3,50,532 8,61,207
- Computer	81,21,473	2,77,838	17,28,170	66,71,141	53,44,566	11,04,293	14,53,170	49,95,689	16,75,452 27,76,907
TOTAL TANGIBLE - CURRENT YEAR	1,33,18,20,354	6,29,51,333	47,43,22,298	92,04,49,388	28,56,52,400	6,88,15,755	20,50,54,952	14,94,13,202	77,10,36,186 1,04,61,67,954
TOTAL TANGIBLE - PREVIOUS YEAR	-	1,33,64,82,575	46,62,221	1,33,18,20,354	-	28,71,26,832	14,74,432.00	28,56,52,400	1,04,61,67,954 -

NOTE NO.13

Intangible assets									
(a) Computer software	49,20,297	11,29,753	-	60,50,050	42,25,509	4,35,173	-	46,60,682	13,89,368 6,94,788
TOTAL INTANGIBLE - CURRENT YEAR	49,20,297	11,29,753	-	60,50,050	42,25,509	4,35,173	-	46,60,682	13,89,368 6,94,788
TOTAL INTANGIBLE - PREVIOUS YEAR	-	49,20,297	-	49,20,297	-	25,785	-	42,25,509	6,94,788 -
CAPITAL WORK IN PROGRESS									80,16,59,525 69,44,20,035



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.14		
NON CURRENT INVESTMENTS- (At Cost)		
Investments in Equity Instruments- Unquoted:		
55,657 Equity Share of ₹100 each of Tarapur Environment Protection Society	-	55,65,700
	<u>-</u>	<u>55,65,700</u>
NOTE NO.15		
LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
(a) Capital Advances	48,20,737	1,86,37,986
(b) Security Deposits	12,68,180	60,56,750
(c) Others loans and advances		
- Advance payment to suppliers	15,08,048	-
- Cenvat Credit/ Vat Credit Receivables	-	3,17,47,425
- Advance Payments of Taxes and Tax deducted at source (Net of Provisions)	1,39,93,262	2,43,58,557
	<u>2,15,90,227</u>	<u>8,08,00,718</u>
NOTE NO.16		
OTHER NON - CURRENT ASSETS		
Trade Receivables - Unsecured		
- Considerd Good	12,26,117	-
- Considerd Doubtful	40,79,990	-
	<u>53,06,107</u>	<u>-</u>
Less:- Provision for Doubtful Debts	(40,79,990)	-
	<u>12,26,117</u>	<u>-</u>
NOTE NO.17		
CURRENT INVESTMENTS		
[At lower of Cost and Fair (Market) value]		
In Mutual Funds : Current Year -Quoted, Previous Year- Nil (Ref Note No.42)	12,09,97,851	-
Market Value ₹ 12,17,61,689	<u>12,09,97,851</u>	<u>-</u>
NOTE NO.18		
INVENTORIES		
(As Certified by the Management)		
(At lower of Cost and Net Realisable Value)		
(a) Raw materials	3,73,77,866	6,39,21,479
(b) Work-in-Progress	2,08,648	71,96,230
(c) Finished Goods	3,48,51,274	5,68,80,127
(d) Stores and Spares	5,48,87,061	6,53,74,227
(e) Others -Packing Materials and Fuel	56,29,302	62,88,411
	<u>13,29,54,151</u>	<u>19,96,60,475</u>
NOTE NO.19		
TRADE RECEIVABLES		
Trade Receivables outstanding for a period less than Six Months		
(a) Secured Considered good	-	-
(b) Unsecured Considered good	1,15,01,705	14,78,07,467
Trade Receivables outstanding for a period exceeding Six Months		
(a) Secured Considered good	-	-
(b) Unsecured Considered good	9,24,99,638	-
	<u>10,40,01,343</u>	<u>14,78,07,467</u>
NOTE NO.20		
CASH AND CASH EQUIVALENTS		
- Balances with banks	4,95,464	37,23,362
- Fixed Deposit	3,50,00,000	-
- Cash on hand	3,65,324	2,38,107
	<u>3,58,60,788</u>	<u>39,61,469</u>



