



**Balkrishna
Paper Mills Ltd.**



ANNUAL REPORT
2018-2019



वक्रतुंड महाकाय सूर्यकोटिसमप्रभ
निर्विघ्नं कुरु मे देव सर्वकार्येषु सर्वदा

श्रद्धांजलि



Late Shri Dharaprasadji Poddar
(02.09.1926 - 20.10.2018)



यद्यदाचरति श्रेष्ठस्तत्तदेवेतरो जनः |
स यत्प्रमाणं कुरुते लोकस्तदनुवर्तते ||

***“Whatever a great man does
the same is done by others as well.
Whatever standards he sets
the world follows”***

We pray God for the eternal peace of the departed soul.

COMPANY INFORMATION

BOARD OF DIRECTORS:
ANURAG P. PODDAR

(Chairman & Managing Director)

ANKIT P. PODDAR

(Executive Director)

HARISH N. MOTIWALLA

(Independent Director)

RAMANLAL B. GOLECHA

(Independent Director)

RAKESH N. GARODIA

(Independent Director)

MEGHNA S. SHAH

(Independent Director)

SHRUTISHEEL JHANWAR

(Whole-time Director & CFO)

OMPRAKASH SINGH

(Company Secretary)

BANKERS:

CORPORATION BANK

STANDARD CHARTERED BANK

STATUTORY AUDITORS:

M/s. JAYANTILAL THAKKAR & CO.

Chartered Accountants

INTERNAL AUDITORS:

K. M. GARG & CO.

Chartered Accountants

COST AUDITORS:

K. G. GOYAL & ASSOCIATES

Cost Accountants

SECRETARIAL AUDITORS:

JUGALKISHORE FATEHCHANDKA

Company Secretary

REGISTERED OFFICE:

A/7, Trade World,
Kamala City,
Senapati Bapat Marg,
Lower Parel (W),
Mumbai - 400 013.

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 - 421 102.

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NOTICE

Notice is hereby given that the Sixth Annual General Meeting of the members of Balkrishna Paper Mills Limited will be held on Monday, the 9th September, 2019 at 2.30 P.M. at "18.99 Latitude Banquets", 4th Floor, Trade View Building, Gate No.4, Kamala Mills Compound, Lower Parel (West), Mumbai - 400013, Maharashtra, to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2019, and the Reports of Board of Directors and Auditors thereon.
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 fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies 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) till the conclusion of next AGM on such remuneration plus applicable taxes and out of pocket expenses, as may be mutually agreed upon by the Board of Directors and Statutory Auditors; and

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) and/or Shri Omprakash Singh, Company Secretary be and are hereby severally authorized to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to the above Resolution."

Special Business

4. **Ratification of remuneration of Cost Auditors for the Financial Year 2019-20.**

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 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), and subject to such other permissions as may be necessary, M/s. K. G. Goyal & Associates, Cost Accountants (Firm Registration No.000024) appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records for the financial year ending March 31, 2020, be paid remuneration of ₹ 40,000/- (Rupees Forty Thousand only) per annum plus applicable tax, reimbursement of travelling and other out of pocket expenses incurred by them at actuals, in connection with the said audit.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and/or Shri Omprakash Singh, Company Secretary be and are hereby severally authorised to do all such acts, deeds and things as may be considered necessary, proper or expedient, desirable to give effect to the above Resolution."

5. **Re-appointment of Shri Harish N. Motiwalla (DIN:00029835) as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolutions**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 13th May, 2019 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of **Shri Harish N. Motiwalla (DIN:00029835)** whose current period of office is expiring on 10th February, 2020 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company for a term w.e.f. 11th February, 2020 to 10th February, 2025.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 ("Amendment Regulations, 2018"), Shri Harish N. Motiwalla on attaining the age of 75 (seventy five) years on 24th March, 2019, during the above term of re-appointment, the continuation of such appointment as an Independent Non-Executive Director of the Company for 5 years on the same terms and conditions of such re-appointment even after attaining the age of 75 years, will be considered as requisite approval from shareholders as required in the Amendment Regulations, 2018.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) and/or Shri Omprakash Singh, Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

6. Re-appointment of Shri Rakesh N. Garodia (DIN:00143438) as an Independent Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolutions**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 13th May, 2019 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri Rakesh N. Garodia (DIN:00143438) whose current period of office is expiring on 10th February, 2020 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company for a term w.e.f. 11th February, 2020 to 10th February, 2025.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) and/or Shri Omprakash Singh, Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

7. Re-appointment of Smt. Meghna S. Shah (DIN:07081068) as an Independent Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolutions**:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 13th May, 2019 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") (including any statutory modification(s) or re-enactment thereof for the

time being in force), the approval of the Members of the Company be and is hereby accorded for re-appointment of Smt. Meghna S. Shah (DIN:07081068) whose current period of office is expiring on 10th February, 2020 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for 5 (five) consecutive years on the Board of the Company for a term w.e.f. 11th February, 2020 to 10th February, 2025.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) and/or Shri Omprakash Singh, Company Secretary be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

By Order of the Board of Directors
Sd/-

Omprakash Singh
Company Secretary & Compliance Officer
(Membership No.FCS-4304)

Place: Mumbai
Date : 13th May, 2019

Important Notes

1. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business under Item Nos. 4 to 7 of the accompanying Notice is annexed hereto.
2. At the ensuing Annual General Meeting (AGM), Shri Ankit Poddar, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment, resolution for his re-appointment is proposed for approval of the members at item no.2. A statement giving the relevant details of the Directors seeking appointment/re-appointment under Item Nos. 2, 5 to 7 of the accompanying Notice, is annexed herewith.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
4. A person can act as a proxy on behalf of Members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent (10 %) of the total share capital of the Company carrying voting rights. A Member holding more than ten percent (10 %) of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person cannot act as proxy for any other

person or shareholder. Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty eight hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable. A Proxy Form is annexed to this Notice.

5. Corporate Members intending to send their authorised 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 authorising their representative(s) to attend and vote on their behalf at the Meeting.
6. Members, Proxies and Authorised Representatives are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
7. 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.
8. 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.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from **Tuesday, 3rd September, 2019 to Saturday, 7th September, 2019 (both days inclusive)**, for the purpose of AGM.
10. 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, Bank Account details, E-mail id, Mobile No. and Nomination details (if any) to the Company/the Registrar and Share Transfer Agent, M/s. Sharex Dynamic (India) Private Limited.
11. There is no unclaimed dividend account lying with the Company which needs to be transfer to Investor Education and Protection Fund (IEPF), under Section 124 of the Companies Act, 2013.
12. Members holdings shares in electronic form are requested to intimate immediately any change in their address, E-mail id or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares 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.
13. Notice of Annual General Meeting along with Annual Report 2018-19 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.
14. Electronic copy of the Notice of the 6th 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 Participant(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 6th 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.

15. Members may note that the Notice of the 6th Annual General Meeting and the Annual Report for year 2018-19 will also be available on the Company's website at www.bpml.in 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 RTA E-mail id: support@sharexindia.com.
16. 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.
17. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
18. A route map giving directions to reach the venue of the 6th Annual General Meeting is given along with the Annual Report.
19. 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.

20. Voting through electronic means :

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Secretarial Standard on General Meetings (SS-2) issued by the ICSI, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 5th September, 2019 (9:00 am) and ends on 8th September, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 2nd September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. A person who is not a member as on the cut-off date should treat this Notice of the AGM for information purpose only.
- VI. The process and manner for remote e-voting system consists of "Two Steps" which are given below:
Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>
Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of the Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to naithanipcs@gmail.com or opsingh@bpml.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or contact Ms. Pallavi Mhatre, Manager, National Securities Depository

Ltd., Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (w), Mumbai – 400 013, at the designated email address: pallavid@nsdl.co.in or at telephone no. +91 22 2499 4545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the email address: opsingh@bpml.in or contact at telephone no. 022-6120 7900.

- VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 2nd September, 2019.
- IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice of the AGM and holding shares as of the cut-off date i.e. 2nd September, 2019, may obtain the User ID and password by sending a request at evoting@nsdl.co.in or opsingh@bpml.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com.
- X. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XI. Shri Prasen Naithani, Practising Company Secretary (Membership No. FCS 3830), Proprietor of M/s. P. Naithani & Associates, Company Secretaries has been appointed as a Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIII. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- XIV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.bpml.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
21. All documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be open for inspection without any fee at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on all working days, except Saturday, up to and including the date of the AGM of the Company.
22. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the meeting.

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, 2020 on remuneration of ₹ 40,000/- (₹ Forty Thousand) plus out of pocket expenses, at actuals and applicable taxes.

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, 2019.

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 of Directors recommends the Ordinary Resolution as set out at Item No. 4 of the Notice of the AGM for approval by the Members.

Item No. 5

Re-appointment of Shri Harish N. Motiwalla (DIN:00029835) as an Independent Director of the Company:

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the 2nd Annual General Meeting held on 24th August, 2015, Shri Harish N. Motiwalla was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term upto 10th February, 2020. As Shri Harish N. Motiwalla will complete his initial term as an Independent Director of the Company on 10th February, 2020, he is eligible for re-appointment for one more term.

Shri Harish N. Motiwalla, aged 74 years, is holding a Bachelor's degree in Commerce and also a Bachelor's degree in Law. He is a Fellow member of the Institute of Chartered Accountants of India and is a former President of Bombay Chartered Accountants Society and past Chairman of the Western Regional Council of the Institute of Chartered Accountants of India (ICAI). He was also Central Council Member of ICAI for 9 years. He has a command in specific functional areas of Accounting, Audit, Finance, Taxation, Corporate Governance and Company Law.

He is the member of Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of the Company. His directorships in other companies are given in Annexure to this notice. As on 31st March, 2019, he does not hold any shares of the Company.

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, ("Amendment Regulations, 2018"), inter alia, provides that "no listed company shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of 75 (seventy five) years unless it is approved by the members by passing a special resolution to that effect". Shri Harish N. Motiwalla has attained the age of 75 years on 24th March, 2019 and hence continuation on attainment of 75 years requires the approval of members by way of a special resolution.

As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 13th May, 2019, subject to approval of Members at the ensuing Annual General Meeting and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on his skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by him during his tenure and outcome of performance evaluation of the Independent Directors, the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri Harish N. Motiwalla (DIN: 00029835) as an Independent Non-Executive Director of the Company, for the second term of 5 (five) years w.e.f. 11th February, 2020 to 10th February, 2025, who on attaining the age of 75 (seventy five) years on 24th March, 2019 during the above term of re-appointment, the continuation of such appointment for 5 years even after attaining the age of 75 years, will be considered as requisite approval from shareholders as required in the Amendment Regulations, 2018. Further Shri Harish N. Motiwalla shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has received a declaration from Shri Harish N. Motiwalla, being eligible for re-appointment as Independent Director for the second term providing his consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Shri Harish N. Motiwalla confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under the Regulation 16(b) of the Listing Regulations, as amended from time to time. Shri Harish N.

Motiwalla is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Shri Harish N. Motiwalla to be re-appointed as an Independent Non-Executive Director of the Company as per the provisions of the Companies Act, 2013.

A copy of the draft letter for re-appointment of Shri Harish N. Motiwalla setting out the terms and conditions of re-appointment is available for inspection between 11.00 a.m. to 1.00 p.m. during office hours on all working days except Saturday, Sundays and Holidays at the Registered Office of the Company.

Disclosure under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Shri Harish N. Motiwalla as an Independent Director of the Company.

Except Shri Harish N. Motiwalla, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No.5.

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

Item No. 6

Re-appointment of Shri Rakesh N. Garodia (DIN:00143438) as an Independent Director of the Company:

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the 2nd Annual General Meeting held on 24th August, 2015, Shri Rakesh N. Garodia was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term upto 10th February, 2020. As, Shri Rakesh N. Garodia will complete his initial term as an Independent Director of the Company on 10th February, 2020, he is eligible for re-appointment for one more term.

Shri Rakesh N. Garodia, aged 56 years, is B.Com by qualification. He is having more than 35 years of experience in the field of corporate affairs and Financial Accounting. He is on the Board of the Company since 11th February, 2015 as an Independent Director. He is the Chairman of Stakeholder Relationship Committee of the Company.

As on 31st March, 2019, he does not hold any shares of the Company. As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 13th May, 2019, subject to approval of Members at this Annual General Meeting and pursuant to the provisions of Sections 149, 150, 152 read with Schedule

IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on his skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by him during his tenure and outcome of performance evaluation of the Independent Directors, the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri Rakesh N. Garodia (DIN:00143438) as an Independent Non-Executive Director of the Company for the second term of 5 (five) years w.e.f. 11th February, 2020 to 10th February, 2025 and he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has received a declaration from Shri Rakesh N. Garodia, being eligible for re-appointment as Independent Director for the second term providing his consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as amended from time to time. The Company has also received a declaration from Shri Rakesh N. Garodia confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(b) of the Listing Regulations, as amended from time to time. Shri Rakesh N. Garodia is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member for proposing the candidature of Shri Rakesh N. Garodia to be re-appointed as an Independent Non-Executive Director of the Company as per the provisions of the Companies Act, 2013.

A copy of the draft letter for re-appointment of Shri Rakesh N. Garodia setting out the terms and conditions of re-appointment is available for inspection between 11.00 a.m. to 1.00 p.m. during office hours on all working days except Saturday, Sundays and Holidays at the Registered Office of the Company.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Shri Rakesh N. Garodia as an Independent Director of the Company.

Except Shri Rakesh N. Garodia, being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board of Directors recommends the Special Resolution as set out at Item No. 6 of the Notice of the AGM for approval by the Members.

Item No.7
Re-appointment of Smt. Meghna S. Shah (DIN:07081068) as an Independent Director of the Company:

Pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and the erstwhile Clause 49 of the Listing Agreement with the stock exchanges, at the 2nd Annual General Meeting held on 24th August, 2015, Smt. Meghna S. Shah was appointed as an Independent Director of the Company for a period of 5 (five) consecutive years for a term upto 10th February, 2020. As Smt. Meghna S. Shah will complete his initial term as an Independent Director of the Company on 10th February, 2020, she is eligible for re-appointment for one more term.

Smt. Meghna S. Shah, aged 41 years, is holding the degree of Bachelor of Commerce and an Associate Member of the Institute of Chartered Accountants of India, having expertise in the field of Accounting and Finance. She is having rich experience of over 14 years. She has worked with Johnson and Johnson Limited at managerial level for more than 6 years and is currently associated with Shah Legal, an advocate consultancy firm. She is on the Board of the Company since 11th February, 2015 as an Independent Director. As on 31st March, 2019, she does not hold any shares of the Company.

