



MALU PAPER

MILLS LTD.

ANNUAL REPORT

FOR THE YEAR

2014-15

Heera Plaza, 4th Floor,
Near Telephone Exchange,
Central Avenue,

Nagpur – 440 008

Phones : 0712-2760308,2778506, 2733100

Fax : 0712- 2760310

Email : info@malupaper.com

CIN No : L15142MH1994PLC076009

MALU PAPER MILLS LIMITED

Founder

Late Shri Bhanwarlal Malu
(1924 - 2007)

Non Executive Chairman

Shri Damodarlal Malu

Managing Director

Shri Punamchand Malu

Joint Managing Director

Shri Banwarilal Malu

Non Executive Directors

Shri Vasudeo Malu

Independent Directors

Shri Chandrakant Thakar
Shri Satyanarayan Rathi

Shri Shyamsunder Sarda
Smt. Shrutika Inani

Bankers

State Bank of India
Axis Bank Ltd
Bank of Baroda
Bank of India
Jammu & Kashmir Bank

Statutory Auditors

M/s. Demble Ramani & Co.

Internal Auditors

M/s. Samria & Co.

CFO & Compliance Officer

Shri Girish Malpani

Registered and Corporate Office

Heera Plaza, 4th Floor, Near Telephone
Exchange, Central Avenue, Nagpur
440008

Plants**Kraft Division**

Village Borujwada, Nagpur Saoner
Road,
Taluka: Saoner, District: Nagpur

Newsprint & Writing Printing**Division**

Village Hetti Surla, Nagpur Bhopal
Road,
Taluka: Saoner, District: Nagpur

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MALU PAPER MILLS LIMITED

Regd. Office: Heera Plaza, 4th floor, Near Telephone Exchange, Nagpur –400008
CIN:L15142MH1994PLC076009

NOTICE

Notice is hereby given to the shareholders of Malu Paper Mills Limited that the 22nd Annual General Meeting of the members will be held on Tuesday, the 22th day of September, 2015 at **the registered office of the Company at 'Heera Plaza, 4th Floor, Near Telephone Exchange Square, Central Avenue, Nagpur** at 11.00 A.M. to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2015 and the Profit and Loss Account for the year ended on that date along with the reports of Director and Auditors thereon.
2. To appoint a Director in place of Shri Damodarlal Malu (DIN: 00301120), who retire by rotation and being eligible, offer himself for re-appointment.
3. To appoint a Director in place of Shri Vasudeo Malu (DIN: 00301313), who retire by rotation and being eligible, offer himself for re-appointment.
4. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

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

5. **“RESOLVED** that pursuant to the provisions of sections 196 and 197 read with the Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and such other approvals, permissions and sanctions, and pursuant to the recommendation of Nomination and Remuneration Committee, and subject to the approval of Members, Shri Punamchand Malu be and is hereby re-appointed as Managing Director of the company for a further period of five (5) years w.e.f 01/04/2015 on a remuneration as decided by Board be accorded by the company.

FURTHER RESOLVED that Board of Directors be and is hereby authorised to vary, alter, increase, enhance, or widen the scope of remuneration and perquisites to the extent specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time.

FURTHER RESOLVED that where in any financial year during tenure of the Managing Director, the company has no profits or its profit are inadequate, the company may pay to the Managing Director, the minimum remuneration as calculated by Schedule V by way of salary subject to receipt of requisite approvals if any.

FURTHER RESOLVED that for the purpose of giving effect to this resolution, any Director of the company be authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

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

6. **RESOLVED** that pursuant to the provisions of sections 196 and 197 read with the Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and such other approvals, permissions and sanctions, and pursuant to the recommendation of Nomination and Remuneration Committee, and subject to the approval of Members, Shri Banwarilal Malu be and is hereby re-appointed as Joint Managing Director of the company for a further period of five (5) years w.e.f 01/04/2015 on a remuneration as decided by Board be accorded by the company.

FURTHER RESOLVED that Board of Directors be and is hereby authorised to vary, alter, increase, enhance, or widen the scope of remuneration and perquisites to the extent specified in Schedule V and other applicable provisions, if any, of the Act as amended from time to time.

FURTHER RESOLVED that where in any financial year during tenure of the Managing Director, the company has no profits or its profit are inadequate, the company may pay to the Managing Director, the minimum remuneration as calculated by Schedule V by way of salary subject to receipt of requisite approvals if any.