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.21		
SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
Others		
- Advance payment to suppliers	1,12,79,015	1,79,88,247
- Excise/Sales Tax/Service Tax/Custom Duty etc. receivables	6,19,52,842	5,70,53,585
- MAT Credit Entitlement	-	51,49,989
- Loans and advances to employees	16,99,357	13,74,089
	<u>7,49,31,214</u>	<u>8,15,65,910</u>
NOTE NO.22		
OTHER CURRENT ASSETS		
- Export Incentive Receivables	23,24,363	13,16,213
- Interest Accrued on others	1,70,925	13,42,304
	<u>24,95,288</u>	<u>26,58,517</u>
NOTE NO.23		
REVENUE FROM OPERATIONS		
- Sale of Products	166,17,31,403	20,96,38,109
- Sales of Services- Job Charges Received	41,44,16,253	8,50,40,377
Other Operating Revenue:		
- Export Incentives	46,50,231	3,50,625
- Scrap Sales	88,19,847	6,62,783
- Others	22,49,870	4,09,573
	<u>209,18,67,604</u>	<u>29,61,01,467</u>
Less: Excise Duty	9,31,14,105	1,31,11,549
	<u>199,87,53,499</u>	<u>28,29,89,918</u>
NOTE NO.24		
OTHER INCOME		
- Interest income from Deposits, Customers and Income tax	48,70,973	7,14,834
- Profit on sale of Fixed Assets	-	2,38,633
- Profit on Sale of Short Term Investment	9,97,851	-
	<u>58,68,824</u>	<u>9,53,467</u>
NOTE NO.25		
COST OF MATERIAL CONSUMED		
- Raw Material Consumed	<u>106,65,79,435</u>	<u>14,03,07,183</u>
NOTE NO.26		
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS		
Opening Stock :		
Work-in-Progress	71,96,230	96,76,570
Finished Goods	56,88,01,27	6,08,12,205
	<u>6,40,76,357</u>	<u>7,04,88,775</u>
Less: Closing Stock-		
Work-in-Progress	65,64,276	71,96,230
Finished Goods	3,48,51,274	5,68,80,127
	<u>4,14,15,550</u>	<u>6,40,76,357</u>
Net Decrease in Inventories	<u>2,26,60,807</u>	<u>64,12,418</u>
NOTE NO.27		
EMPLOYEE BENEFIT EXPENSES		
- Salaries and wages	15,63,84,050	1,89,26,192
- Contribution to provident and other funds	1,38,17,822	30,45,507
- Staff welfare expenses	49,33,622	12,11,236
	<u>17,51,35,494</u>	<u>2,31,82,935</u>



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.28		
FINANCE COST		
(a) Interest expenses	5,06,88,860	82,54,408
(b) Other borrowing costs	76,19,435	-
(c) Applicable net (Gain)/ loss on foreign currency transactions and translation	45,56,722	(87,955)
	<u>6,28,65,017</u>	<u>81,66,453</u>
NOTE NO.29		
DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation and amortisation	<u>69,250,928</u>	<u>1,08,93,573</u>
NOTE NO.30		
OTHER EXPENSES		
- Consumption of stores and spare parts	9,33,87,302	1,23,80,434
- Packing expenses	3,89,43,251	59,95,424
- Power and fuel	36,99,31,420	6,01,10,028
- Freight and forwarding (Net)	1,99,33,204	39,75,077
- Labour/Job Charges	8,68,01,480	1,25,09,266
- Water charges	1,20,05,324	29,29,014
- Repairs and Maintenance to buildings	85,96,150	9,92,075
- Repairs and Maintenance to Machinery	2,14,89,691	23,83,186
- Repairs and Maintenance to Others	44,21,943	2,17,640
- Insurance Charges	1,04,51,897	15,92,265
- Rates and Taxes excluding taxes on income	39,30,322	38,68,975
- Rent	45,58,867	5,60,601
- Legal and Professional charges	1,55,27,323	26,24,392
- Commission	1,00,86,297	11,55,945
- Discount	1,68,34,269	23,74,157
- Travelling Expenses	49,40,689	5,97,048
- Directors Meeting Fees	4,02,504	20,000
- Net Foreign Exchange Loss	45,152	2,06,413
- Interest Others	1,54,544	1,86,651
- Loss on Sale of Fixed Assets	1,20,571	-
- Provision For Doubtful Expenses	40,79,990	-
- Miscellaneous expenses	4,17,60,197	44,85,373
	<u>76,84,02,387</u>	<u>11,91,63,963</u>
NOTE NO.31		
Contingent Liabilities and commitments		
(i) Contingent Liabilities		
a) Claims against the Company not acknowledge as debts		
- Disputed claims for excise, cess, sales tax and service tax	4,87,75,523	12,18,26,468
- Disputed income tax demands	-	21,82,200
- Others	5,89,92,096	5,87,48,723
b) Guarantees		
- Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	1,71,15,156	2,73,47,656
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	80,16,439	3,85,55,452