As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 13th May, 2019, subject to approval of Members at this Annual General Meeting and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on her skills, rich experience, knowledge, contributions, continued valuable guidance to the management made by her during her tenure and outcome of performance evaluation of the Independent Directors, the approval of the Members of the Company be and is hereby accorded for re-appointment of Smt. Meghna S. Shah (DIN:07081068) as an Independent Non-Executive Director of the Company for the second term of 5 (five) years w.e.f. 11th February, 2020 to 10th February, 2025 and she shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The Company has received a declaration from Smt. Meghna S. Shah, being eligible for re-appointment as Independent Director for the second term providing her consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, as

amended from time to time. The Company has also received a declaration from Smt. Meghna S. Shah confirming the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and under Regulation 16(b) of the Listing Regulations, as amended from time to time. Smt. Meghna S. Shah is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. In the opinion of the Board, she fulfills the conditions specified in the Companies Act, 2013 and is independent of the management.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member for proposing the candidature of Smt. Meghna S. Shah to be re-appointed as an Independent Non-Executive Director of the Company as per the provisions of the Companies Act, 2013.

A copy of the draft letter for re-appointment of Smt. Meghna S. Shah setting out the terms and conditions of re-appointment is available for inspection between 11.00 a.m. to 1.00 p.m. during office hours on all working days except Saturday, Sundays and Holidays at the Registered Office of the Company.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for re-appointment of Smt. Meghna S. Shah as an Independent Director of the Company.

Except Smt. Meghna S. Shah being an appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7. This Explanatory Statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board of Directors recommends the Special Resolution as set out at Item No. 7 of the Notice of the AGM for approval by the Members.

By Order of the Board of Directors
Sd/-

Omprakash Singh
Company Secretary & Compliance Officer
(Membership No.FCS-4304)

Place: Mumbai
Date: 13th May, 2019

ANNEXURE TO ITEM NOS. 2, 5 TO 7 OF THE NOTICE.

Details of the Director seeking appointment/re-appointment in the ensuing Annual General Meeting (In Pursuance of the Listing Regulations).

Name of the Director	Shri Ankit Poddar	Shri Harish N. Motiwala	Shri Rakesh N. Garodia	Smt. Meghna S. Shah
Director Identification (DIN)	03521731	00029835	00143438	07081068
Date of Birth	30/10/1988	24.03.1945	15.09.1963	14.06.1978
Qualification	Bachelor of Business Administration	B. Com., LLB, FCA.	B.Com	B.Com, CA

Experience and expertise	Specialized in Marketing and Finance	Accounts, Audit, Company Law, Finance and Taxation	Corporate affairs and Financial Accounting	Accounting and Finance
Date of first Appointment on the Board of the Company	11/02/2015	11/02/2015	11/02/2015	11/02/2015
Number of Meetings of the Board attended during the year.	4	5	3	4
Shareholding in Balkrishna Paper Mills Limited	11	NIL	NIL	NIL
Terms and conditions of Appointment/re-appointment	As per the resolution at item no.2 of the Notice convening Annual General Meeting held on 9th September, 2019 read with explanatory statement thereto.	As per the resolution at item no.5 of the Notice convening Annual General Meeting held on 9th September, 2019 read with explanatory statement thereto.	As per the resolution at item no.6 of the Notice convening Annual General Meeting held on 9th September, 2019 read with explanatory statement thereto.	As per the resolution at item no.7 of the Notice convening Annual General Meeting held on 9th September, 2019 read with explanatory statement thereto.
Remuneration last drawn	As per the Nomination and Remuneration Policy of the Company as placed on the Company's website i.e. www.bpml.in	As per the Nomination and Remuneration Policy of the Company as placed on the Company's website i.e. www.bpml.in	As per the Nomination and Remuneration Policy of the Company as placed on the Company's website i.e. www.bpml.in	As per the Nomination and Remuneration Policy of the Company as placed on the Company's website i.e. www.bpml.in
List of Directorship of other Board.	NIL	<ol style="list-style-type: none"> 1. Siyaram Silk Mills Limited 2. Ashapura Minchem Ltd. 3. Hitech Corporation Limited 4. Excel Industries Limited 5. Multibase India Limited 6. Orient Abrasives Limited 7. Ashapura International Limited 8. Gujrat Organics Limited 9. Geetanjali Trading and Investments Private Limited 10. LIC Mutual Fund Trustee Private Limited 	<ol style="list-style-type: none"> 1. Swasti Vinayaka Synthetics Limited 2. Ashirwad Capital Limited 3. Swasti Vinayaka Art and Heritage Corporation Limited 4. Penguin Electronics Ltd 5. Clothing Culture Limited 6. Sawini Finvest Private Limited 7. Galaxy Moulders Private Limited 8. Pacific Cyber Technology Private Limited 9. Veken Demi Technology Private Limited 	NIL
Membership/ Chairmanship of Committees of other companies	Refer to Report on Corporate Governance	Refer to Report on Corporate Governance	Refer to Report on Corporate Governance	Refer to Report on Corporate Governance
Relationship with other directors, manager and other Key Managerial Personnel of the Company	Refer to Report on Corporate Governance	NIL	NIL	NIL

DIRECTOR'S REPORTS

To The Members of,

Balkrishna Paper Mills Ltd

Your Directors have pleasure in presenting the Sixth Annual Report of the Company along with Audited Financial Statements for the Financial year ended 31st March, 2019.

1. FINANCIAL RESULTS:

The summary of the financial performance of the Company for the financial year ended March 31, 2019 compared to the previous year ended March 31, 2018, is given below:

(₹ in Lakhs)		
Particulars	2018-19	2017-18
Net Turnover and Other Income	21,445.35	21,343.57
Profit/(Loss) before Depreciation and Tax	(3,703.02)	(3,106.71)
Less: Depreciation and Amortisation	660.89	682.90
Profit/(loss) before Tax	(4,363.91)	(3,789.61)
Less: Provision for Taxation:		
Current Tax (MAT)	0.00	0.00
Deferred Tax (Net)	(140.01)	229.17
Profit after Tax	(4,223.90)	(4,018.78)
Add/(Less): Other Comprehensive Income (net of taxes)	10.00	(5.70)
Total Comprehensive Income/ (Expenses) for the year	(4,213.90)	(4,024.48)

Pursuant to the notification dated 16th February, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2017. Financial Statements for the year ended and as at 31st March, 2019 have been restated to confirm with Ind AS.

2. OPERATIONS:

During the year under review, the Gross turnover and other Income of your Company increased to ₹ 21,445.35 Lakhs from ₹ 21,343.57 Lakhs in the previous year. The net Loss after tax stood at ₹4,213.90 Lakhs against Loss of ₹ 4,024.48 Lakhs in the previous year.

3. DIVIDEND

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

4. SHARE CAPITAL:

The paid up Share Capital of the Company as on 31st March, 2019 are as under:

- Equity Share Capital : ₹1074 Lakhs
- Preference Share Capital: ₹2500 Lakhs.

The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31st March, 2019, none of the Directors of the Company hold convertible instruments in the Company.

5. REVISION OF FINANCIAL STATEMENT:

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

6. MANAGEMENT DISCUSSION AND ANALYSIS:

OUT LOOK:

Global economy is facing a confluence of risks, which could severely disrupt economic activity and inflict significant damage on longer-term development prospects. These risks include an escalation of trade disputes, an abrupt tightening of global financial conditions, and intensifying climate risks.

Despite an improvement in growth prospects at the global level, several large developing countries saw a decline in per capita income in 2018. Even among the economies that are experiencing strong per capita income growth, economic activity is often driven by core industrial and urban regions, leaving peripheral and rural areas behind.

After strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of last year, reflecting a confluence of factors affecting major economies. Global growth is now projected to slow from 3.6 % in 2018 to 3.3 % in 2019, before returning to 3.6 % in 2020.

Indian Paper and Paper products industry growth is expected to be driven by a combination of factors such as rising income levels, growing per capita expenditure, rapid urbanization and a larger proportion of earning population which is expected to lead consumption. According to CRISIL Research, over the next 5 years (2017 to 2022), global paper demand is expected to grow at a subdued pace.

Company's Overview

Your Company is engaged in manufacturing and marketing of quality Coated Duplex Boards. Due to the slowdown in economy worldwide, underutilisation of capacity and high debt burden, we could not increase the realisation rates in line with the expenses. All these factors affected the performance of the Company.

Your Company is trying to improve its realisation by manufacturing more high value for money products and also expanding its market base in domestic as well as overseas market.

Internal Audit and Control

Your Company's maintains all its records in ERP Systems and maximum approvals are routed through this system. The Company has laid down adequate systems and supported by the procedures for ensuring internal financial controls. The Company has appointed an external audit firm as Internal Auditors for day to day checking and monitoring the internal control measures. Internal Auditors are present at the Audit

Committee Meetings where internal Audit Reports are discussed along with management comments and the final observation of the Internal Auditor.

Opportunities Threats and Risk

The existing Paperboard players alive to the emerging international threats, have been aggressively pursuing quality improvement programmes, coupled with cost rationalisation. Increasingly, more modern technologies are sought to be implemented, with added focus on environmental compliance.

Human Resources

Relation between the Management and the labour were cordial throughout the year under review. The Management persistently promote a culture of employee recognition and motivation.

Forward Looking Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward looking statements" within the meaning of applicable laws and regulations. The actual results could differ materially from the forward looking statements contained in this document due to certain risks and uncertainties, which include the effect of economic and political conditions in India, Government policies, new regulations that may affect the Company business.

7. CORPORATE GOVERNANCE:

A report on Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015, together with Certificate from the Auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid regulations, forms part of the Annual Report.

8. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Homage:

Your Directors pay their respectful homage to late Shri Dharaprasad Poddarji, founder Promoter, who left for his heavenly abode on 20th October, 2018. Your Directors pray to the Almighty to grant eternal peace to his departed soul.

Forgo of Remuneration:

Shri Anurag Poddar, Chairman and Managing Director and Shri Ankit Poddar, Executive Director have forgone their monthly remuneration due to poor financial position of the Company with effect from 1st April, 2019.

Directors appointment / reappointment:

Shri Ankit Poddar, Executive Director, retires by rotation and being eligible, offers himself for re-appointment. Your Directors commend his re-appointment.

Three Independent Directors of the Company, namely Shri Harish N. Motiwalla, Shri Rakesh N. Garodia and Smt. Meghna S. Shah, who were appointed by the members at

the AGM held on 24th August, 2015 under section 149 of the Act for a term of 5 (five) consecutive years are proposed to be reappointed by the shareholders special resolution (s) as Independent Directors of the Company, to hold office for another term of 5 (five) years w.e.f. 11th February, 2020.

Shri Harish N. Motiwalla, who has attained the age of 75 (seventy five) years continues to be Independent Director of the Company w.e.f. April 1st, 2019 till completion of his present term (i.e. upto 10th February, 2020)

Brief particulars of Directors being appointed/re-appointed as required by the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings are provided in the Annexure to the notice convening the AGM of the Company.

Declarations by Independent Directors:

All the Independent Directors of the Company have given requisite declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and also Regulation 16(1b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. 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 Regulation 19 of the SEBI (LODR) Regulations, 2015.

Composition :

The Committee comprises of 3 Independent Directors.

The composition of the Nomination and Remuneration Committee* and category of members, is given in the table below:

Sr. No.	Name of the Director	Category
1	Shri Ramanlal B. Golecha	Independent Director
2	Shri Harish N. Motiwalla	Independent Director
3	Shri Rakesh N. Garodia	Independent Director

* During the year under review, no Meeting was held.

Remuneration Policy:

The Company has devised the Nomination and Remuneration Policy for the selection, appointment and remuneration of the whole time Directors, Key Managerial Personnel and Senior Management Personnel. The extract of Nomination and Remuneration Policy is provided in the Corporate Governance Report and forms part of this Annual Report.

Company's Policy on appointment and remuneration of Directors.

Appointment of Independent Directors.

All Independent Directors of the Company are appointed for a term of 5 years. Accordingly, the Independent Directors

viz. Shri Harish N. Motiwalla, Shri Rakesh N. Garodia and Smt. Meghna S. Shah hold office up to 10th February, 2020 and reappointed by the Board for further period of 5 years, subject to approval by shareholders in its ensuing AGM and Shri Ramanlal B. Golecha up to 19th November, 2022.

Criteria for appointment of Independent Directors.

The Independent Directors shall be of high integrity with relevant experience and expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management, so as to have a diverse Board.

Performance Evaluation.

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual Directors, the Board as a whole. Evaluation of performance is undertaken annually. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors at a separately convened meeting at which the performance of the Board as a whole was also evaluated. The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Company has implemented a system of evaluation on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Directors expressed their satisfaction with the evaluation process.

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.

10. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors to the best of their knowledge hereby confirm that :

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the Profit of the Company for that year under review;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,

2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- that the Directors have prepared the accounts for the financial year on going concern basis;
- the Directors have laid down internal financial controls, which are adequate and were operating effectively.
- the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. 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.

May 16, 2018, August 7, 2018, November 3, 2018, February 6, 2019.

In addition to the above, Independent Directors Meeting was also held on February 6, 2019.

b. COMMITTEES OF THE BOARD:

The Board has the following Committees:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholders Relationship Committee;
- Finance Committee.
- Share transfer Committee.

The details of these Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

12. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return in Form No. MGT – 9 for the financial year ended 31st March, 2019 made under the provisions of Section 92(3) of the Act is attached as **Annexure I** which forms part of this Report and is also receivable on the Company's website at www.bpml.in.

13. FIXED DEPOSITS

During the year under review, your Company has not accepted any fixed deposits and there were no unclaimed deposits or interest thereon as on 31st March, 2019.

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

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to Financial Statements.

15. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Policy are given in the Corporate Governance Report and the policy is posted on the Company's website: www.bpml.in.

16. 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.

During the year, the Company has not entered into Related Party Transactions which could be considered as material in accordance with the policy on Related Party Transaction of the Company. Accordingly, the disclosure of related party transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable to your Company.

All related party transactions for the year are placed before the Audit Committee as well as before the Board for approval. Omnibus approval was obtained on a yearly basis for transactions which are of repetitive nature. 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.bpml.in.

Members can refer to Note No. 37 to the Financial Statements which set out related party disclosures.

17. 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.

18. 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.

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

There were 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.

20. 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 III** which forms part of this Report

21. AUDITORS

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

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2019:

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2019 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 M/s. K. G. Goyal & Associate, Cost Accountants, as a cost auditor of the Company for the Financial Year 2019-20.