FURTHER RESOLVED that for the purpose of giving effect to this resolution, any Director of the company be authorised to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.

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

7. "RESOLVED THAT pursuant to section 188 and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), the consent of the members, be and is hereby accorded to the appointment of Shri Narayan Malu, son of Shri Banwarilal Malu, Joint Managing Director of the Company, to hold and continue to hold an office or place of profit as Vice President (Project) (or any other designation which the Board of Directors of the Company may decide from time to time) on the monthly remuneration of Rs.1,00,000/- per month with effect from 01st October, 2014.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to grant annual increments from time to time upto 20% of the last salary drawn and to promote Mr. Narayan Malu to higher grade as and when required.

RESOLVED FURTHER THAT the Board of Directors of the Company be and they are hereby authorised to take, perform and execute such further steps, acts, deeds and matters, as may be necessary, proper or expedient to give effect to this resolution."

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

8. "RESOLVED THAT pursuant to Section 180 and all other applicable provisions, if any, of the Companies Act, 2013, the consent of the Members be and is hereby accorded to the Board of Directors to borrow such sums of money (including by way of debentures secured or unsecured, loans, bonds or otherwise), at any time or from time to time as may be required for the purpose of the business of the Company in excess of the aggregate of the paid up Share Capital of the Company and its free Reserves i.e. to say, Reserves not set apart for any specific purpose, subject to the condition that such borrowing together with the money which is already borrowed (apart from temporary loans obtained by the Company from its bankers/other entities in the ordinary course of

business) shall not at any time exceed Rs. 500 crores (Rupees Five hundred Crores only).”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/ papers/agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard to borrowing as aforesaid.”

Registered Office:

Heera Plaza, 4th floor,
Central Avenue
Nagpur- 440008
Date: 31st August, 2015

**By order of the Board
For MALU PAPER MILLS LIMITED**

Sd/-

Punamchand Malu
Managing Director
(DIN:00301030)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. **A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.**

PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES, ETC. MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. The Statement pursuant to section 102(1) of the Companies Act, 2013 in respect of the business set out under the notice is annexed hereto.
3. The Register of Members and share transfer books of the Company will remain closed from 14th September 2015 to 22nd September 2015 both days inclusive.
4. Documents referred to the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of Annual General Meeting and will also be available for inspection at the meeting.
5. Members/Proxies should bring attendance slips duly signed for attending the meeting.

6. Members holding shares in dematerialised form are requested to notify all the changes with respect of their address, e-mail id, ECS mandate and bank details to their depository participant.

Members (those holding shares in the physical form only) are requested to notify / send the following to the Registrar/ Transfer Agent,

- a. Particulars of their bank account and e-mail id, in case the same have not been sent earlier;
 - b. Any changes in their address/e-mail id/ECS mandate/ bank details;
 - c. Share certificate(s) held in multiple accounts in identical name or joint names in the same order of names, for consolidation of such shareholding in one account.
7. For the convenience of the members, an attendance slip is annexed with the proxy form. Photocopies of the slip will not be entertained for issuing gate pass for attending annual general meeting. However in case of non- receipt of notice of annual general meeting, members are requested to write to the company at its head office for issuing duplicate of the same. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the meeting.
 8. Members/Proxy holders are requested to bring their copies of the annual report with them to the annual general meeting, as extra copies will not be provided.
 9. Any member desirous of getting any information on accounts or operations of the company is required to forward his/her queries to the company at least ten days prior to the meeting so that the required information can be made available at the meeting.
 10. The copy of notice shall also be made available at our official website www.malupaper.com. In case any shareholder could not receive the same, he can download it or go through our website.
 11. For any communication, the shareholders may also send requests to the Company's investor email id info@malupaper.com
 12. Pursuant to the provision of section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014 as amended and clause 35B of the Listing Agreement, the company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
 13. The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
 14. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
 15. The instructions for shareholders voting electronically are as under:
 - 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 Clause 35B of the Listing Agreement, the Company is

pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (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 19th September , 2015 (9:00 am) and ends on 21st September, 2015 (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 15th September, 2015, 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. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)] :
 - (i) Open email and open PDF file viz; “MPML remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL :
<https://www.evoting.nsd.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select “EVEN” of “Malu Paper Mills Ltd”.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to

vote, to the Scrutinizer through e-mail to cs.yoga@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

<u>EVEN (Remote e-voting Event Number)</u>	<u>USER ID</u>
<u>PASSWORD/PIN</u>	

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- VI. 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 downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. 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).
- IX. 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 15th September, 2015.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 15th September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or santosh.jaiswal@linkintime.co.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" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM).
- XII. 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.
- XIII. Ms. Yuga Kothalkar Company Secretary (Membership No. 028673) has been appointed for as the 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.