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.32		
Earning Per Share (EPS)		
(In accordance with Accounting Standard - 20)		
Profit / (Loss) after Tax	16,81,81,940	(2,14,37,834)
Number of Equity Shares outstanding for Basic/ Diluted	1,07,39,844	1,07,39,844
Earning Per Share		
Nominal Value of Equity Shares (in ₹)	10	10
Earning Per Share Basic/Diluted	15.66	(2.00)

NOTE NO.33
l) Related Party Disclosures *

(Where transactions have taken place)

a) Key Management Personnel (KMP)

 Mr. Anurag P. Poddar- Chairman & Managing Director , Mr. Ankit P. Poddar - Executive Director, Mr. Shrutisheel Jhanwar - Whole-time Director & CFO, Mr. Rajendra Jhanwar- Director-works (upto 20th December 2015)

c) Other Related Parties - (Enterprises having significant influence) Siyaram Silk Mills Ltd., S P Finance & Trading Ltd., Balkrishna Industries Ltd., SPG Power Ltd., SPG Infrastructure Ltd.

	Transactions	KMP	Other Related Parties	Total
1	Purchase of Goods/Materials	NIL	3,69,873	3,69,873
		(NIL)	(2,04,511)	(2,04,511)
2	Reimbursement of Expenses	NIL	2,57,396	2,57,396
		(NIL)	(90,643)	(90,643)
3	Rent Paid	NIL	45,51,667	45,51,667
		(NIL)	3,97,083	3,97,083
4	Remuneration	15,589,981	NIL	1,55,89,981
		(2,360,349)	(NIL)	(23,60,349)
5	Inter Corporate Loan Received	NIL	10,35,00,000	10,35,00,000
		(NIL)	(1,10,00,000)	(1,10,00,000)
6	Inter Corporate Loan Repayment	NIL	10,33,00,000	10,33,00,000
		(NIL)	(10,00,000)	(10,00,000)
7	Interest paid on Loan Received	NIL	1,42,23,808	1,42,23,808
		(NIL)	(26,63,233)	(26,63,233)
8	Sale of Finished Goods	NIL	62,55,133	62,55,133
		(NIL)	(NIL)	(NIL)
9	Sale of Investments in subsidiary	NIL	44,70,00,000	44,70,00,000
		(NIL)	(NIL)	(NIL)
10	Processing Charges Income	NIL	38,50,84,290	38,50,84,290
		(NIL)	(8,50,40,377)	(8,50,40,377)
11	Payables	NIL	10,00,00,000	10,00,00,000
		(108,845)	(18,08,98,009)	(18,10,06,854)
12	Interest accrued but not due on borrowings	NIL	1,02,740	1,02,740
		(NIL)	(19,15,979)	(19,15,979)
13	Outstanding Personal Guarantee against Working Capital Term Loan	41,31,25,000	NIL	41,31,25,000
		(25,00,00,000)	(NIL)	(25,00,00,000)

Figures in brackets pertains to previous year.