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 Shri Jugalkishore Fatehchandka, Company Secretary in Practice to undertake Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report is annexed herewith as **Annexure – II**.

There is no Secretarial audit qualification for the year under review.

22. INDUSTRIAL RELATIONS:

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

23. Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:

The Company has formulated and implemented a policy of prevention of sexual harassment at the workplace with

mechanism of lodging/redressal complaints. During the year under review, there were no complaints reported to the Board.

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

25. INSURANCE

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

26. ACKNOWLEDGMENT

Your Directors take this opportunity to thank the Customers, Suppliers, Shareholders, Bankers, Dealers, Agents, Employees and Government and Semi-Government Authorities for their consistent support and encouragement to the Company.

For and on behalf of the Board of Directors

Anurag P. Poddar
Chairman & Managing Director

Date: 13th May 2019.
Place: Mumbai

ANNEXURE I
**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31st March 2019

[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	:	Balkrishna 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. C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083. Tel.: 022 -2851 5606/5644/6338; Fax: 022 -2851 2885 Email: support@sharexindia.com

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%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company has no subsidiary as on date.

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 1-04-2018				No. of Shares held at the end of the year 31-03-2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1000281	0	1000281	9.314	1000281	0	1000281	9.314	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	5405594	0	5405594	50.332	5405594	0	5405594	50.332	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total(A)(1):	6405875	0	6405875	59.646	6405875	0	6405875	59.646	0
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year 1-04-2018				No. of Shares held at the end of the year 31-03-2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks/FII	-	-	-	-	-	-	-	-	-
e) Qualifies Foreign	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	6405875	0	6405875	59.646	6405875	0	6405875	59.646	-
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	9278	0	9278	0.086	0	0	0	0	0.086
c) Central Govt.	1180	0	1180	0.011	0	0	0	0	0.011
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	1666	0	1666	0.016	0	0	0	0	0.016
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	12124	0	12124	0.113	0	0	0	0	0.113
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	671086	166	671252	6.250	525677	166	525843	4.896	1.354
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2358993	129199	2488192	23.168	2541323	113803	2655126	24.722	1.554
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	995284	45065	1040349	9.687	989845	33332	1023177	9.527	0.160
c) Others (specify)									
Non-Resident Indian	73588	0	73588	0.685	77167	0	77167	0.719	0.034
Foreign National	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	50	0	50	0	50	0	50	0	0
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Trust	2	0	2	0	2	0	2	0	0
Clearing Member	48412	0	48412	0.451	52604	0	52604	0.490	0.039
Sub-total(B)(2):	4147415	174430	4321845	40.241	4186668	147301	4333969	40.354	0.113
Total Public Shareholding (B)=(B)(1)+(B)(2)	4159539	174430	4333969	40.354	4186668	147301	4333969	40.354	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10565414	174430	10739844	100.00	10592543	147301	10739844	100.00	0

ii. SHAREHOLDING OF PROMOTERS:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01-04-2018			Share holding at the end of the year 31-03-2019			% 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	AKP Enterprises LLP	2666493	24.828	0	2666493	24.828	0	0
2	RAP Enterprises LLP	2663110	24.797	0	2663110	24.797	0	0
3	KHUSHBOO RAJIV PODDAR	421833	3.928	0	421833	3.928	0	0
4	Sangeeta Pramodkumar Poddar	144272	1.343	0	144272	1.343	0	0
5	Vibhadevi Shrikishan Poddar	144261	1.343	0	144261	1.343	0	0
6	Ashadevi Rameshkumar Poddar	144261	1.343	0	144261	1.343	0	0
7	Madhudevi Pawankumar Poddar	144261	1.343	0	144261	1.343	0	0
8	TMP Enterprises LLP	38902	0.362	0	38902	0.362	0	0
9	GPP ENTERPRISES LLP	37011	0.345	0	37011	0.345	0	0
10	Geetadevi Dharaprasad Poddar	1146	0.011	0	1168	0.011	0	0
11	Rameshkumar Dharaprasad Poddar	33	0	0	33	0	0	0
12	Pawankumar Dharaprasad Poddar	33	0	0	33	0	0	0
13	Shrikishan Dharaprasad Poddar	33	0	0	33	0	0	0
14	Dharaprasad Ramrikhdas Poddar	22	0	0	0	0	0	0
15	Rajiv Arvind kumar Poddar	20	0	0	20	0	0	0
16	HSP Enterprises LLP	13	0	0	13	0	0	0
17	DPP Enterprises LLP	13	0	0	13	0	0	0
18	VKP Enterprises LLP	13	0	0	13	0	0	0
19	PKP Enterprises LLP	13	0	0	13	0	0	0
20	Harshit Shrikishan Poddar	11	0	0	11	0	0	0
21	Gaurav Pramod Poddar	11	0	0	11	0	0	0
22	Ankit Pramodkumar Poddar	11	0	0	11	0	0	0
23	Abhishek S Poddar	11	0	0	11	0	0	0
24	Anurag Pawankumar Poddar	11	0	0	11	0	0	0
25	Avnish Pawankumar Poddar	11	0	0	11	0	0	0
26	Rishabh Sureshkumar Poddar	10	0	0	10	0	0	0
27	Shyam lata Sureshkumar Poddar	10	0	0	10	0	0	0
28	Arvindkumar Mahabirprasad Poddar	10	0	0	10	0	0	0
29	Vijaylaxmi Arvindkumar Poddar	10	0	0	10	0	0	0
30	Balgopal Holding & Traders Ltd	5	0	0	5	0	0	0
31	Poddar Brothers Investment Private Limited	5	0	0	5	0	0	0
32	Vishal Furnishings Ltd	5	0	0	5	0	0	0
33	S P Finance And Trading Ltd	5	0	0	5	0	0	0
34	S P Investrade (India) Limited	3	0	0	3	0	0	0
35	Sanchna Trading & Fin. Ltd.	3	0	0	3	0	0	0

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01-04-2018			Share holding at the end of the year 31-03-2019			% of total Shares of the company
		No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	
1	Geetadevi Dharaprasad Poddar	1146	0.011	01-04-2018	-	-	-	-
				11-01-2019	22	Transmission	1168	0.011
	-Closing Balance			31-03-2019			1168	0.011
2	Dharaprasad Ramrikhdas Poddar	22	0.000	01-04-2018	-	-	-	-
				11-01-2019	22	Transmission	0	0
	-Closing Balance			31-03-2019			0	0

iii. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDR's AND ADR's):

Sr. No	Name	Shareholding at the beginning of the year 01-04-2018		Cumulative Shareholding at the end of the year 31-03-2019	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Vineet Nahata	55282	0.515	130659	1.217
2	Kishan Gopal Mohta	113400	1.056	113400	1.056
3	Deepak Harlalka	108000	1.006	100497	0.936
4	Sunhill Trading Private Limited	15466	0.144	100466	0.935
5	Aadishu Securities Private Ltd	70000	0.652	70000	0.652
6	Sachin Jayant Malde	18900	0.176	46186	0.430
7	Mehul K Mota	44000	0.41	44000	0.41
8	Kamlesh Ramniklal Mehta Huf	40500	0.377	40500	0.377
9	RAMESH BABU RAO	22000	0.205	40000	0.372
10	Globe Capital Market Ltd.	42476	0.395	36089	0.336

iv. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 01-04-2018		Shareholding at the end of the year 31-03-2019	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Anurag Poddar	11	-	11	-
2	Ankit Poddar	11	-	11	-
3	Shrutisheel Jhanwar	25	-	25	-
4	Omprakash Singh	0	-	5	-

II INDEBTEDNESS:

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

(₹ in Crores)

Particulars	Secured Loans excluding	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	89.70	10.00	3.59	103.29
ii) Interest due but not paid	0.52	0.68	-	1.20
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	90.22	10.68	3.59	104.49
Change in Indebtedness during the financial year				
Net Change	9.94	7.08	0.93	17.95
Indebtedness at the end of the financial year				
i) Principal Amount	100.03	15.80	4.52	120.35
ii) Interest due but not paid	0.13	1.96	-	2.09
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	100.16	17.76	4.52	122.44

III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Amount in ₹)

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	2,100,000	2,100,000	1,752,000	5,952,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,068,800	2,068,800	2,067,480	6,205,080
	(c) Profits in lieu of salary under				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify	-	-	-	-
	Total (A)	4,168,800	4,168,800	3,819,480	12,157,080
	Ceiling as per the Act	42,00,000 p.a.	42,00,000 p.a.	42,00,000 p.a.	

B. REMUNERATION TO OTHER DIRECTORS:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount RS.
		Harish N. Motiwalla	Rakesh N. Garodia	Meghana S. Shah	Ramanlal B. Golecha	
1.	Independent Directors					
	· Fee for attending Board / Committee meetings	90,000	50,000	40,000	90,000	2,70,000
	· Commission	-	-	-	-	-
	· Others, please specify	-	-	-	-	-
	Total (1)	90,000	50,000	40,000	90,000	2,70,000
2.	Other Non-Executive Directors					
	· Fee for attending board / committee meetings	-	-	-	-	-
	· Commission	-	-	-	-	-
	· Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	90,000	50,000	40,000	90,000	2,70,000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	11% of the net profit of the Company for all the Directors including MD/ED/WTD				

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO*	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,71,824		17,71,824
	(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			
5	Others, please specify			
	Total	17,71,824		17,71,824

*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 II**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members/ Board of Directors,
Balkrishna Paper Mills Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Balkrishna Paper Mills Limited** (hereinafter called "the Company")- CIN L21098MH2013PLC244963. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on 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 period covering the financial year ended 31st March, 2019 (hereinafter referred to as "audit period") 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, 2019, according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder; the applicable provisions of the Companies Act, 1956 and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (4) 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;
- (5) 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, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not applicable to the Company during the audit period.**
 - 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;
 - e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable to the Company since it has not brought back any securities during the audit period.**
 - f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - **Not applicable to the Company since it has no Employee Stock Option Scheme / Employee Stock Purchase Scheme.**
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not Applicable to the Company during the audit period.
 - h. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable to the Company since it has not issued any debt securities.**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Jugalkishore Fatehchandka
Company Secretary in Practice
FCS No.: 3392
C P No.:4942

Place : Mumbai.

Date : May 13, 2019.

ANNEXURE III

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		
a	Purchased		
	Units (KWH)	76,46,420	11859524
	Total amount (₹ in Lakhs)	791.02	1057.21
	Rate/Unit (₹)	10.34	8.91
b	Own Generation		
	Units (KWH)	3,47,66,280	26019286
	Total amount (₹ in Lakhs)	1,296.10	1004.49
	Rate/Unit (₹)	3.73	3.86
2	Coal (specify quality and where used)		
	The Company uses Steam Coal grade B/C in its Boilers		
	Quantity (Tons)	42,566.18	44971.40
	Total Amount (₹ in Lakhs)	2,853.94	2900.55
	Average rate (₹/Ton)	6,704.71	6449.76
3	H.S.D/L.D.O./Furnace Oil		
	Quantity (K.Ltrs)	2,210.00	47801.00
	Total Amount (₹ in Lakhs)	1.34	20.78
	Average rate (₹/KL)(Net of Modvat, Wherever applicable)	60.65	43.47

II. Consumption per unit of production:

Electricity (KWH)	Coal (Kgs)	Furnace Oil (Ltr)
0.579	0.703	-
(0.575)	(.683)	-

B. TECHNOLOGY ABSORPTION:

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

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

1. Specific areas in which R&D carried out by the Company:
Product and quality improvement, development of new products, cost control and energy conservation
2. 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.
3. Future plan of action:
Water and energy conservation and further improvement in process technology and product mix.
4. Expenditure on R&D (₹ in Lakhs):

(a) Capital	: NIL
(b) Recurring	: NIL
(c) Total	: NIL

II. Technology absorption, adaptation and innovation:

1. 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.
2. Benefits – which, when found suitable, are integrated into the regular manufacturing operation:

(a) Quality improvement.	N.A.
(b) Energy conservation.	N.A.

C. FOREIGN EXCHANGE EARNINGS & OUTGO:

- (a) 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 ₹ 83.05 Crores.
- (b) Total foreign exchange used and earned (₹ in Crores)
Used: ₹ 47.23 Crore Earned: ₹ 83.05 Crores

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2018-19

I. Company's Philosophy

Balkrishna'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, 2019, as per the format prescribed by SEBI (LODR) Regulations, 2015 (the Listing Regulations) 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 March 31, 2019, 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 of other public companies***	
		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 Harish N Motiwalla @	Non-Executive & Independent Director	5	Yes	8	5	1
Shri Rakesh N Garodia @	Non-Executive & Independent Director	3	No	5	2	4
Smt. Meghna S. Shah @	Non-Executive & Independent Director	4	Yes	-	-	-
Shri Shrutisheel Jhanwar *	Executive & Non-Independent Director	4	Yes	-	-	-
Shri Ramanlal B. Golecha #	Non-Executive & Independent Director	5	Yes	-	-	-

* Term of Office of the above Executive & Non-Independent Directors is from February 11, 2018 to February 10, 2021.

@ Term of office of the above three Non-Executive & Independent Directors is of 5 Consecutive years commencing from February 11, 2015 to February 10, 2020. Re-appointed for the period of five years by the Board in their meeting held on May 13, 2019, subject to approval of shareholders in ensuing AGM.

Appointed as an Independent Director w.e.f. November 20, 2017 for five years.

** 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 other listed public limited companies have been considered.

Board Meetings:

During the year, 4 (Four) Board Meetings were held on May 16, 2018, August 7, 2018, November 3, 2018 and February 6, 2019 and the Annual General Meeting was held on September 5, 2018.

Independent Directors Meeting:

There was one Independent Directors Meeting held on February 06, 2019. All four Independent Directors were present at the said meeting.

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/Uniform 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: <https://www.bpml.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 (Listing Regulations) 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. 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 (four) times on May 16, 2018, August 7, 2018, November 3, 2018 and February 6, 2019.

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

Name of the Member	Designation	No. of meeting attended
Shri Ramanlal B. Golecha	Chairman	4
Shri Harish N. Motiwalla	Member	4
Shri Rakesh N. Garodia	Member	2
Shri Shrutisheel 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 (Listing Regulations). 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 of three wholly Non-Executive and Independent Directors, as under:

Name of the Committee Members:

Name of the Member	Designation
Shri Ramanlal B. Golecha	Chairman
Shri Harish N. Motiwalla	Member
Shri Rakesh N. Garodia	Member

All the Members of this Committee are an Independent Director.

Meetings:

During the year under review, there were no Meeting held.