- XIV. 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 "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, 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.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.malupaperc.om 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, Mumbai.
16. The Voting rights of members shall be in proportion to the paid up value of their shares in the equity capital of the company as on cut off date being 15th September 2015.

EXPLANATORY STATEMENT

ITEM NO.5

Shri Punamchand Malu, Managing Director had also voluntary decided not to withdraw his salary taking into consideration the economic recession faced by the company effective from October 2009.

The term of appointment of Shri Punamchand Malu expired in 31/03/2015. He was re appointment by the Board of Directors for 5 years w.e.f. 01/04/2015 subject to approval of the members of the Company at the ensuing Annual General Meeting on the terms and conditions as approved by the Board.

The re-appointment of Shri Punamchand Malu will be in accordance with sections 196, 197 and other applicable provisions, if any, read with provisions of Schedule V of the Companies Act, 2013 without requiring the approval of Central Government.

The Directors recommend the Special Resolutions for your approval

Except for Shri Punamchand Malu and Shri Damodarlal Malu, no Director of the Company is concerned or interested in the said resolution.

ITEM NO.6

Shri Banwarilal Malu, Joint Managing Director had also voluntary decided not to withdraw his salary taking into consideration the economic recession faced by the company effective from October 2009.

The term of appointment of Shri Banwarilal Malu also expired in 31/03/2015. He was re appointment by the Board of Directors for 5 years w.e.f. 01/04/2015 subject to approval of the members of the Company at the ensuing Annual General Meeting on the terms and conditions as approved by the Board.

The re-appointment of Shri Banwarilal Malu will be in accordance with sections 196, 197 and other applicable provisions, if any, read with provisions of Schedule V of the Companies Act, 2013 without requiring the approval of Central Government.

The Directors commend the Resolution for the approval of the members.

Except for Shri Banwarilal Malu and Shri Vasudeo Malu, no Director of the Company is concerned or interested in the said resolution.

ITEM NO.7

Shri Narayan Malu, Vice President (Purchase) was appointed at the Thirteenth Annual general meeting held on 28-08-2006 looking after existing operation of the company. But considering the economic recession faced by the company, he voluntary decided not to withdraw his salary w.e.f 01.09.2009.

In order to recognize his services and to retain him for the company's interest the Board decided to give monthly remuneration from Rs.1,00,000/- w.e.f 01st October, 2014.

Your Directors recommend this Special resolution for your approval.

No Director, except Shri Banwarilal Malu is in any way concerned or interested in the resolution.

ITEM NO.8

The Company has already obtained the approval of shareholders for under Section 293 (1) (d) of the Companies Act, 1956. However According to the provision of Section 180 of the Companies Act, your Directors again propose the said resolution for your approval allowing the Board to borrow financial facility up to the maximum of Rs.500 Crores (Rupees five hundred Crores).

No Director of the Company is in any way concerned or interested in the proposed resolution.

Registered Office:

Heera Plaza, 4th floor,
Central Avenue
Nagpur- 440008
Date: 31st August, 2015

**By order of the Board
For MALU PAPER MILLS LIMITED**

Sd/-

Punamchand Malu
Managing Director
(DIN:00301030)

MALU PAPER MILLS LIMITED

REPORT OF BOARD OF DIRECTORS.

The Directors have pleasure in presenting the 22ND Annual Report for the year ended 31st March 2015 along with the Audited Statement of Accounts with the Report of the Auditors thereon:

FINANCIAL RESULTS:

	2014-2015	(Rs. In Lacs) 2013-2014
Sales & Other Incomes	23109.22	21961.48
Profit Before Interest & Depreciation	2292.23	2369.75
Less: Financial Charges	1557.52	1542.50
Profit Before Depreciation	734.71	827.25
Less: Depreciation	461.40	625.80
Less: Provisional For Tax	86.03	61.61
Profit/(Loss) After Tax	187.28	139.84

REVIEW OF OPERATIONS

Your company has improved upon the performance. For the year under review the Company recorded total income of Rs.23109.22 Lacs while the profit before taxes was Rs.273.30 Lacs.