Disclosure in respect of Material Related Party Transaction during the year :

- | | |
|----|---|
| 1 | Purchase of Goods/ Materials includes : Siyaram Silk Mills Limited ₹ 3,69,873 (Previous Year ₹2,04,511) |
| 2 | Reimbursement of Expenses includes: Balkrishna Industries Ltd. ₹ 2,16,000 (Previous Year ₹ 90,643) Siyaram Silk Mills Ltd. ₹ 41,396 (Previous Year ₹NIL) |
| 3 | Rent Paid Includes : Siyaram Silk Mills Ltd. ₹ 44,70,202 (Previous Year ₹ 3,67,501), Balkrishna Industries Ltd ₹ 81,465 (Previous Year ₹ 11,582) |
| 4 | Remuneration to Key Management Personnel includes : Mr. Anurag P Poddar ₹ 43,23,265 (Previous Year ₹5,86,612), Mr. Ankit P Poddar ₹ 42,49,616 (Previous Year ₹ 5,95,366), Mr. Shrutisheel Jhanwar ₹ 44,96,792 (Previous Year ₹6,07,060), Mr. Rajendra Jhanwar ₹ 25,20,308 (Previous Year ₹5,71,311) |
| 5 | Inter Corporate Loan Received includes : S. P. Finance & Trading Ltd. ₹ 10,35,00,000 (Previous Year ₹ 1,10,00,000) |
| 6 | Inter Corporate Loan Repayment includes :Sanchana Trading & Finance Limited ₹ Nil (Previous Year ₹10,00,000, S.P. Finance & Trading Ltd. ₹ 10,33,00,000 (Previous Year ₹Nil) |
| 7 | Interest Paid on Loan Received includes : S. P. Finance & Trading Ltd. ₹ 1,04,15,698 (Previous Year ₹ 20,67,808), Sanchana Trading & Finance Limited ₹ Nil (Previous Year ₹ 5,699), Siyaram Silk Mills Limited ₹ 38,08,110 (Previous Year ₹5,89,726) |
| 8 | Sale of Finished goods includes: SPG Power Ltd. ₹ 50,08,098 (Previous Year ₹Nil), SPG Infrastructure Ltd. ₹ 12,47,035 (Previous year ₹ Nil) |
| 9 | Sale of Investments in subsidiary (Balkrishna Synthetics Limited) to Siyaram Silk Mills Limited ₹ 44,70,00,000 (Previous Year ₹Nil) |
| 10 | Processing Charges income: Siyaram Silk Mills Limited ₹ 38,50,84,290 (Previous Year ₹8,50,40,377) |
| 11 | Payables to Other Related Parties includes : S. P. Finance & Trading Ltd. ₹ 10,00,00,000 (Previous Year ₹ 10,98,00,000), Siyaram Silk Mills Limited ₹ Nil (Previous Year ₹7,10,98,009), Mr. Rajendra Jhanwar ₹ Nil (Previous Year ₹1,08,845) |
| 12 | Interest accrued but not due on borrowings includes: S. P. Finance & Trading Ltd. ₹ 1,02,740 (Previous Year ₹19,07,966), Sanchana Trading & Finance Limited ₹ Nil (Previous Year ₹ 8,013) |
| 13 | Outstanding Personal Guarantee against working capital Term loan given by KMP: Mr Anurag P. Poddar and Mr Ankit P. Poddar ₹ 41.31.25.000 (Previous Year ₹25,00,00,000) |

* Parties identified by the Management and relied upon by the auditors.

No amount in respect of related parties have been written off/back or are provided for during the year.

NOTE NO.34

Leases - Operating leases

- i) The company has taken commercial premises under cancellable operating leases.
- ii) The rental expenses recognised in Statement of Profit and Loss for operating leases :
 - (a) Minimum Rent
 - (b) Contingent Rent
- iii) The Company does not have any assets given on lease.

	Current Year ₹	Previous Year ₹
g		
g		
	45,58,865	3,27,075
	NIL	NIL

NOTE NO.35

- a) As at 31st March, 2016, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
- b) The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**NOTE NO.36**

Disclosures in accordance with accounting standard AS-15 on "Employee Benefits".