Remuneration Policy:

The Board on recommendation of Nomination and Remuneration Committee approved Remuneration Policy (Nomination and Remuneration policy has been posted on the website of the Company at: www.bpml.in) 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/Executive Director/ Whole Time Director, 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 /

Executive Director / Whole Time Director within the overall limits prescribed under the Companies Act, 2013.

2. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
3. The remuneration of the Managing Director/Executive Director/Whole Time Director are broadly divided into Basic Salary, Allowances, perquisites, amenities, retirement benefits and commission (subject to availability of profits).
4. In determining the remuneration the Nomination and Remuneration Committee shall ensure/ consider the following :-
 - a. The relationship of remuneration and performance benchmark is clear.

- b. Responsibility required to be shouldered by the Managing Director/ Executive Director/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:

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 2018-19 are given below:-

(₹ in Lakhs)

Name of Director	Salary & Other Perquisites	Sitting Fees	Commission	Total Remuneration
Shri Anurag Poddar	41.69	-	-	41.69
Shri Ankit Poddar	41.69	-	-	41.69
Shri Shrutisheel Jhanwar	38.19	-	-	38.19
Shri Harish N. Motiwalla	-	0.90	-	0.90
Shri Rakesh N. Garodia	-	0.50	-	0.50
Smt. Meghna S. Shah	-	0.40	-	0.40
Shri Ramanlal B. Golecha	-	0.90	-	0.90
Total	121.57	2.70	-	124.27

* Remuneration includes Basic 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/Investors Grievance and its redressal.

Name of the Committee Members:

Name of the Member	Designation
Shri Rakesh N. Garodia	Chairman
Shri Harish N. Motiwalla	Member
Shri Anurag Poddar	Member

Stakeholders Relationship Committee Meetings:

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

Stakeholders Grievance Redressal:

During the year ended March 31, 2019, 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 6th February, 2019 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
2015-2016	9 th September, 2016	2.30 p.m	Sunville 9, Dr. Annie Besant Road, Worli, Mumbai 400 018.
2016-2017	19 th July, 2017	2.30 p.m.	Sunville 9, Dr. Annie Besant Road, Worli, Mumbai 400 018.
2017-2018	5 th September, 2018	2.30 p.m.	Walchand Hirachand Hall, 4th floor, IMC chamber of Commerce and Industry, IMC

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

Date of AGM/EOGM	Summary of special resolution passed
09.09.2016	—
19.07.2017	<ul style="list-style-type: none"> Increase in Authorised Share Capital of the Company from ₹11 Crores to ₹ 36 crores and amendments of existing clause V (a) of the Memorandum of Association with new clause V(a). Offer or invite to subscribe, issue and allot 25,00,000 9% Cumulative Redeemable Preference Shares of ₹100/- each for cash at par on private placement basis.
05.09.2018	<ul style="list-style-type: none"> Appointment of Shri Ramanlal B. Golecha as an Independent Non-Executive Director of the Company.

Special Resolutions passed through postal ballot

During the Financial Year 2016-17, the following special resolution passed through Postal Ballot as provided under Section 110 of the Companies Act, 2013:

1. Disinvestment of shares of subsidiary company viz. Balkrishna Synthetics Ltd.

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 Act, 2013 for Disinvestment of shares of subsidiary company viz. Balkrishna Synthetics Ltd., through postal ballot notice dated 5th November, 2015:

2. Change of Name of the company from Nirvikara Paper Mills Limited to Balkrishna Paper Mills Limited

Special Resolution pursuant to the section 13 and section 14 of the Companies Act, 2013, Companies (Incorporation) Rules, 2014 and other applicable provisions and rules, if any, of the Companies Act 2013, Regulation 45 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for change

of the existing name of the Company from “Nirvikara Paper Mills Limited” to “Balkrishna Paper Mills Limited” through postal ballot notice dated 1st July, 2016.

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. 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. 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 Indian 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.
- 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: rbgolecha@rediffmail.com.
- The Company is in compliance with all mandatory requirements of SEBI (LODR) Regulations, 2015 and the adoption non-mandatory requirements are being reviewed by the Board from time-to-time.
- 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 the case of Advocate Suresh Shah who is relative of independent director Smt. Meghna Suresh Shah.

XI. 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.bpml.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.bpml.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.

XII. General Shareholder Information:

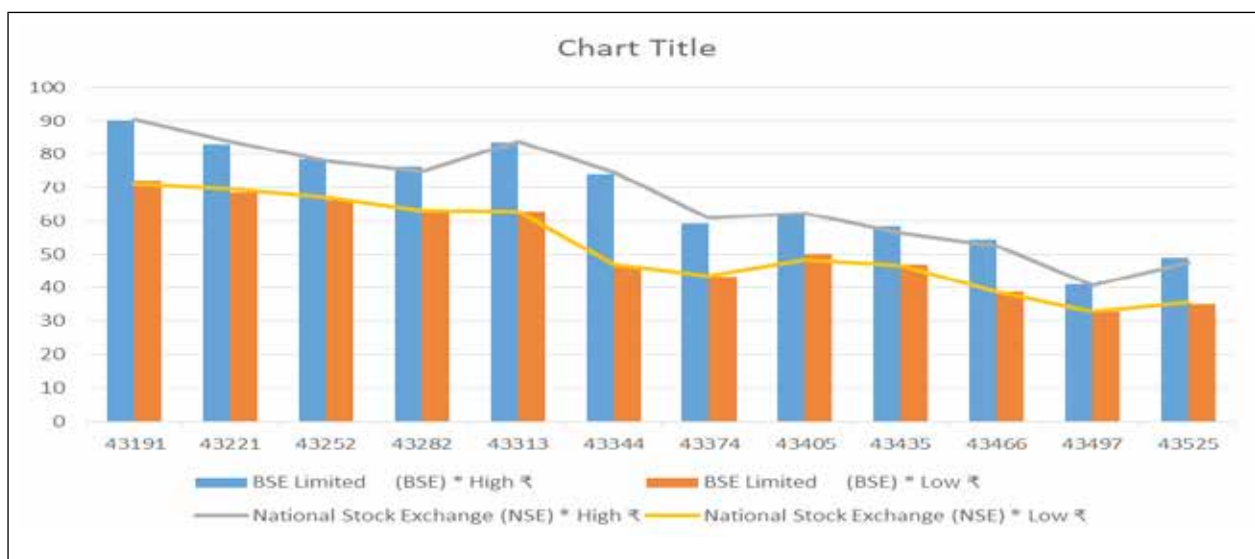
1.	Annual General Meeting : Day/ Date: Time : Venue:	Monday, 09.09.2019 2.30 p.m. "18.99 Latitude Banquets", 4th Floor, Trade View Building, Gate No.4, Kamala Mills Compound, Lower Parel, Mumbai - 400013, Maharashtra.
2.	Financial Calendar (Tentative) Financial Year of the Company Results for the Quarter ending: June 30, 2019 September 30, 2019 December 31, 2019 March 31, 2020	1st April, 2019 to 31st March, 2020. On or before 14th August, 2019. On or before 14th November, 2019 On or before 14th February, 2020 On or before 15th May, 2020 (Unaudited) Or on or before 30th May, 2020 (Audited).
3.	Date of Book Closure:	03.09.2019 to 07.09.2019 (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. 2019-20 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.	BALKRISHNA
(b) Demat ISIN Number in NSDL & CDSL for Equity Shares	INE875R01011

7. Stock Market Price Data:

Month	BSE Limited (BSE) *		National Stock Exchange (NSE) *	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April-2018	90.00	72.10	90.40	71.00
May-2018	83.00	68.55	84.00	69.50
June-2018	78.65	66.30	78.05	67.10
July-2018	76.30	63.00	74.95	63.10
Aug-2018	83.70	63.00	83.75	63.00
Sep-2018	74.10	46.55	74.55	47.00
Oct-2018	59.30	43.35	61.00	43.55
Nov-2018	62.00	50.00	62.40	48.50
Dec-2018	58.50	46.90	56.40	46.60
Jan-2019	54.45	38.75	53.65	38.80
Feb-2019	41.15	32.90	4.90	32.95
Mar-2019	49.00	35.35	47.50	35.90

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

9. Registrar and Transfer Agents:
Name & Address:

Sharex Dynamic (India) Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg,
Vikhroli West, Mumbai 400 083.

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

Fax No. : +91 (022) 2851 2885.

E-mail : support@sharexindia.com

Website : www.sharexindia.com

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, 2019.

Sr. No.	No of shares	Holding	Amount (₹)	% to Capital	No of Holders	% to Total Holders
1	1 - 500	767868	7678680	7.150	10782	89.798
2	501-1000	453389	4533890	4.222	559	4.655
3	1001-2000	457638	4576380	4.261	304	2.532
4	2001-3000	301527	3015270	2.808	118	0.983
5	3001-4000	212586	2125860	1.979	59	0.491
6	4001-5000	272755	2727550	2.540	58	0.483
7	5001-10000	473365	4733650	4.408	67	0.558
8	10001 and above	7800716	78007160	72.632	60	0.500
	TOTAL	10739844	107398440	100.00	12007	100.00

12. Shareholding pattern as on 31st March, 2019.

Sr. No.	Category	No of shares held	Percentage of Shareholding
1.	Promoters	6405875	59.65
2.	Banks/Financial Institutions	0	0.00
3.	FII/OCBs/Foreign Companies	10790	0.10
4.	Private Corporate Bodies	525843	4.90
5.	Mutual Funds/UTI/Insurance Cos	0	0
6.	Non-Residents Individuals	66427	0.62
7.	Indian Public /Trusts	3730909	34.73
	TOTAL	10739844	100.00

13. Dematerialization of shares and liquidity:

98.63% 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 March 31, 2019.

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, 2019, 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:
BALKRISHNA 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.bpml.in

Email: opsingh@bpml.in

REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Pvt. Ltd.

C-101,247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083.

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

Fax No. : 91 (022) 2851 2885.

E-mail : support@sharexindia.com

For and on behalf of the Board of Directors

BALKRISHNA PAPER MILLS LIMITED

ANURAG P. PODDAR

Chairman & Managing Director

Place: Mumbai.

Date : 13th May, 2019

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, 2019.

For **BALKRISHNA PAPER MILLS LIMITED**

ANURAG P. PODDAR

Chairman & Managing Director

Place: Mumbai.

Date : 13th May, 2019

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:

- We have reviewed financial statements for the year and that to the best of our knowledge and belief :
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements 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.

We indicate to the Auditors and to the Audit Committee:

- significant changes in internal control over financial reporting during the year;
- significant changes in accounting policies during the year;
- 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 **BALKRISHNA PAPER MILLS LIMITED**

ANURAG P. PODDAR

Chairman & Managing Director
Place: Mumbai

Date: 13th May, 2019.

SHRUTISHEEL JHANWAR

Whole Time Director & CFO

INDEPENDENT AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

**To the Members of
Balkrishna Paper Mills Limited**

- We, Jayantilal Thakkar & Co., Chartered Accountants, the Statutory Auditors of Balkrishna Paper Mills Limited ('the Company') have examined the details of compliance of conditions of Corporate Governance for the year ended 31st March, 2019, as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of SEBI Listing Regulations

- The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

Auditor's Responsibility

- Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations for the year ended 31st March, 2019.
- We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

Opinion

- In our opinion, and to the best of our information and according to explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations.
- We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

- The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Jayantilal Thakkar & Co.
Chartered Accountants
(FIRM REG. NO.104133W)

VIRAL A. MERCHANT

Partner

Membership No.116279

Place : Mumbai,
Dated : 13th May, 2019

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

BALKRISHNA PAPER MILLS LIMITED

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Balkrishna Paper Mills Limited ('the Company'), which comprise the balance sheet as at 31st March 2019, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note No. 44 with respect to the losses incurred by the company and erosion of its net worth and preparation of the financial statements on going concern assumption, based on the reasons and assumptions stated in the aforesaid note. The company's ability to continue as a going concern is dependent on generation of the expected cash flows to be able to meet its obligations as and when they arise.

Our opinion is not modified in respect of the same.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition (refer Note No.1(B)(c))

In view of continued losses, the Company's performance is dependent on proper accounting of Revenue and is therefore

susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.

Auditor's response

Our audit procedures with regard to revenue recognition included testing controls, automated and manual, dispatches/deliveries, inventory reconciliations and assessing the recoverability of trade receivable balances, substantive testing for cut-offs and analytical review procedures.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 - (A) 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 (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- (B) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, as amended :
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
- (C) With respect to the other matters to be included in the Auditors' 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 as at 31st March, 2019 on its financial position in its financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- 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)

Place: Mumbai
Dated: 13th May, 2019

VIRAL A. MERCHANT
Partner
Membership No.116279

ANNEXURE - A TO AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2019, 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.
- (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 generally 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, Goods and Service Tax, Cess and any other statutory dues applicable to it. There are no material undisputed statutory dues as referred to

above as at 31st March, 2019 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 Sales Tax, Cess and Excise Duty 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 (₹ in Lakhs)	Period to which the Amount Relates	Forum where dispute is pending
Sales Tax Act	Sales Tax (Including Interest and Penalty)	34.81	1991-1992	Jt. Commissioner of Sales Tax (Appeals) Assessing Authority
		228.22	2002-2003	
Water Cess	Cess	260.10	1992-2019	Court of Civil Judge, Senior Division, Thane
Central Excise Act	Excise Duty (Including Interest and Penalty)	1.22	2008-2015	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 give 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 give 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)

Place: Mumbai
Dated: 13th May, 2019

VIRAL A. MERCHANT
Partner
Membership No.116279

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 Balkrishna Paper Mills Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR JAYANTILAL THAKKAR & CO.
Chartered Accountants
(Firm Reg. No. 104133W)

VIRAL A. MERCHANT
Partner
Membership No.116279

Place: Mumbai
Dated: 13th May, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

(₹ in Lakhs)