MANAGEMENT REVIEW: 2015-16

INDIAN PAPER INDUSTRY SCENARIO

The paper industry's market size (including newsprint) was around Rs 538 billion in 2012-13, having grown at nearly 12 per cent CAGR over the last 5 years. Paperboard accounted for around 49 per cent of the market size, followed by Writing & Printing paper which accounted for almost 31 per cent. Newsprint accounted for 16 percent and speciality paper accounted for 3 per cent.

Demand for writing and printing paper and paperboard is expected to improve over the next 5 years, boosted by the government's thrust on education, rise in organised retail, urbanisation and growth in the economy. Newsprint demand is expected to grow at a healthy pace over the next 5 years, driven by demand for vernacular newspapers and a rise in the number of pages per newspaper. Therefore, with the expected increase in literacy rate and growth of the economy the per capita consumption of paper is expected to increase going forward.

FUTURE OUTLOOK

The Indian paper industry is moving up with strong demand and is expected to follow the GDP growth rate.

The company is focused on the long term and it continues its drive for sustainable growth. We are adopting to successfully compete in emerging market conditions. The company is gradually increasing share of packaging paper in its product portfolio. The packaging paper is likely to witness higher growth due to focus of the government on "Make in India", growth of organized retail and E-commerce. With these factors, your company is anticipating strong revenue growth in the current financial year, which is backed by improving margins. The increased focus on education by the government, an increase in the general level of literacy and continued demand from user industries will further add to the growth prospects of the Company.

The global demand for paper is expected to grow at a steady pace over the next 4 -5 years. The pace of decline of demand for W&P paper and newsprint in US and Europe will decrease. In the international market, Paper board demand will slow down slightly in the next couple of years due to sluggish demand and slowdown in China. In 2015-16, the domestic demand growth is expected to improve on account of economic recovery. Sharp fall in global waste paper prices will put pressure on domestic waste paper prices in 2015-16. Therefore, margin of W&P and paper board players are expect to expand.

INTERNAL CONTROL SYSTEM:

Your Company has adequate internal control procedures commensurate with the size and nature of business. There is a periodical review mechanism for ensuring the sustenance and upgradation of these systems.

THREATS, RISKS AND CONCERNS:

- Increasing cost of raw materials.
- Paper Industry being an asset heavy industry, asset turnover ratio is low.
- The forex movements have an impact on the Newsprint industry.
- The Industry will be impacted by any economic downturn.

OPPORTUNITIES & STRENGTHS:

- Increasing trend in packaging of all type goods in corrugated boxes to lead to higher demand of packaging paper.
- Increasing e-commerce purchase will have positive impact on the packaging industry, as the goods are repacked to deliver to the customers.
- Higher literacy at rural level will lead to higher demand of circulation / readership of newspapers and increasing higher prevalence of using packed products.
- The environment is becoming a key focus area in business today and accordingly the packaging is also changing to recyclable paper, provide an opportunity to paper manufacturers.
- A stable and decisive Central Government has started huge government spending in infrastructure and focused on Make in India campaign. The growing Indian economy will create more demand for paper.
- Self reliance for its power requirements and lower costs of the fuel.

CORPORATE SOCIAL RESPONSIBILITY:

The Company is not required to constitute CSR Committee as per the provisions of Section 135 (1) of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. However, Your company has always discharged its social responsibility as a part of its corporate governance philosophy. The company has lend helping hand by taking up health check up camps, drinking water supply, tree plantations in the factory premises and in the vicinity of factory.

LISTING OF SHARES

Equity Shares of Company are listed on The Stock Exchange, Mumbai (BSE) and The National Stock Exchange (NSE). The Company has duly paid listing fees to stock exchanges.

PUBLIC DEPOSITS

The Company has not accepted any deposits from public during the year under review.

DETAILS OF DIRECTOR / KEY MANAGERIAL PERSONNEL APPOINTED/ RETIRED DURING THE YEAR

Shri Chandrakant Thakkar (DIN 00784189); Shri Satyanarayan Rathi(DIN 01797378); Shri Shyam sunder Sarda (DIN 02399265) and Smt. Shrutika Inani (DIN 06937649) have been appointed as Independent Directors of the Company for a period of five years commencing from date of last AGM i.e. 25/09/2014 upto 25/09/2019.

Shri Damodarlal Malu (DIN 00301120) and Shri Vasideo Malu (DIN 00301313), Directors retire by rotation at the ensuing annual general meeting and being eligible offers themselves for re-appointment.