Defined benefit plans - As per actuarial valuation in respect of Gratuity

Sr. Descriptions no.	Current Year ₹	Previous Year ₹
i Components of employer expenses		
Current Service Cost	16,22,695	2,49,029
Interest Cost	9,69,141	2,20,331
Expected Return on Plan Assets	(6,37,331)	(1,38,517)
Past Service Cost (vested benefit) recognised	NIL	NIL
Actuarial Loss/(Gain)	9,82,866	3,24,756
Total Expenses recognised in the statement of Profit & Loss Account in Note No.27	29,37,371	6,55,599
ii Actual Contribution and Benefit Payments for the year end		
Actual Benefit Payments	34,59,105	26,60,236
Actual Contributions	8,60,267	24,12,610
iii Net Liability recognised in balance sheet at the year end		
Present Value of Defined Benefit Obligation	1,52,22,253	1,61,26,482
Fair value of plan assets	(1,41,194,82)	(1,65,40,560)
Net Liability/(Asset) recognised in balance sheet	11,02,771	(2,76,720)
iv Reconciliation of Opening and Closing Balances of Defined Benefit Obligations (DBO)		
Present Value of DBO at the beginning of the year	3,24,87,522	17,95,8,251
Liability transfer in	10,25,067	1,63,61,040
Current Service cost	18,35,394	24,9,029
Interest cost	9,74,628	4,11,753
Past Service Cost (Vested Benefit)	NIL	NIL
Actuarial (Loss)/ Gain on DBO	9,91,264	1,67,685
Benefits paid	(7,82,246)	(26,60,236)
Transfer Out	(1,86,32,517)	
Present Value of DBO at the end of the year	1,78,99,112	3,24,87,522
v Reconciliation of Opening and Closing Balances of Fair Value of Plan Assets		
Plan assets at the beginning of the year	2,66,74,238	1,66,15,318
Assets transfer in	-	1,01,33,678
Expected return on plan assets	18,80,584	3,29,939
Actual Company contributions	8,60,267	24,12,610
Actuarial (Loss)/ Gain on Plan Assets	8,398	(1,57,071)
Benefits paid	(34,59,105)	(26,60,236)
Transfer Out	(1,18,44,900)	
Plan assets at the end of the year	1,41,19,482	2,66,74,238
vi Actuarial Assumptions		
Discount Rate	8.04%	7.97%
Expected Return on plan Assets	8.04%	7.93%
Salary escalation	4.50%	4.50%

a) Defined Contribution Plans-

The Company's contribution to defined contribution plans aggregating to ₹ 1,20,21,755 (Previous Year ₹ 17,74,796) has been recognised in the statement of profit and loss account under the heading 'Contribution to Provident and Other Funds ' (Note No.27)

b) The assumption of future salary increase, considered in actuarial valuation, takes into account of inflation and other relevant factors.



PARTICULARS	Current Year ₹	Previous Year ₹
NOTE NO.37		
Payment to Auditors		
a) Statutory Auditors		
- Audit Fees	8,24,590	1,88,167
- For taxation matters	2,00,000	1,30,000
- For Company Law matters	75,000	25,000
- For Other Services- Certification Charges, etc.	1,82,500	55,000
- For reimbursement of Service Tax	1,86,329	49,213
- For Expenses	27,000	
b) Cost Auditors		
- Audit Fees	75,000	10,274
- For reimbursement of Service Tax	10,875	1,270
NOTE NO.38		
- Amount of Borrowing Cost capitalised	49,021,026	6,919,158