PARTICULARS	Note No.	As at 31st March, 2019	As at 31st March, 2018
I ASSETS			
1 Non-current Assets			
(a) Property, plant and equipment	2	14,929.15	15,507.52
(b) Capital work-in-progress		301.72	113.40
(c) Intangible assets	3	9.82	8.33
(d) Financial Assets			
- Other financial assets	4	348.26	92.19
(e) Income tax assets (Net)	5	89.16	92.57
(f) Other non-current assets	6	2.81	10.29
Total Non-current assets		15,680.92	15,824.30
2 Current assets			
(a) Inventories	7	2,817.84	2,581.83
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	8	1,573.53	1,631.85
(iii) Cash and cash equivalents	9	12.49	9.51
(iv) Bank balance other than (iii) above	10	10.00	10.00
(v) Other financial assets	11	45.89	25.88
(c) Other current assets	12	628.02	913.52
Total current Assets		5,087.77	5,172.59
Total Assets		20,768.69	20,996.89
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	13	1,073.98	1,073.98
(b) Other equity	14	(4,399.26)	(185.36)
Total Equity		(3,325.28)	888.62
2 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	9,718.48	8,727.67
(ii) Other financial liabilities	16	726.13	325.42
(b) Deferred tax liabilities (Net)	17	1,885.37	2,022.65
(c) Provisions	18	46.79	43.16
Total Non-current liabilities		12,376.77	11,118.90
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	3,727.94	3,453.59
(ii) Trade payables	20		
(a) Total outstanding dues of micro enterprises and small enterprises		128.77	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		6,215.29	4,420.94
(iii) Other financial liabilities	21	1,442.67	909.96
(b) Other current liabilities	22	139.23	133.81
(c) Provisions	23	63.30	71.07
Total Current liabilities		11,717.20	8,989.37
Total Equity and liabilities		20,768.69	20,996.89

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

1 to 45

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

(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Membership No. 116279

Place: Mumbai

Dated: 13th May, 2019

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, 2019

(₹ in Lakhs)

PARTICULARS		Note No.	Current Year	Previous Year
I	Revenue from operations	24	21,434.62	21,104.79
II	Other Income	25	10.73	238.78
III	Total income (I+II)		<u>21,445.35</u>	<u>21,343.57</u>
IV	Expenses :			
	Cost of materials consumed	26	14067.09	14289.88
	Changes in inventories of finished goods and work-in-progress	27	4.68	(346.08)
	Excise duty	28	0.00	294.28
	Employee benefits expense	29	1348.78	1214.72
	Finance cost	30	1435.45	1064.69
	Depreciation and other amortisation expense	31	660.89	682.90
	Other expenses	32	8292.37	7932.79
	Total expenses (IV)		<u>25809.26</u>	<u>25133.18</u>
V	Loss before tax (III-IV)		<u>(4,363.91)</u>	<u>(3,789.61)</u>
VI	Tax expense:			
	- Current tax- MAT		-	-
	- Deferred tax		<u>(140.01)</u>	<u>229.17</u>
VII	Loss for the period (V-VI)		<u>(4,223.90)</u>	<u>(4,018.78)</u>
VIII	Other comprehensive Income (OCI)			
	Items that will not be reclassified to Profit and Loss (net of tax)		12.73	(8.25)
	Income Tax		(2.73)	2.55
	Total comprehensive income for the period (VII + VIII)		<u>(4,213.90)</u>	<u>(4,024.48)</u>
IX	Earnings per equity share:			
	Basic and Diluted	36	<u>(39.33)</u>	<u>(37.42)</u>

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 1 to 45

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

(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Membership No. 116279

Place: Mumbai

Dated: 13th May, 2019

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, 2019

(₹ in Lakhs)

PARTICULARS	Current Year	Previous Year
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Loss before Tax	(4363.91)	(3789.61)
Adjustment for :		
Depreciation and Amortisation	660.89	682.90
Finance Cost	1435.45	1064.69
Interest Income	(0.93)	(26.98)
Profit on Sale of Current Investment	(9.30)	(19.29)
Loss on Sale of Fixed Assets (Net)	0.00	3.91
Unrealised Foreign Exchange differences (Gain) / Loss	163.47	(192.46)
Retiring Gratuities	15.48	14.98
Leave Encashment	1.45	13.10
	<u>2266.51</u>	<u>1540.85</u>
Operating (loss) before working capital changes	(2097.40)	(2248.76)
Adjustment for:		
Trade and other receivables	1544.00	(1443.44)
Inventories	(236.01)	(958.31)
Trade payables	<u>445.83</u>	<u>1036.97</u>
	<u>1753.82</u>	<u>(1364.78)</u>
Cash generated from operations	(343.58)	(3613.54)
Direct taxes refund (paid)/received	3.42	(2.66)
Gratuity paid	0.00	(16.06)
Leave Encashment paid	<u>(8.33)</u>	<u>(10.06)</u>
Net cash from Operating Activities	(348.49)	(3642.32)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of current Investment	0.00	(1875.00)
Sale of current Investment	9.30	1894.29
Purchase of Fixed Assets & Capital Work in Progress	(249.00)	(262.63)
Sale of Fixed Assets	0.00	1.07
Investment In Fixed Deposit	0.00	(10.00)
Interest received	0.00	26.69
Net cash used in Investing Activities	(239.70)	(225.58)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
(Repayment)/ Proceeds of Short Term Borrowings (Net)	274.36	640.92
(Repayment) of Long Term Borrowings (Net)	(433.00)	(1067.96)
Proceeds of Long Term Borrowings (Net)	1800.00	5200.00
Finance Cost Paid	<u>(1050.19)</u>	<u>(906.65)</u>
Net Cash from Financing Activities	<u>591.17</u>	<u>3866.31</u>
Net Decrease in cash and cash equivalent	2.98	(1.59)
Cash and cash equivalent as at the beginning of the year	9.51	11.10
Cash and cash equivalent as at the end of the year	<u>12.49</u>	<u>9.51</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

(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Membership No. 116279

Place: Mumbai

Dated: 13th May, 2019

ANURAG P. PODDAR
Chairman & Managing Director

SHRUTISHEEL JHANWAR
Whole-time Director & CFO

OMPRAKASH SINGH
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2019
(a) Equity share capital

(₹ in Lakhs)

Particulars	No. of Shares	Amount
Balance as at 1st April 2017	10,739,844	1,073.98
Changes in equity share capital	-	-
Balance as at 31st March 2018	10,739,844	1,073.98
Changes in equity share capital	-	-
Balance as at 31st March 2019	10,739,844	1,073.98

(b) Other Equity

Particulars	Reserves and Surplus		Statement of other comprehensive Income	Total Other Equity
	Capital reserve	Retained earnings	Remeasurements of the net defined benefit Plans	
Balance as at 1st April 2017	5,092.25	(1,249.36)	(3.77)	3,839.12
Total Comprehensive				
Profit /(Loss) for the year	-	(4,018.78)		(4,018.78)
Other comprehensive income for the year	-	-	(5.70)	(5.70)
Balance as at 31st March 2018	5,092.25	(5,268.14)	(9.47)	(185.36)
Total Comprehensive				
Profit /(Loss) for the year	-	(4,223.90)		(4,223.90)
Other comprehensive income for the year	-	-	10.00	10.00
Balance as at 31st March 2019	5,092.25	(9,492.04)	0.53	(4,399.26)

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.
Chartered Accountants

(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Membership No. 116279

Place: Mumbai

Dated: 13th May, 2019

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

(A) General information

Balkrishna Paper Mills Limited ('the Company') is engaged in the business of manufacturing and selling of "Paper and Paper Boards" which are used mainly for packaging industry, catering to the needs of Pharmaceuticals, Cosmetics, Health Care products, readymade garments, Food Products, Match boxes and mainly for FMCG Segments.

The company is a public limited company incorporated and domiciled in India and has its registered office at A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel(West), Mumbai, Maharashtra, India.

(B) Significant Accounting policies

(a) Basis of preparation

- (i) The financial statements have been prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements up to year ended 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provision of that. These financial statement are the first financial statement of the Company under Ind AS. The date of transition to Ind AS is 1st April, 2016. Refer note no. 34 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and its net loss.
- (ii) The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:
 1. Financial instruments measured at fair value through profit and loss
 2. Defined benefit plans – plan assets measured at fair value

(b) Foreign currency translation

- (i) Functional and presentation currency
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the company's functional and presentation currency.
- (ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end

exchange rates are generally recognised in statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

(c) Revenue recognition

The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1st April 2018.

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods is recognised; when the significant risks and rewards in respect of ownership of products are transferred by the Company, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and no significant uncertainty exist regarding the amount of consideration that will be derived from the sale of goods as well as regarding its ultimate collection. Amounts disclosed as revenue are net of variable consideration on account of various Discounts, Rebates, incentives offered by the Company as a part of the contract.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

Sale of goods

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods is recognised when the significant risks and rewards in respect of ownership of products are transferred by the Company, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and no significant uncertainty exist regarding the amount of consideration that will be derived from the sale of goods as well as regarding its ultimate collection. Amounts disclosed as revenue are inclusive of excise duty (up to 30th June, 2017) and net of returns, Trade Discounts, Rebates, incentives, Value added taxes/Central Sales Tax/Goods and Services Tax, and amounts collected on behalf of third parties.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

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.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to

statement of profit and loss on a systematic basis as and when export obligation are fulfilled.

(d) Property, Plant and Equipment (PPE)

i. Recognition and measurement

Freehold land is carried at historical cost. All other items of PPE are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of PPE comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in statement of profit and loss.

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Any gain or loss on disposal of an item of PPE is recognised in statement of profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on PPE (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 Equipment where the useful life is considered differently based on an independent technical evaluation as 9 to 30 years.

Leasehold land are amortised over the lease period.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Profit and loss on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

(e) Intangible assets

Intangible assets comprise application software purchased, which are not an integral part of the related hardware, and are amortized on a straight line basis over

a period of 6 years, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific to which it relates.

The Company has elected to continue with the carrying value of all its intangible assets as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

(f) Impairment of non-financial assets

Assets that have a definite useful life are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired.

The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(g) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(h) 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.

(i) Income Tax

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 is recognised for timing differences between the carrying amount of assets and liabilities 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.

(j) 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.

(k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

i. Financial assets

Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

De-recognition

- A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:
- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ii. Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit and

loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in profit and loss when the liabilities are derecognized.

This category generally applies to interest-bearing loans and borrowings.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. For contracts where hedge accounting is not followed, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(I) Employee benefits

i. Short term employee benefits

Short term employee benefits consisting of wages, salaries, social security contributions, ex-gratia and accrued leave, are benefits payable and recognised in 12 months. Short-term employee

benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the year as the related service are rendered by the employee.

ii. Defined contribution plans

Company's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss

The Company's contribution towards provident fund, superannuation fund and employee state insurance scheme for certain eligible employees are considered to be defined contribution plan for which the Company made contribution on monthly basis.

iii. Defined benefit plans

Company's liabilities towards defined benefit plans and other long term benefits viz. gratuity and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of other comprehensive income in the period of occurrence of such gains and losses. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any.

(m) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

(n) Earnings per share (EPS)

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

(o) Key estimates and assumptions

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- Determination of the estimated useful lives of tangible assets and intangible assets and the assessment as to which components of the cost may be capitalized.

Useful lives of tangible assets and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimate, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalised.

- Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- Provisions and contingent liabilities

The Company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

- Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

They regularly review significant unobservable inputs and valuation adjustments. If third party

information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

(p) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs (up to two decimal) as per the requirement of Schedule III, unless otherwise stated.

(q) Standards issued or modified but not yet effective up to the date of issuance of the company's financial statements:

Ind AS 116, Leases:

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognize depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

NOTE NO.2

Property Plant & Equipement as on 31st March 2019

Particulars	GROSS BLOCK (AT COST)				Depreciation (Including Amortisation)			Net Block		(₹ in Lakhs)
	Balance As at 01.04.2018	Additions During the year	Deductions During the year	Balance As at 31.03.2019	Balance As at 01.04.2018	For the Year	Deductions During the year	Total upto 31.03.2018	As At 31.03.2019	
Tangible assets										
(a) Land	37.43	-	-	37.43	-	-	-	-	37.43	37.43
-Free Hold	32.00	-	-	32.00	0.76	0.52	-	1.28	30.72	31.24
-Lease Hold	1903.96	12.88	-	1916.84	164.48	64.00	-	228.48	1688.36	1739.48
(b) Buildings	14503.29	27.70	-	14530.99	972.37	550.91	-	1523.28	13007.71	13530.92
(c) Plant and Equipment	80.63	20.31	-	100.94	25.89	9.41	-	35.30	65.64	54.74
(d) Factory Equipment	29.50	1.09	-	30.59	7.65	3.85	-	11.50	19.09	21.85
(d) Furniture and Fixtures	63.67	-	-	63.67	28.11	6.42	-	34.53	29.14	35.56
(e) Vehicles	10.30	-	-	10.30	7.25	1.59	-	8.84	1.46	3.05
(f) Office Equipment										
(g) Others	59.11	-	-	59.11	20.40	7.44	-	27.84	31.27	38.71
-Electric Installations	6.77	-	-	6.77	2.81	1.35	-	4.16	2.61	3.96
-Air Conditioners	24.29	13.81	-	38.10	13.71	8.67	-	22.38	15.72	10.58
-Computer										
TOTAL TANGIBLE - CURRENT YEAR	16750.95	75.79	-	16826.74	1243.43	654.16	-	1897.59	14929.15	15507.52
CAPITAL WORK IN PROGRESS									301.72	113.40

Particulars	GROSS BLOCK (AT COST)			Depreciation (Including Amortisation)			Net Block		(₹ in Lakhs)	
	Balance As at 01.04.2017	Additions During the year	Deductions During the year	Balance As at 31.03.2018	Balance As at 01.04.2017	For the Year	Deductions During the year	Total upto 31.03.2018		As At 31.03.2018
Tangible assets										
(a) Land	37.43	-	-	37.43	-	-	-	-	37.43	37.43
-Free Hold	32.00	-	-	32.00	0.24	0.52	-	0.76	31.24	31.76
-Lease Hold	1903.96	-	-	1903.96	82.02	82.46	-	164.48	1739.48	1821.94
(b) Buildings	13952.89	550.40	-	14503.29	426.17	546.20	-	972.37	13530.92	13526.72
(c) Plant and Equipment	48.78	31.85	-	80.63	16.09	9.80	-	25.89	54.74	32.69
(d) Factory Equipment	29.27	0.23	-	29.50	3.83	3.82	-	7.65	21.85	25.44
(d) Furniture and Fixtures	70.50	-	6.83	63.67	16.53	13.42	1.84	28.11	35.56	53.97
(e) Vehicles	10.15	0.15	-	10.30	4.90	2.35	-	7.25	3.05	5.25
(f) Office Equipment										
(g) Others	59.11	-	-	59.11	12.05	8.35	-	20.40	38.71	47.06
-Electric Installations	5.14	1.63	-	6.77	1.36	1.45	-	2.81	3.96	3.78
-Air Conditioners	18.69	5.60	-	24.29	6.86	6.85	-	13.71	10.58	11.83
-Computer										
TOTAL TANGIBLE - CURRENT YEAR	16167.92	589.86	6.83	16750.95	570.05	675.22	1.84	1243.43	15507.52	15597.87
CAPITAL WORK IN PROGRESS									113.40	444.37