The Board on recommendation of Nomination and Remuneration Committee re-appointed Shri Punamchand Malu (DIN 00301030), as Managing Director and Shri Banwarilal Malu (DIN 00301297) as Joint Managing Director of the Company, subject to approval of share holders at the ensuing annual general meeting.

INDEPENDENT DIRECTORS

The Independent directors have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement.

TRAINING OF INDEPENDENT DIRECTORS

Whenever new non-executive and Independent Directors are inducted in the Board, they are introduced to Company culture through appropriate orientation. They are also provided with Company brochures, annual reports etc.

DIRECTORS RESPONSIBILITY STATEMENT FORMING PART OF DIRECTORS REPORT:

As required under Section 134(5) of the Companies Act, 2013, the Director's confirm that:

- 1 In the preparation of the annual accounts, the applicable accounting standards have been followed.
- 2 The Directors had selected such accounting policies and applied them consistently and made judgments and estimate that are reasonable and prudent so as to give a true and fair view of the state of affairs of Company as on 31st March 2015 and of the profit of the company for that period.
- 3 The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- 4 The annual accounts have been prepared on a going concern basis.
- 5 The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- 6 The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and these were adequate and operating effectively.

**Directors' Remuneration
Remuneration Policy**

1. Remuneration to Managing/Whole- time / Executive /Managing Director, KMP and senior Management Personnel:

- a. The Remuneration / Commission etc. to be Paid to Managing Director/ Joint Managing Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director.

2. Remuneration to Non- Executive / Independent Director:

- a. The Non- Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under section 197(5) of the companies Act, 2013 shall be subject to ceiling / limits as proved under Companies Act, 2013 and rules Made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or Shareholders, as the case may be.
- c. An Independent Director shall not eligible to get stock options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purpose of clause (b) above if the following conditions are satisfied:
 - i. The Services are rendered by such Director in his capacity as the professional; and
 - ii. In the opinion of the committee, the director possesses the requisite qualification for the practice of that profession.

3. Remuneration to Key Managerial Personnel and Senior Management :

- a. The remuneration to Key Managerial Personnel and senior Management shall consist of fixed pay and may include incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with Company's policy.
- b. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution too pension fund, pension schemes, etc. as decided from to time.
- c. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

PARTICULARS OF EMPLOYEES

None of the employee, including Key Managerial Personnel, was drawing in excess of the limits prescribed by Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees Rules, 1975, which needs to be disclosed in the directors report.

NUMBER OF BOARD MEETINGS HELD:

The Board of Directors duly met 4 times during the financial year from 1st April, 2014 to 31st March, 2015. The dates on which the meetings were held are 28/05/2014; 09/08/2014; 14/11/2014 and 14/02/2015.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN OR SERUCIRTY PROVIDED

The loans given, investments made or guarantee given or security provided by the Company are same as mentioned in notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the company during the financial year with related parties were in the ordinary course of business and on arm's length basis. The details are at Annexure A

There were no material transactions with the related parties during the year. Your Directors draw attention of members to Note 25 to the financial statement which sets out related party disclosures.

AUDIT COMMITTEE

As per the provisions of the Listing Agreement and pursuant to Section 177 of the Companies Act, 2013, the Audit committee constituted to review compliances with internal control systems and other various functions of the Company. Smt. CA Shrutika Inani, Independent Director was the Chairman of the Audit Committee.

AUDITORS REPORT

The notes to the accounts to the comments made by the Auditors in their Report are self - explanatory. The Auditors' report does not contain any qualification, reservation or adverse remark.

The Auditors of the Company have not reported any fraud as specified under the section 143(12) of the Companies Act, 2013.

AUDITORS

M/S Demble Ramani & Co., Chartered Accountants, the Auditors of the company, will retire at ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. They have given information to the effect that their appointment, if made, will be within the limits prescribed under section 141 (3)(g) of the Companies Act, 2013 and they are not disqualified for re-appointment.

CORPORATE GOVERNANCE

A report on Corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges forms part of the Annual Report.

COST AUDITOR'S

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors had appointed M/s. Khanuja Patra & Associates, Cost Accountants, as Cost Auditors of the

Company for conducting the audit of Cost records for the financial year ended on 31st March 2015. The audit is in process and report will be filed within prescribed period.