NOTE NO.39
SEGMENT INFORMATION

Primary Business Segments:-

Particulars	Paper/Paper Boards	Textile Processing	Total
Segment Revenue			
Total Sales and Related Income	1,67,43,25,705	41,75,41,899	2,09,18,67,604
	(21,04,08,396)	(8,56,93,071)	(29,61,01,467)
Less: Inter Segment Sales	NIL	NIL	NIL
	(-)	(-)	(-)
External Sales and Related Income	1,67,43,25,705	41,75,41,899	2,09,18,67,604
	(21,04,08,396)	(8,56,93,071)	(29,61,01,467)
Less: Excise Duty Recovered on Sales	9,31,14,105	NIL	9,31,14,105
	(1,31,11,549)	(-)	(1,31,11,549)
Net Sales and Related Income	1,58,12,11,600	41,75,41,899	1,99,87,53,499
	(19,72,96,847)	(8,56,93,071)	(28,29,89,918)
Segment Result	(24,54,54,238)	1,72,71,934	-22,81,82,304
	(-2,31,59,682)	(82,98,452)	(-1,48,61,230)
Less: Unallocated Corporate Expenses			37,32,468
			(18,70,292)
			-10,32,75,551
			(-1,67,31,522)
Add: Unallocable Corporate Income			58,68,824
			(7,14,834)
Operating Loss before Finance Cost and Tax			-9,74,06,728
			(-1,60,16,688)
Less: Finance Cost			6,28,65,017
			(81,66,453)
Loss Before Tax			-1,60,27,1745
			(-2,41,83,142)
Add: Exceptional Item			43,70,00,000
			(-)
			2767,28,255
Less: Provision for Taxation			(-2,41,83,142)
- Current tax			5,95,00,000
			(40,70,388)
- Deferred tax			4,90,46,315
			(-1325082)



Particulars	Paper/Paper Boards	Textile Processing	Total
Loss After Tax			16,81,81,940
			(2,14,37,836)
Segment Assets	1,87,34,80,021	-	1,87,34,80,021
	(1,80,80,29,929)	(36,30,11,630)	(2,17,10,41,559)
Unallocated Assets			7,36,64,187
			(8,66,95,773)
Total Assets			1,94,71,44,207
			(2,25,77,37,332)
Segment Liabilities	1,08,54,54,381	-	1,08,54,54,381
	(24,82,68,416)	(9,33,29,370)	(34,15,97,786)
Unallocated Liabilities			22,55,83,000
			(254,110,816)
Total Liabilities			1,31,70,74,721
			(59,57,08,602)
Total Cost incurred during the year to acquire Segment Fixed Assets	16,83,58,117	29,62,459	17,13,20,576
	(21,92,499)	(1,92,78,738)	(2,14,71,237)
Segment Depreciation and Amortisation	3,66,18,019	3,26,32,909	6,92,50,928
	(53,61,854)	(55,31,719)	(1,08,93,573)

Notes

- The Management has identified Business Segment as the Primary Segment. Segments have been identified taking into account the nature of the products, differing risks and returns, organisational structure and internal reporting system.
- Composition of the Business Segment :-
 Name of the Segment: Comprises of:
 a. Paper / Paper Boards Coated & Uncoated Paper Boards
 b. Textile Processing Processing of Synthetic Textile Fabric
- Inter-Segment transfers are done at realisable value / sales prices.
- Segment Revenue, Segment Results, Segments Assets and Segment Liabilities includes the respective amounts identifiable to each of the Segments as also amounts allocated on a reasonable basis. The expenses, which are not directly relatable to the business segments, are shown as unallocated corporate cost. Assets and Liabilities that can not be allocated amongst the segments are shown as unallocated assets and liabilities respectively.
- Unallocated assets exclude :
Investments

NOTE NO.40
Derivative Instruments

- The Company uses derivative financial instruments (comprising of foreign currency forward exchange contracts, option contracts and interest rate swap) to hedge its exposure to foreign exchanges and the Company does not use such contracts for trading or speculation purpose.
- Derivative Instruments outstanding
 Total No. of forward contracts outstanding for amount receivable on account of Export of Goods.
 Foreign Currency Value covered :
 US Dollars
 Total No. of forward contracts outstanding towards Buyers Credit
 Foreign Currency Value covered :
 US Dollars
 Total No. of forward/option contracts outstanding towards External Commercial Borrowings
 Foreign Currency Value covered :
 US Dollars

120,997,851	5,565,700
18	19
9,50,000	10,50,000
5	Nil
2,96,453	Nil
3	Nil
65,63,700	Nil



iii) Interest rate (LIBOR) Swap Contracts :

The Company also uses derivative contracts other than forward/option contracts to hedge the interest rate. Such transactions are governed by the strategy approved by the Board of Directors which provides principles on the use of these instruments, consistent with the Company's Risk Management Policy. The Company does not use these contracts for speculative purposes.