NOTE NO. 3
Intangible assets As on 31st March 2018

	GROSS BLOCK (AT COST)				Depreciation (Including Amortisation)			Net Block	
	Balance As at 01.04.2018	Additions During the year	Deductions During the year	Balance As at 31.03.2019	Balance As at 01.04.2018	For the Year	Deductions During the year	Total upto 31.03.2019	As At 31.03.2019
(a) Computer software	22.44	8.22	0.00	30.66	14.11	6.73	0.00	20.84	9.82
TOTAL INTANGIBLE - CURRENT YEAR	22.44	8.22	0.00	30.66	14.11	6.73	0.00	20.84	8.33

Intangible assets As on 31st March 2017

	GROSS BLOCK (AT COST)				Depreciation (Including Amortisation)			Net Block	
	Balance As at 01.04.2017	Additions During the year	Deductions During the year	Balance As at 31.03.2018	Balance As at 01.04.2017	For the Year	Deductions During the year	Total upto 31.03.2018	As At 31.03.2017
(a) Computer software	14.02	8.42	0.00	22.44	6.43	7.68	0.00	14.11	7.59
TOTAL INTANGIBLE - CURRENT YEAR	14.02	8.42	0.00	22.44	6.43	7.68	0.00	14.11	7.59

(₹ in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
NOTE NO. 4		
Other financial assets		
(a) Security Deposits	50.93	50.53
(b) Derivative Assets	297.33	41.66
(c) Trade Receivables	-	-
- Trade Receivables Considerd Good -Secured	-	-
- Trade Receivables Considerd Good -Unsecured		
- Trade Receivables which have significant increase in credit risk	40.80	40.80
- Trade Receivables -Credit impaired	-	-
	<u>389.06</u>	<u>132.99</u>
Less:- Provision for Doubtful Debts	<u>(40.80)</u>	<u>(40.80)</u>
	<u>348.26</u>	<u>92.19</u>
NOTE NO. 5		
Income tax assets (Net)		
- Advance Payments of Taxes and Tax deducted at source (Net of Provisions)	89.16	92.57
	<u>89.16</u>	<u>92.57</u>
NOTE NO. 6		
Other non-current assets		
(a) Capital Advances	2.81	2.83
(b) Advance payment to suppliers	-	7.46
	<u>2.81</u>	<u>10.29</u>
NOTE NO. 7		
Inventories		
(At lower of Cost and Net Realisable Value)		
(a) Raw materials	665.53	631.08
(b) Work-in-Progress	90.91	48.71
(c) Finished Goods	915.05	961.94
(d) Stores and Spares	641.98	671.69
(e) Others - Packing Material & Fuel	504.37	268.41
	<u>2,817.84</u>	<u>2,581.83</u>
NOTE NO. 8		
Trade receivables		
- Trade Receivables Considerd Good -Secured	-	-
Trade Receivables Considerd Good -Unsecured	1,573.53	1,631.85
- Trade Receivables which have significant increase in credit risk	-	-
- Trade Receivables -Credit impaired	-	-
	<u>1,573.53</u>	<u>1,631.85</u>
NOTE NO.9		
Cash and cash equivalents		
-Cash on hand	9.27	7.71
-Balances with banks	3.22	1.80
-Fixed Deposit	-	-
	<u>12.49</u>	<u>9.51</u>

(₹ in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
NOTE NO.10		
Other Bank balance		
Fixed Deposit	10.00	10.00
(Held against guarantee)		
	<u>10.00</u>	<u>10.00</u>
NOTE NO.11		
Other financial assets		
- Interest Accrued on others	0.90	0.29
- Loans and advances to employees	14.46	10.90
- Derivative Assets	30.53	14.69
	<u>45.89</u>	<u>25.88</u>
NOTE NO.12		
Other current assets		
- Export Incentive Receivables	34.35	32.94
- Advance payment to suppliers	94.97	240.99
- Excise/Sales Tax/Service Tax/Custom Duty etc. receivables	498.70	639.59
	<u>628.02</u>	<u>913.52</u>
NOTE NO.13		
Equity share capital		
Authorised :		
1,10,00,000 (Previous Year 1,10,00,000) Equity Shares of ₹10 each	<u>1,100.00</u>	<u>1,100.00</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>1,073.98</u>	<u>1,073.98</u>
	<u>1,073.98</u>	<u>1,073.98</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		
AKP EnterprisesLLP	2,666,493	2,666,493
% holding	24.83%	24.83%
RAP Enterprises LLP	2,663,110	2,663,110
% holding	24.80%	24.80%
NOTE NO.14		
Other equity		
a. Capital Reserves		
Opening Balance	5,092.25	5,092.25
Add: Addition during the year	-	-
Closing Balance	<u>5,092.25</u>	<u>5,092.25</u>
b. Retained Earnings		
Opening Balance	(5,268.14)	(1,249.36)
(Loss)/Profit for the year	(4,223.90)	(4,018.78)
(Add) : Income Tax of Earlier year	-	-
	<u>(9,492.04)</u>	<u>(5,268.14)</u>
c. OCI Acturial Gain/Loss		
Opening Balance	(9.47)	(3.77)
Add:OCI during the year	10.00	(5.70)
	<u>0.53</u>	<u>(9.47)</u>
Closing Balance	<u>(4,399.26)</u>	<u>(185.36)</u>

(₹ in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
NOTE NO.15		
Borrowings		
(a) Secured		
Term loans from Bank		
- External Commercial Borrowings	1,188.88	1,463.49
- Working Capital Term Loan	5,599.06	4,429.78
(b) Unsecured		
9% Cumulative redeemable preference shares		
(25,00,000 9% Cumulative redeemable preference shares of ₹ 100/- each)	2,478.06	2,475.43
Distributors/Dealers Deposit	452.48	358.97
	<u>9,718.48</u>	<u>8,727.67</u>
NOTE NO.16		
Other financial liabilities		
- Security Deposits	37.95	30.92
-Dividend accrued but not due	369.86	144.86
-Derivative Liabilities	318.32	149.64
	<u>726.13</u>	<u>325.42</u>
NOTE NO.17		
Deferred tax liabilities (Net)		
Deferred Tax Liability on account of :		
Property, plant and equipment	1,915.67	2,090.15
Mark to market on derivative transaction	1.30	
Deferred Tax Assets on account of :		
Mark to market on derivative transaction	-	29.82
Employee benefits	21.00	25.07
Other items	10.60	12.61
Net Deferred Tax Liability	<u>1,885.37</u>	<u>2,022.65</u>
NOTE NO.18		
Provisions		
-Provision for employee benefits - Leave	9.84	8.95
-Provision for employee benefits - Gratuity	36.95	34.21
	<u>46.79</u>	<u>43.16</u>
NOTE NO.19		
Borrowings		
Secured Loan From Banks		
Loans repayable on demand (Cash Credit)	1,501.14	887.05
Other Loans	646.80	1,498.61
Unsecured		
Loans repayable on demand		
- from Related Party	1,580.00	1,067.93
	<u>3,727.94</u>	<u>3,453.59</u>

(₹ in Lakhs)

	As at 31st March, 2019	As at 31st March, 2018
NOTE NO.20		
Trade payables		
Sundry Creditors (including Acceptances)		
(a) Total outstanding dues of micro enterprises and small enterprises	128.77	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	6,215.29	4,420.94
	<u>6,344.06</u>	<u>4,420.94</u>
# Includes Payables from related parties (Refer Note No. 37)	230.57	2.72
As at 31st March, 2019, the Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:		
a) The principal amount remaining unpaid to any supplier at the end of the year	128.77	-
b) Interest due remaining unpaid to any supplier at the end of the year	3.14	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
NOTE NO.21		
Other financial liabilities		
-Current Maturity of Long Term Debt	1,067.18	691.03
- Interest accrued but not due on borrowings	209.43	52.30
- Interest accrued and due	3.14	-
- Others - Payable towards Capital Goods	14.65	19.93
- Security Deposits	2.31	2.40
-Derivative Liabilities	4.53	3.23
-Other Liabilities	141.43	141.07
	<u>1,442.67</u>	<u>909.96</u>
NOTE NO.22		
Other current liabilities		
- Income received in advance	47.92	28.32
- Statutory dues towards TDS/VAT/GST etc.	40.95	84.06
-Deferred Income (EPCG)	50.36	21.43
	<u>139.23</u>	<u>133.81</u>
NOTE NO.23		
Provisions		
Provision for employee benefits		
-Leave encashment	63.30	71.07
	<u>63.30</u>	<u>71.07</u>

(₹ in Lakhs)

	Current Year	Previous Year
NOTE NO.24		
Revenue from operations		
- Sale of Products	20,975.72	20,786.18
Other Operating Revenue:		
-Export Incentives	370.91	214.71
-Scrap Sales	48.87	69.33
-Others	39.12	34.57
	<u>458.90</u>	<u>318.61</u>
	<u>21,434.62</u>	<u>21,104.79</u>
 Disaggregation of revenue		
Revenue based on Geograpy		
Domestic #	12,947.83	16,193.94
Export	8,486.79	4,910.85
	<u>21,434.62</u>	<u>21,104.79</u>
# (Including export incentives on account of MEIS Licence)		
 Contract Price	22,649.48	22,478.61
Less:		
Sales Returns	4.66	9.71
Incentives	15.17	13.46
Cash discount	150.80	209.61
Others	1,044.23	1,141.04
Total Revenue from operations	<u>21,434.62</u>	<u>21,104.79</u>
The amounts receivable from customers become due after expiry of credit period which on an average is less than 60 days. There is no significant financing component in any transaction with the customers.		
NOTE NO.25		
Other Income		
Interest Income from:		
- Deposits, Customers and Income tax	0.93	26.98
Profit on sale of Current Investments	9.30	19.29
Surrender of keyman insurance policy	-	-
Net Foreign Exchange Gain	-	192.46
Miscellaneous Income	0.50	0.05
	<u>10.73</u>	<u>238.78</u>
NOTE NO.26		
Cost of materials consumed		
- Raw Material Consumed	<u>14,067.09</u>	<u>14,289.88</u>
NOTE NO.27		
Changes in inventories of finished goods and work-in-progress		
Opening Stock :		
Work-in-Progress	48.71	11.31
Finished Goods	961.93	653.25
	<u>1,010.64</u>	<u>664.56</u>
Less : Closing Stock		
Work-in-Progress	90.91	48.71
Finished Goods	915.05	961.93
	<u>1,005.96</u>	<u>1,010.64</u>
Net (Increase)/Decrease in Inventories	<u>4.68</u>	<u>(346.08)</u>

(₹ in Lakhs)

	Current Year	Previous Year
NOTE NO.28		
Excise duty	-	294.28
NOTE NO.29		
Employee benefits expense		
-Salaries and wages	1,227.11	1,099.49
-Contribution to provident and other funds	93.89	90.97
- Staff welfare expenses	27.78	24.26
	<u>1,348.78</u>	<u>1,214.72</u>
NOTE NO.30		
Finance cost		
(a) Interest expenses	1,010.36	742.97
(b) Other borrowing costs	200.09	176.86
(c) Dividend on Redeemable Preference share	225.00	144.86
	<u>1,435.45</u>	<u>1,064.69</u>
NOTE NO.31		
Depreciation and other amortisation expense		
Depreciation and amortisation	<u>660.89</u>	<u>682.90</u>
NOTE NO.32		
Other expenses		
- Consumption of stores and spare parts	769.87	744.22
- Packing expenses	465.85	486.11
- Power and fuel	3,678.40	3,981.60
- Freight and forwarding	817.74	453.65
- Labour/Job Charges	926.00	876.00
- Water charges	17.16	18.61
- Repairs and Maintenance to Buildings	46.58	29.50
- Repairs and Maintenance to Machinery	96.13	149.45
- Repairs and Maintenance to Others	36.27	50.66
- Insurance Charges	20.47	21.20
- Rates and Taxes excluding taxes on income	57.76	59.95
- Rent	104.11	75.27
- Legal and Professional charges	202.02	234.37
- Commission	205.85	176.53
- Travelling Expenses	55.87	51.46
- Directors Meeting Fees	2.70	3.73
- Net Foreign Exchange Loss	88.12	-
- Interest Others	9.65	1.11
- Loss on Sale of Fixed Assets	-	3.91
- Miscellaneous expenses	691.82	515.46
	<u>8292.37</u>	<u>7932.79</u>

NOTE NO.33
i) Tax Reconciliation
(a) The Income tax expense consists of the following:

	(₹ in Lakhs)	
	Current Year	Previous Year
Current income tax	-	-
Deferred tax expense	(140.01)	229.17
Tax expense for the year	(140.01)	229.17

(b) Amounts recognised in other comprehensive income

	(₹ in Lakhs)					
	Year ended 31st March, 2019			Year ended 31st March, 2018		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to profit or loss						
- Remeasurement of post employment benefit obligations	12.73	(2.73)	10.00	(8.25)	2.55	(5.70)
	12.73	(2.73)	10.00	(8.25)	2.55	(5.70)

ii) Deferred Tax Disclosure
(a) Movement in deferred tax balances

	(₹ in Lakhs)			
	Net balance as at 1st April, 2018	Recognised in profit or loss	Recognised in OCI	Net balance as at 31st March, 2019
Deferred tax assets/ (liabilities)				
Property, plant and equipment	(2,090.15)	174.47	-	(1,915.68)
Derivatives	29.82	(31.12)	-	(1.30)
Employee benefits	25.07	(1.34)	(2.73)	21.00
Other items	12.61	(2.00)	-	10.61
Tax assets/ (liabilities)	(2,022.65)	140.01	(2.73)	(1,885.37)

(b) Movement in deferred tax balances

	(₹ in Lakhs)			
	Net balance as at 1st April, 2017	Recognised in profit or loss	Recognised in OCI	Net balance as at 31st March, 2018
Deferred tax assets/ (liabilities)				
Property, plant and equipment	(1,858.47)	(231.67)	-	(2,090.15)
Derivatives	25.38	4.44	-	29.82
Employee benefits	24.46	(1.94)	2.55	25.07
Other items	12.61	-	-	12.61
Tax assets/ (liabilities)	(1,796.02)	(229.17)	2.55	(2,022.65)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

NOTE NO.34
Financial instruments – Fair values and risk management
A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in Lakhs)

Financial assets	As at 31 March 2019							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents (Including other bank balances)			22.49	22.49				-
Trade receivables			1,573.53	1,573.53				-
Other financial assets			15.36	15.36				-
Derivative Assets	327.86			327.86		327.86		327.86
Security deposit			50.93	50.93				-
TOTAL	327.86	-	1,662.31	1,990.17	-	327.86	-	327.86
Financial liabilities								-
Long term borrowings (Including current maturity of Long term borrowings)		-	10,785.66	10,785.66				-
Other financial liabilities			738.51	738.51				-
Derivative Liabilities	322.85			322.85		322.85		322.85
Short term borrowings			3,727.94	3,727.94				-
Trade payables			6,344.06	6,344.06				-
Security deposit			40.26	40.26				-
TOTAL	322.85	-	21,636.43	21,959.28	-	322.85	-	322.85

(₹ in Lakhs)

Financial assets	As at 31 March 2018							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents(Including other bank balances)			19.51	19.51				-
Trade receivables			1,631.85	1,631.85				-
Other financial assets			11.19	11.19				-
Derivative Assets	56.35			56.35		56.35		56.35
Security deposit			50.53	50.53				-
TOTAL	56.35	-	1,713.08	1,769.43	-	56.35	-	56.35

(₹ in Lakhs)

Particulars	As at 31 March 2018							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities								-
Long term borrowings (Including current maturity of Long term borrowings)			9,418.70	9,418.70				-
Other financial liabilities			358.17	358.17				-
Derivative Liabilities	152.87			152.87		152.87		152.87
Short term borrowings			3,453.59	3,453.59				-
Trade payables			4,420.94	4,420.94				-
Security deposit			33.32	33.32				-
TOTAL	152.87	-	17,684.72	17,837.59	-	152.87	-	152.87

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

B. Measurement of fair values

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 Hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Transfers between Levels

There have been no transfers between Levels during the reporting periods

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Level 2:			
Forward contracts	"Market valuation techniques The Company has used mark to market of forward contracts using current forward rates for remaining tenure of the forward contract as provided by respective banks."	Not applicable	Not applicable

There are no transfers between the levels

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors is responsible for developing and monitoring the Company risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, cash and cash equivalents, mutual funds, bonds etc.