VIGIL MECHANISM

As per the provisions of Section 177(9) of the Companies Act 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established. The same has been uploaded on company's website at www.malupaper.com .

SECRETARIAL AUDIT

The Secretarial Auditors issued by Practicing Company Secretary is being attached with the Directors report as Annexure B which is self explanatory.

ABSTRACT OF THE ANNUAL RETURN

The Abstract of the Annual Return for the year 31st March 2015 being attached with the Directors Report as Annexure C.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules 2014 is given as per 'Annexure D' and forms part of the Directors' Report.

As regards disclosure of particulars relating to conservation of energy, great emphasis has been given for reduction of energy consumption to reduce cost per unit of goods. Details are attached herewith as per Annexure D.

The Company imports some portion of its raw material requirement. The foreign exchange earnings and outgo are as mentioned in the reports of the auditor of the Company.

ACKNOWLEDGEMENTS:

Your Directors wish to place on record their gratitude to Bankers, Customers, Business Associates for the co-operation and support and to the Shareholders, dealers and suppliers, staff and workers for their contribution to the company's growth.

Place: Nagpur
Date: 31/08/2015

By Order Of Board Of Directors

**Sd/
Punamchand Malu
Managing Director
(DIN:00301030)**

**Sd/
Banwarilal Malu
Jt. Managing Director
(DIN:00301297)**

Annexure A to Directors Report

Form No. AOC-2

(pursuant to clause (h) of sub- section (3) of section 134 of the Act and rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/ arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of Contract or arrangements or transactions not at Arm's Length basis

There were no contracts or arrangements or transactions entered into during the year ended on 31st March, 2015 which were not at arm's length basis.

2. Details of Material contracts or arrangements or transactions at Arm's Length basis

Sl. No	Particulars	Details
(a)	Name of the related party and nature of relationship	Malu Electrodes Private Limited
(b)	Nature of Contracts/ arrangements/ transactions	Purchase of Electrodes
(c)	Duration of the contracts/ arrangements/ transactions	NA
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of Electrodes whenever required
(e)	Date of approval by the Board	11-11-2013
(f)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Not Applicable as the transactions were at arm' length.

Annexure B to Directors Report

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31/03/2015

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

To,
The Members,
Malu Paper Mills Limited
Nagpur

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Malu Paper Mills Ltd. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on 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 authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31/03/2015 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31/03/2015 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- **Not applicable during the period under review;**
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- **Not applicable as the Company has not issued further capital during the financial year;**

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not applicable as the Company has not issued ESOP during the financial year;**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not applicable during the period under review;**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not applicable as the Company has not issued ESOP during the financial year;** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not applicable as the Company has not bought back any shares during the financial year;**

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with National Stock Exchange and Bombay Stock Exchange.

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

- a) The Company has maintained all the statutory registers and documents and has made all the necessary entries therein.
- b) The provision with regard to closure of the register of members has been duly complied with.
- c) The forms, returns, documents and resolutions required to be filed with the registrar of Companies and the Central Government have been duly filed. However there has been a delay in filling certain forms related to Annual returns, charge and resolutions.
- d) The provision with regard to service of documents by the company on its member, Auditors and the Registrar of Companies has been duly complied with.
- e) The notices of Board Meetings and Committee meetings of Director have been served appropriately.
- f) The Company has complied with the provision related to the Board of Directors Meeting during the year. The Audit Committee Meetings and Nomination and Remuneration committee meetings have been duly held.
- g) The 21st Annual General Meeting of the Company was duly held on 25th September, 2014 for the financial year ended on 31/03/2014.

- h) The approvals of the members, the Board of Directors, the committee of Directors and the government authorities, have been taken, wherever required.
- i) 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.
- j) The Company has complied with the provisions with regard to payment of remuneration to Directors including the Managing Director and Joint Managing Directors.
- k) The Company has complied with the provision with regard to appointment and remuneration of Statutory Auditors.
- l) The Company has established a vigil mechanism and provides to complaints, if any, unhindered access to the Chairman of the Audit Committee.
- m) The Company has complied with the provision with regard to borrowings and registration, modification and satisfaction of charges wherever applicable.
- n) The Company has complied with the provision with regard to investment of the Company's fund including investments and loans to others.
- o) The Company has complied with the provision with regard to investment of the Company's fund including investments and loans to others.
- p) The Company has complied with provisions of the Act with regard to form of Balance Sheet as prescribed under part I, form of statement of profit and loss as prescribed under part II and general instructions for preparation of the same as prescribed in schedule VI to the act.
- q) The Company has complied with the provision with regard to report of the Board of Directors for the financial year ended 31/03/2015.
- r) The Company has complied with the provision with regard to contracts, common seal, registered office and publication of name of the Company; and
- s) Generally, the Company has complied with the provisions with regard to all other applicable provisions of the Act and the rules made under the Act.