Total No. of contracts outstanding

Principal Amount outstanding (US Dollar)

b) Unhedged foreign currency exposure is as follows:

Particulars

Amounts Payable :

Loans

US Dollars

Interest US Dollars

	3	2
	65,63,700	73,98,700
	Nil	79,73,696
	31,084	64,194

NOTE NO.41

- a) The Scheme of arrangement (Scheme) between Balkrishna Industries Ltd (BIL), Balkrishna Paper Mills Ltd (BPML) and Nirvikara Paper Mills Ltd (Company) had been approved by the Hon'ble High Court of Bombay and the order was filed with the Registrar of Companies, Mumbai, on 10th February, 2015. Pursuant to the scheme, (a) BPML was amalgamated with BIL w.e.f. appointed date, i.e. 1st April, 2013 and (b) the Paper division was demerged to the Company w.e.f. the effective date, i.e. 10th February, 2015. Hence the figures for the current year are not comparable with the previous year.
- b) In the current year, the Shareholders of the Company has approved the disinvestment of the entire shareholding of its wholly owned subsidiary company viz Balkrishna Synthetics Limited to Siyaram Silk Mills Limited through postal ballot & e-voting. All the compliances have been made. The exceptional item represents profit on sale of the said investment.

NOTE NO.42

Details of Current Investment in units of Mutual fund purchased and Sold during the year:

Name of Mutual Fund	Purchased During the Year		Sold/ Redeemed During the Year		Closing Balance	
	No. of Units	Cost ₹	No. of Units	Cost ₹	No. of Units	Cost ₹
BOI Axa Treasury Advantage Fund-Growth	1,01,256.195	18,00,00,000	51,511.679	9,20,00,000	49,744.516	8,80,00,000
BOI Axa Liquid Fund-Growth	18,354.345	3,20,00,000	NIL	NIL	18,354.345	3,20,00,000
TOTAL (₹)		21,20,00,000		9,20,00,000		12,00,00,000

NOTE NO.43

- a) Figures in brackets in notes 33 and 39 pertain to previous year.
- b) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.

Chartered Accountants

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Mumbai, Dated: 7th May, 2016

ANURAG P PODDAR

Chairman & Managing Director

SHRUTISHEEL JHANWAR

Whole-time Director & CFO

OMPRAKASH SINGH

Company Secretary



Nirvikara Paper Mills Ltd.

Registered Office : A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400013.
Tel No. 022-6120 7900. Fax No. 022-6120 7999, www.npml.in
CIN : L21098MH2013PLC244963

ATTENDANCE SLIP

Only Shareholders or the Proxies will be allowed to attend the meeting.

Name of Shareholder	
Folio No	
DP ID/ Client ID	
No. of Shares held	

I / We hereby record my/our presence at the 3rd Annual General Meeting (AGM) of the Company held on Friday, 9th September, 2016, at 2.30 p.m, at Sunville, 9, Dr. Annie Besant Road, Near Poonam Chambers, Worli, Mumbai 400 018.

Name of the Shareholder/ Proxy	Signature of the Shareholder/ Proxy

Note: 1. A Member / Proxy holder attending the meeting must bring the attendance slip to the meeting and hand it over at the entrance duly signed.

2. A Member/Proxy holder attending the meeting should bring copy of the Annual Report for reference at the meeting.

ELECTRONIC VOTING PARTICULARS

Electronic Voting Even Number (EVEN)	User ID	Password

Note : Please refer to the instructions printed under the notes to the Notice of the 3rd AGM. The voting period starts from 9.00 am on Tuesday, 6th September, 2016 and ends at 5.00 p.m. on Thursday, 8th September, 2016. The voting portal shall be disabled for voting thereafter.



Nirvikara Paper Mills Ltd.