The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables

Around 25% of the sales are export sales. For major part of the sales, customer credit risk is managed by requiring domestic and export customers to pay advances before transfer of ownership, therefore substantially eliminating the Company's credit risk in this respect.

Impairment

Management believes that the unimpaired amounts that are past due by more than 6 months are still collectible in full, based on historical payment behaviour.

Provision for doubtful debts movement	(₹ in Lakhs)
Balance as at April 1, 2017	40.80
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2018	40.80
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2019	40.80

Other than trade receivables, the Company has no other financial assets that are past due but not impaired.

Concentration of credit risk

At 31 March 2019, the carrying amount of the Company's most significant customer is INR 1580.39 lakhs (31st March, 2018 : INR 1600.36 lakhs;)

Investment in mutual funds

The investment in mutual funds are entered into with credit worthy fund houses. The credit worthiness of these counter parties are evaluated by the management on an ongoing basis and is considered to be good. The Company does not expect any losses from non-performance by these counter-parties.

Derivatives

The derivatives are entered into with banks with good credit ratings.

Cash and cash equivalents

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the company's policy.

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

As at 31st March, 2019, the Company had working capital of INR (6629.43) lakhs, including cash and cash equivalents of INR 12.49 lakhs. As at 31st March, 2018, the Company had working capital of INR (3816.78) lakhs, including cash and cash equivalents of INR 9.51 lakhs

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- * all non derivative financial liabilities
- * net and gross settled derivative financial instruments for which the contractual maturities are essential for the understanding of the timing of the cash flows.

Contractual cash flows

(₹ in Lakhs)

As at 31st March 2019	Carrying amount	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current					
Secured Long term loans and borrowings	6787.94	-	1916.73	3970.46	900.75
Unsecured Long term loans and borrowings	2930.54	-	-	-	2930.54
Other financial liabilities	407.81	-	-	-	407.81
Current					
Secured Short term loans and borrowings	2147.94	2147.94	-	-	-
Unsecured Short term loans and borrowings	1580.00	1580.00	-	-	-
Trade payables	6344.06	6344.06	-	-	-
Other financial liabilities	1,636.52	1636.52	-	-	-
Interest accrued but not due	209.43	209.43	-	-	-
Derivative financial liabilities					
Non Current					
Foreign currency forward contract	318.32	-	298.57	19.75	-
Current					
Foreign currency forward contract	4.53	4.53	-	-	-

Contractual cash flows					(₹ in Lakhs)
As at 31st March 2018	Carrying amount	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current					
Secured Long term loans and borrowings	5893.27	-	1046.64	3874.82	971.81
Unsecured Long term loans and borrowings	2834.40	-	-	-	2834.40
Other financial liabilities	175.78	-	-	-	175.78
Current					
Secured Short term loans and borrowings	2385.66	2385.66	-	-	-
Unsecured Short term loans and borrowings	1067.93	1067.93	-	-	-
Trade payables	4420.94	4420.94	-	-	-
Other financial liabilities	854.43	854.43	-	-	-
Interest accrued but not due	52.30	52.30	-	-	-
Derivative financial liabilities					
Non Current					
Foreign currency forward contract	149.64	-	45.46	104.18	-
Current					
Foreign currency forward contract	3.23	3.23	-	-	-

iv. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

a) Currency risk

The company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchase, other expenses and borrowings are denominated and the functional currency of the company. The functional currency of the company is Indian Rupees (INR). The currencies in which these transactions are primarily denominated is USD.

The Company generally hedges its estimated foreign currency exposure in respect of its forecast sales over the following 12 months and borrowings (ECB). The Company uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

Further the company hedge its interest rate on External Commercial Borrowings by way of interest rate swap.

The Company, as per its risk management policy, uses foreign currency forward contract primarily to hedge foreign exchange. The Company does not use derivative financial instruments for trading or speculative purposes.

Following is the derivative financial instruments to hedge the foreign exchange rate risk as at 31st March, 2019:

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	USD 1.78 Mio	Sell
Hedges of ECB & FCNR	Forward contract	USD	INR	USD 8.80 Mio	Buy

Following is the derivative financial instruments to hedge the foreign exchange rate risk as at 31st March, 2018

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	USD 1.80 Mio	Sell
Hedges of External Commercial Borrowings	Forward contract	USD	INR	USD 2.47 Mio	Buy

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

(₹ In Lakhs)				
Amounts in INR	As at 31st March 2019		As at 31st March 2018	
	USD	Others	USD	Others
Financial assets (A)				
Trade receivables	931.96	-	1,071.52	-
Cash and cash Equivalents	-	0.15	-	0.22
	931.96	0.15	1071.52	0.22
Financial liabilities(B)				
Secured Loans	1,965.68	-	2,692.71	-
Interest on loans	13.67	-	13.53	-
Trade payables	82.47	-	18.00	-
	2061.82	-	2724.24	-
Net statement of financial position exposure (A-B)	(1129.86)	0.15	(1652.72)	0.22

Sensitivity analysis

The strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in INR

(₹ in lakhs)			
Currency		Profit / (loss)	
	Strengthening / Weakening %	Strengthening	Weakening
As at 31st March, 2019			
USD	3%	(33.90)	33.90
Others	10%	0.02	(0.02)

Effect in INR

(₹ in lakhs)			
Currency		Profit / (loss)	
	Strengthening / Weakening %	Strengthening	Weakening
As at 31st March, 2019			
USD	3%	(49.58)	49.58
Others	10%	0.02	(0.02)

(Note: The impact is indicated on the profit/(loss) before tax basis)

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates.

For details of the Company's short-term and long term loans and borrowings, including interest rate profiles, refer to Note 43 of these financial statements.

(₹ in lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Fixed-rate instruments		
Financial assets	10.00	10.00
Financial liabilities	(6346.22)	(7006.72)
	(6336.22)	(6996.72)
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	(7,100.20)	(5,865.57)
	(7100.20)	(5865.57)

Interest rate sensitivity - fixed rate instruments

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in lakhs)

	Profit / (loss)	
	100 bps increase	100 bps decrease
As at 31/03/2019		
Variable-rate instruments	(71.00)	71.00
sensitivity (net)	(71.00)	71.00
As at 31/03/2018		
Variable-rate instruments	(58.66)	58.66
sensitivity (net)	(58.66)	58.66

(Note: The impact is indicated on the profit/loss before tax basis)

Offsetting financial assets and financial liabilities

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31 March 2019 and 31 March 2018. The column 'net amount' shows the impact on the company's balance sheet if all set-off rights were exercised.

(₹ in lakhs)

	Effects of offsetting on the balance sheet			Related amounts and offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
As at 31 March, 2019						
Financial assets						
Derivative financial instruments	327.86	-	327.86	327.86	-	327.86
Total	327.86	-	327.86	327.86	-	327.86
Financial liabilities						
Derivative financial instruments	322.85	-	322.85	322.85	-	322.85
Total	322.85	-	322.85	322.85	-	322.85
As at 31st March, 2018						
Financial assets						
Derivative financial instruments	56.35	-	56.35	56.35	-	56.35
Total	56.35	-	56.35	56.35	-	56.35
Financial liabilities						
Derivative financial instruments	152.87	-	152.87	152.87	-	152.87
Total	152.87	-	152.87	152.87	-	152.87

NOTE NO. 35
Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total debt, comprising loans and borrowings less cash and cash equivalents and current investments.

The Company's net debt to equity ratio as at 31st March 2019 and 31st March 2018 was as follows.

(₹ in lakhs)

	As at 31st March, 2019	As at 31st March, 2018
Non-Current Borrowings	9,718.48	8,727.67
Current Borrowings	3,727.94	3,453.59
Current maturity of long term debt	1,067.18	691.03
Gross Debt	14,513.60	12,872.29
Less - Cash and Cash Equivalents	12.49	9.51
Less - Current Investments	-	-
Net debt	14,501.11	12,862.78
Total equity	(3,325.28)	888.62
Net debt to Equity ratio	(4.36)	14.47

NOTE NO. 36
Earning Per Share (EPS):

Basic EPS and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

(₹ in lakhs)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit attributable to equity holders (₹ in lakhs)	(4,223.90)	(4,018.78)
Weighted average number of shares outstanding during the year	10739844	10739844
Nominal Value of Equity Shares (in INR)	10	10
Earning Per Share Basic and Diluted (in INR)	(39.33)	(37.42)

NOTE NO.37
Related Party Disclosures *

(Where transactions have taken place)

I Related Party Relationships

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 shareholders) Siyaram Silk Mills Ltd., S P Finance & Trading Ltd., Sanchana Trading & Finance Ltd., SPG Power Ltd., SPG Infrastructure Ltd., Vishal Furnishing Ltd., Wavelink Commercial P Ltd., MMI Foods

II Related Party Transactions *

(₹ in Lakhs)

	Year ended 31st March, 2019	Year ended 31st March, 2018
Transactions	Other related Party	Other related Party
Purchase of Goods/ Materials	317.14	821.11
Rent/Lease Rent Paid	42.79	46.02
Reimbursement of Expenses	9.04	5.35
Sale of Goods/ Materials	-	13.96
Intercompany Loan Received	580.00	450.00
Intercompany Loan Repayment	-	575.00
Interest paid on Intercompany Loan	11.12	170.18
Interest Payables	195.76	67.93
Payables Intercompany Loan	1580.00	1000.00
Allotment Of Preference Shares	-	2500.00
Dividend accrued on Preference Shares (Provision)	369.86	144.86

Transactions with Other Related party	Year ended 31st March, 2019	Year ended 31st March, 2018
1 Purchase of Goods/Materials		
Siyaram Silk Mills Ltd	2.80	8.00
Vishal Furnishing Ltd	314.34	0.00
Wavelink Commercial P Limited	-	813.11
2 Reimbursement of Expenses		
Siyaram Silk Mills Ltd	9.04	3.69
MMI Foods	-	1.66
3 Rent Paid		
Siyaram Silk Mills Ltd	42.79	46.02

(₹ in Lakhs)

Transactions with Other Related party	Year ended 31st March, 2019	Year ended 31st March, 2018
4 Inter Corporate Loan Received		
S. P. Finance & Trading Ltd.	200.00	350.00
Sanchana Trading & Finance Ltd.	25.00	100.00
Vishal Furnishing Ltd	25.00	-
Wavelink Commercial P Ltd	130.00	-
Beetee Textile Industries Ltd	200.00	-
5 Inter Corporate Loan Repayment		
S. P. Finance & Trading Ltd.	-	400.00
Sanchana Trading & Finance Ltd.	-	175.00
6 Interest paid on Loan Received		
S.P. Finance & Trading Ltd.	11.12	154.08
Sanchana Trading & Finance Ltd.	-	16.10
7 Trade Payables		
Siyaram Silk Mills Ltd	4.97	2.44
Vishal Furnishing Ltd	225.60	0.28
8 Payables Incorporate Loan		
S. P. Finance & Trading Ltd.	1200.00	1000.00
Sanchana Trading & Finance Ltd.	25.00	-
Vishal Furnishing Ltd	25.00	-
Wavelink Commercial P Ltd	130.00	-
Beetee Textile Industries Ltd	200.00	-
9 Interest accrued and due on borrowings		
S. P. Finance & Trading Ltd.	181.76	67.93
Sanchana Trading & Finance Ltd.	1.12	-
Vishal Furnishing Ltd	1.12	-
Wavelink Commercial P Ltd	6.13	-
Beetee Textile Industries Ltd	5.63	-
10 Sale of Finished Goods		
Vishal Furnishing Ltd	-	13.96
11 Allotment of Preference Shares		
Siyaram Silk Mills Ltd	-	2500.00
12 Dividend accrued on Preference Shares (Provision)		
Siyaram Silk Mills Ltd	369.86	144.86
Transactions With KMP *		
1 Remuneration		
Mr Anurag Poddar	38.94	39.79
Mr Ankit Poddar	38.94	38.84
Mr Shrutisheel Jhanwar	40.91	42.47
2 Remuneration Payable		
Mr Anurag Poddar	6.00	0.74
Mr Ankit Poddar	6.00	0.74
Mr Shrutisheel Jhanwar	-	0.19
3 Outstanding Personal Guarantee against Working Capital Term Loan		
Mr Anurag P Podar / Mr Ankit P Poddar	7879.50	4115.42

* Excluding provision for Gratuity and Leave Encashment.