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FORM OF PROXY

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

Name of the Member (s)	
Registered Address	
Email ID	
Folio No	
DP ID/Client ID	
No. of Shares	

I/We.....of..... in the district of, being a Member/Members of the above named Company hereby appoint of in the district ofor failing him of..... in the district of..... as my/our proxy to attend and vote (on poll) for me /us on my/our behalf at the 3rd Annual General Meeting of the Company to be held on Friday, 9th September, 2016, at 2.30 p.m., at Sunville, 9, Dr. Annie Besant Road, Near Poonam Chambers, Worli, Mumbai 400 018 and at any adjournment thereof in respect of such Resolutions as are indicated below:

INTENTIONALLY LEFT BLANK

Item No.	Resolutions	Optional*	
		For :	Against
1.	Adoption of : a. the audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon; and b. the audited consolidated financial statement of the Company for the financial year ended March 31, 2016 (upto 20 th December, 2016).		
2.	Re-appointment of Shri Ankit Poddar, who retires by rotation.		
3.	Re-appointment of Messrs. Jayantilal Thakkar & Co., Chartered Accountants as Statutory Auditors and to fix their remuneration.		
4.	Ratification of remuneration payable to Cost Auditors for the F.Y.2016-17.		

Signed this Day of.....2016.

Affix
Re. 1.00
Revenue
Stamp

Signature-

- Note.** 1. This instrument of Proxy shall be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before the time of holding the aforesaid meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 3rd Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of Member(s) in above Box before submission.
5. A Proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than 10% of the total Share Capital of the Company. Members holding more than 10% of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.



Notes

[illegible]

Route Map for AGM Hall

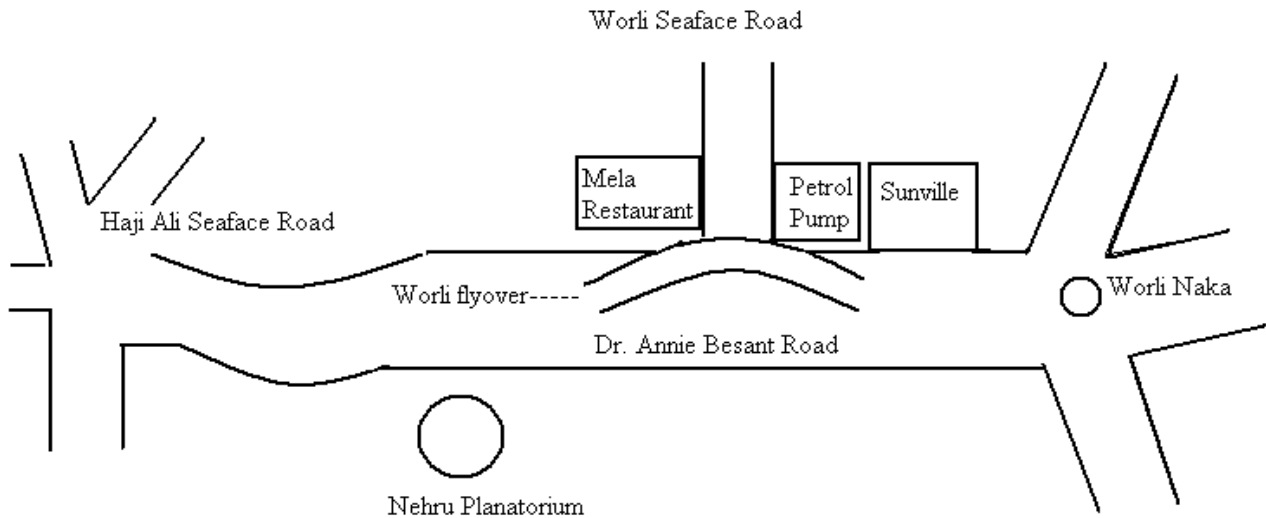
SunvilleTM

—BANQUET & CONFERENCE ROOMS—

9, Dr. Annie Besant Road, Worli, Mumbai – 18.

Tel: 24978082. 24935546. Fax: 24921604

info@sunvillebanquets.com



Directions..

- 1- From worli sea link- take left below love groove flyover enter first building
- 2- prabhadevi - after worli naka take u turn under love groove flyover, 1st building on your left
- 3- haji ali. Take the road below after atria mall crossed the signal below flyover, first building on your left.
- 4- mahalaxmi. Take left at worli naka take u turn under love groove flyover 1st building on left.



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