(₹ in Lakhs)

Particulars	Other related Party	
	As at 31st March, 2019	As at 1st April, 2018
Outstanding Balances		
Trade Payables	230.57	2.72
9% cumulative redeemable Preference share of ₹ 100 each	2500.00	2500.00
Dividend accrued on above	369.86	144.86

(₹ in Lakhs)

Particulars	Key Management Personnel	
	As at 31st March, 2019	As at 1st April, 2018
Remuneration payable	12.00	1.67
Outstanding Personal Guarantee against Working Capital Term Loan	7879.50	6612.86

III Key management personnel compensation

Key management personnel compensation comprised the following :

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Short term employee benefits	130.80	119.96
Post-employment benefits	1.52	2.32
Other long-term benefits	2.40	(1.17)
Total	134.72	121.11

Terms and conditions of transactions with related parties

* All the related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.

* 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.

NOTE NO.38

(₹ in Lakhs)

Leases - Operating leases as lessee:	Year ended 31st March, 2019	Year ended 31st March, 2018
The company has taken commercial and residential premises under cancellable operating leases:		
The rental expenses recognised in the statement of Profit and Loss for operating leases :		
(a) Minimum Rent	104.11	75.27
(b) Contingent Rent	-	-

Leases - Finance leases as lessee:

The company has entered into long-term leasing arrangements for land with government authorities which are in the nature of finance lease. These arrangements do not involve any material recurring payments, hence other disclosures are not given.

NOTE NO.39

- As at 31st March, 2019, 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.
- 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.40
Employee Benefit obligations
(A) Defined Contribution Plan

The Company has various schemes for long-term benefits such as provident fund and superannuation. In case of funded schemes, the funds are recognised by the Income tax authorities and administered through trustees /appropriate authorities. The Company's defined contribution plans are superannuation and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Company has no further obligation beyond making the contributions. The liability of the Company on the exempt Provident Fund managed by the trustees is restricted to the interest shortfall if any.

(₹ in Lakhs)		
Particulars	As at 31st March, 2019	As at 31st March, 2018
Charge to the Statement of Profit and Loss based on contributions:		
Employees' Provident fund	54.44	50.55

(B) Defined Benefit Plan

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. Trustees administer the contributions made by the Company to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at 31st March, 2019. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in Lakhs)		
Particulars	As at 31st March, 2019	As at 31st March, 2018
	Gratuity (Funded plan)	Gratuity (Funded plan)
(i) Change in Defined Benefit Obligation		
Opening defined benefit obligation	167.81	164.46
Amount recognised in profit and loss :		
Current service cost	12.81	13.03
Interest cost	13.06	11.84
Amount recognised in other comprehensive income		
Actuarial loss / (gain) arising from:		
Demographic assumptions		
Financial assumptions	(0.09)	(5.34)
Experience adjustment	(13.77)	13.28
Other		
Benefits paid	(35.99)	(29.46)
Closing defined benefit obligation	143.83	167.81

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 31st March, 2018
	Gratuity (Funded plan)	Gratuity (Funded plan)
(ii) Change in Fair Value of Assets		
Opening fair value of plan assets	133.60	137.43
Amount recognised in profit and loss		
Interest income	10.39	9.89
Amount recognised in other comprehensive income		
Actuarial gain / (loss)	-	-
Return on Plan Assets, Excluding Interest Income	(1.13)	(0.31)
Other		
Contributions by employer	.	16.06
Benefits paid	(35.99)	(29.46)
Closing fair value of plan assets	<u>106.87</u>	<u>133.60</u>
Actual return on Plan Assets		
(iii) Plan assets comprise the following		
	Unquoted	Unquoted
Insurance fund (100%)	106.87	133.60
(iv) Principal actuarial assumptions used	%	%
Discount rate	7.79	7.78
Rate of employee turnover	2.00	2.00
Future Salary growth rate	4.50	4.50
(v) Amount recognised in the Balance Sheet		
Present value of obligations as at year end	143.83	167.81
Fair value of plan assets as at year end	106.87	133.60
Net (asset) / liability recognised as at year end	<u>36.95</u>	<u>34.21</u>
Recognised under :		
Long term provisions	36.95	34.21
	<u>36.95</u>	<u>34.21</u>

(vi) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in Lakhs)

	As at 31st March, 2019		As at 31st March, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(8.19)	9.53	(8.19)	9.52
Employee turnover (1% movement) - Gratuity	2.78	(3.20)	2.46	(2.82)
Future salary growth (1% movement) - Gratuity	9.13	(8.13)	9.74	(8.50)

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

(vii) Expected future cash flows

(₹ in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
As at 31st March, 2019					
Defined benefit obligations (Gratuity)	44.74	5.55	30.83	206.55	287.67
Total	44.74	5.55	30.83	206.55	287.67
As at 31st March, 2018					
Defined benefit obligations (Gratuity)	60.29	3.54	49.68	198.59	312.10
Total	60.29	3.54	49.68	198.59	312.10

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily basic salary for each day of accumulated leave partially at the year end and partially on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31st March, 2019 based on actuarial valuation using the projected accrued benefit method is INR 9.84 lakhs (31st March 2018 : INR 1.17 lakhs).

NOTE NO.41

Contingent Liabilities and Commitments

(₹ in Lakhs)

Particulars	As at 31st March, 2019	As at 1st April, 2018
(i) Contingent Liabilities		
a) Claims against the Company not acknowledge as debts		
- Disputed claims for excise, sales tax, customs and service tax	264.25	275.00
- other	825.45	807.58
b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	111.17	81.17
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	2.81	2.83

NOTE NO.42

(₹ in Lakhs)

Legal and professional charges includes payment to auditors:	Current Year	Previous Year
Statutory Auditors		
- Audit Fees	5.75	5.50
- For Tax Audit	1.50	1.50
- For Taxation Matters	0.25	0.75
- For Company Law matters	0.69	0.50
- For Other services - Certification, etc.	1.38	1.46
	<u>9.57</u>	<u>9.71</u>
Cost Auditors		
- Audit Fees	0.35	0.35
	<u>0.35</u>	<u>0.35</u>
Total	<u>9.92</u>	<u>10.06</u>

NOTE NO.43

(₹ in Lakhs)

Nature of Security in respect of secured Loan (Long Term/Short Term):		As at 31st March, 2019	As at 1st April, 2018
I Working Capital Loans from Banks Repayable on Demand:	Secured by first pari-passu charge by way of hypothecation of inventory, receivable and movable fixed assets of the Company.	2,147.94	2,385.66
II Term Loan from Banks:			
a) ECB Loan USD 3 million	Exclusive mortgage charge over the immoveable Fixed Assets and hypothecation charge by way of pari-passu over the movable Fixed Assets of the Company. Repayment in 15 Quarterly Equal Installments starting from September, 2013, Rate of Interest LIBOR + 350 bpps)	-	-
b) ECB Loan USD 7 million	Exclusive mortgage charge over the immoveable Fixed Assets and hypothecation charge by way of pari-passu over the movable Fixed Assets of the Company. (Repayment in 15 Quarterly Equal Installments starting from June 2014, Rate of Interest LIBOR + 350 bpps)	-	-
c) ECB Loan USD 2.50 million	Exclusive mortgage charge over the immoveable Fixed Assets and hypothecation charge by way of pari-passu over the movable Fixed Assets of the Company Personal Guarantee given by the Promotor Directors (Repayment in 20 Quarterly Installments starting from January, 2018, Rate of Interest LIBOR + 350 bpps)	1,556.35	1,605.78
d) Working Capital Term Loan 2500 Lakhs	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 Promotor Directors	1,790.42	2,307.08
e) Working Capital Term Loan 4500 Lakhs	Secured by immovable and movable fixed Assets, Repayment in 60 monthly equal installments beginning from Feb 2020, rate of interest 10.60% or such other rate as may be specified by the bank from time to time. Personal Guarantee given by the Promotor Directors	4,532.72	2,700.00

NOTE NO.44

The Company has incurred loss after Tax of ₹4223.90 lakhs during the year ended 31st March, 2019 (31st March, 2018 ₹ 4018.78 lakhs) and other equity as on that date amounting to ₹(-) 4399.26 lakhs during the year ended 31st March, 2019 (31st March, 2018 ₹ (-) 185.36 Lakhs), has eroded the net worth of the company during the current year, due to under utilisation of capacity, slow down in economy and lower net realisation value of Products.

The company expects to generate cash flow from improvements in operations and capacity utilisation, exploring new product mix which give better margin, evaluating the fund raising option available in financial market to bring down the cost of funds and improving the working capital position of the company, which will be sufficient to meet future obligation of the company. Accordingly, these financial statements have been prepared on going concern basis.

NOTE NO.45

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

(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

VIRAL A. MERCHANT

Partner

Membership No. 116279

Place: Mumbai

Dated: 13th May, 2019

ANURAG P. PODDAR
Chairman & Managing Director

SHRUTISHEEL JHANWAR
Whole-time Director & CFO

OMPRAKASH SINGH
Company Secretary



CIN:L21098MH2013PLC244963

Registered Office : A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013.

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 6th Annual General Meeting (AGM) of the Company held on Monday, 9th September, 2019, at 2.30 p.m., at "18.99 Latitude Banquets", 4th Floor, Trade View Building, Gate No.4, Kamala Mills Compound, Lower Parel (West), Mumbai - 400013, Maharashtra.

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 6th AGM. The voting period starts from 9:00 am on Thursday, 5th September, 2019 and ends at 5:00 p.m. on Sunday, 8th September, 2019. The voting portal shall be disabled for voting thereafter.



CIN:L21098MH2013PLC244963

Registered Office : A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013.

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 6th Annual General Meeting of the Company to be held on Monday, 9th September, 2019, at 2.30 p.m., at "18.99 Latitude Banquets", 4th Floor, Trade View Building, Gate No.4, Kamala Mills Compound, Lower Parel (West), Mumbai - 400 013, Maharashtra 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 the Audited Financial Statement of the Company for the financial year ended March 31, 2019, the reports of the Board of Directors and Auditors thereon; and		
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 re-appointment & remuneration payable to Cost Auditors, M/s. K. G. Goyal & Associates, for the F.Y.2019-20.		
5.	Re-appointment of Shri Harish N. Motiwalla (DIN:00029835) as an Independent Non-Executive Director.		
6.	Re-appointment of Shri Rakesh N. Garodia (DIN:00143438) as an Independent Non-Executive Director.		
7.	Re-appointment of Smt. Meghna S. Shah (DIN:07081068) as an Independent Non-Executive Director.		

Signed this Day of.....2019.

Affix
Re. 1.00
Revenue
Stamp

Signature-

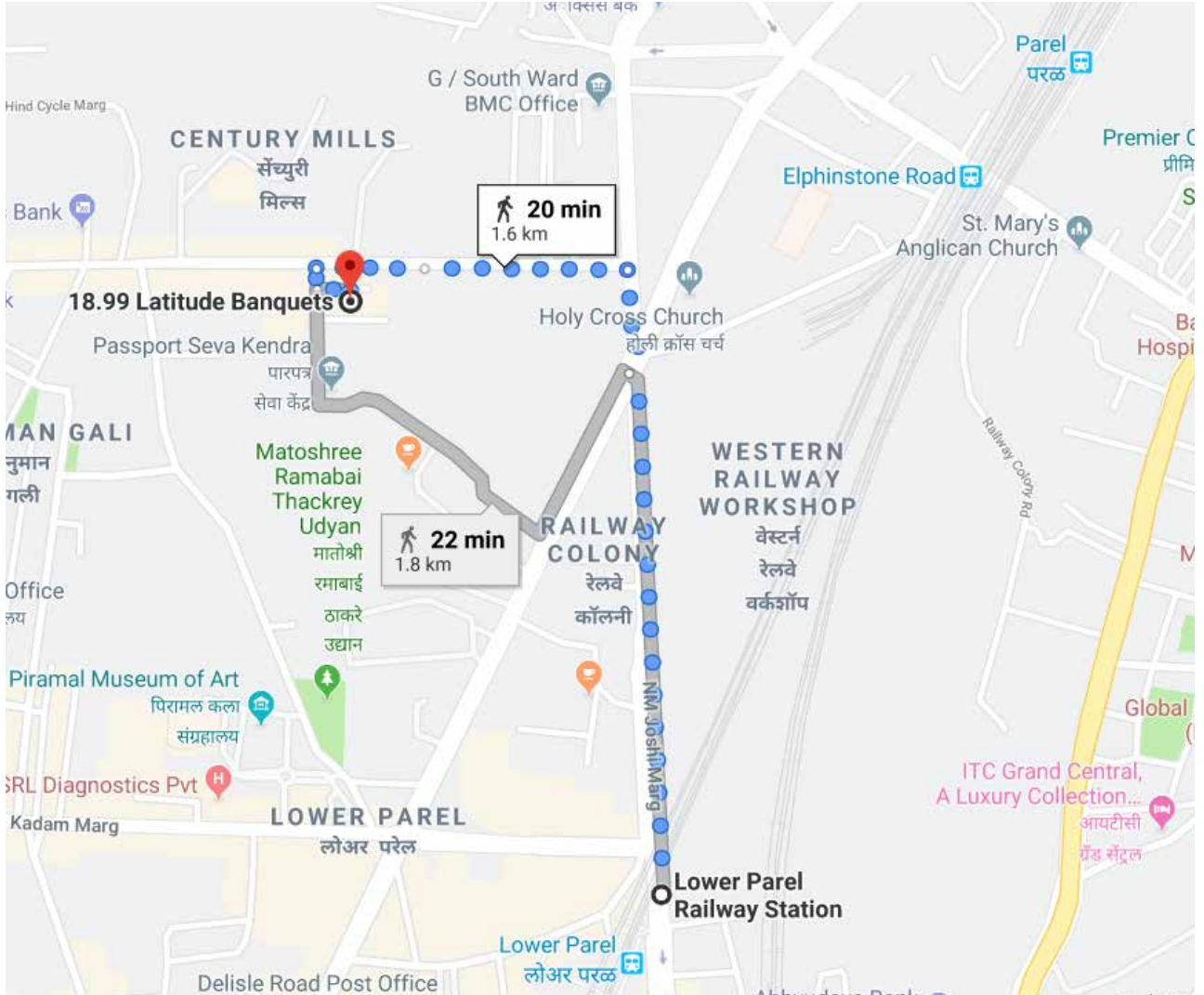
Note.

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 6th 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.

[illegible]

Route Map for AGM Hall

“18.99 Latitude Banquets”, 4th Floor, Trade View Building, Gate No.4, Kamala Mills Compound, Lower Parel (West), Mumbai - 400013, Maharashtra.
Tel.: +91 7506091899



bp Balkrishna
Paper Mills Ltd.

Registered Office : A/7, Trade World, Kamala City, Senapati Bapat Marg,
Lower Parel (W), Mumbai - 400 013.
Tel No. 022-6120 7900. Fax No. 022-6120 7999, www.bpml.in
CIN : L21098MH2013PLC244963