4. I further report that :

- a) 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.
- b) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- c) The Company has obtained all necessary approvals under the various provisions of the Act.

- d) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and officers.
 - e) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, they being independent and compliance with the code of Business conduct & ethics for Directors and management personnel.
5. I further report that the company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
 6. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the bye laws framed there under by the Depositories with regard to dematerialization / re- materialization of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
 7. I further report that:
 - a) The Company has complied with the provisions of Income Tax Act, 1961 Wealth Tax Act and professional Tax. However, the returns of Tax Deducted at source and tax collected at source or the last quarter are not yet filed by the company and the company is in process of filing the same.
 - b) The Company has complied with the provisions of the Service Tax and paid the statutory dues related to service tax.
 - c) The Company has complied with the provisions of central Sales Tax Laws and Value Added Tax laws.
 8. The Company has Complied with all the provisions of the payment of wages Act, 1936, The Minimum Wages Act, 1948, The Employees' state Insurance Act, 1948, The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation and Abolition) Act, 1970 The Employees' Compensation Act, 1923 and The Bombay Shops and Establishment Act, 1948.
 9. I further report that:
 - a) Based on the information received and records maintained 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; and
 - b)
 - c) The Company has complied with all the other laws specifically applicable to the Company.

Place : Nagpur

Signature:

Date: 31/08/2015

Cs Yugandhara Kothalkar
ACS No. 28673
C P No.: 10337

This report is to be read with letter of even date which is annexed as 'ANNEXURE I' and forms an integral part of this report.

ANNEXURE- I

**To,
The Members,
Malu Paper Mills Ltd,
CIN: L15142MH1994PLC076009
Heera Plaza, 4th Floor,
Near Telephone Exchange,
Central Avenue,
Nagpur- 44008**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management representation about the compliances of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place : Nagpur
Date: 31/08/2015

Cs Yugandhara Kothalkar
ACS No. 28673
CP No.:10337

Annexure C to Directors Report
FORM NO. MGT 9

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2015

I REGISTRATION & OTHER DETAILS:

i	CIN	L15142MH1994PLC076009
ii	Registration Date	11-01-1994
iii	Name of the Company	Malu Paper Mills Limited
iv	Category of the Company	Public Company
v	Address of the Registered office details Telephone (with STD Code) : Fax Number : Email Address : Website, if any:	Heera Plaza, 4th Floor, Near Telephone Exchange, Central Avenue, Nagpur 440008 (MS) 0712-2760308 0712-2760310 info@malupaper.com www.malupaper.com
vi	Whether listed company	YES
vii	Name and Address of Registrar &	Link Intime India Private Limited
	Transfer Agents (RTA):- Telephone (with STD Code) : Fax Number :	C/13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (w), Mumbai 400 078 (MS) 022-25963838 022-25946969

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

	Name & Description of main products	NIC Code of the products	% to the total turnover
i	Kraft Paper	2800	4 6
ii	Newsprint Writing Printing	2802; 2803	5 4

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Name of the Company	CIN/ GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
NOT APPLICABLE				

III. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS A PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share holding

	Category of Shareholders	No. of Shares at the beginning of the year				No. of Shares at the end of the year				% Change during the year
		Demant Form	Physical	Total	% of total Shares	Demant Form	Physical	Total	% of total Shares	
(A)	PROMOTER & PROMOTER GROUP									
	1 INDIAN									
(a)	INDIVIDUAL / HUF	8,208,220	125	8,208,345	48.12	8211192	125	8211317	48.13	0.02
(b)	CENTRAL / STATE GOVERNMENT(S)	-	-	-	-	-	-	-	-	-
(c)	BODIES CORPORATE	3,096,270	-	3,096,270	18.15	3,361,758	-	3,361,758	19.71	1.56
(d)	FINANCIAL INSTITUTIONS / BANKS	-	-	-	-	-	-	-	-	-
(e)	ANY OTHER (SPECIFY)	-	-	-	-	-	-	-	-	-
	SUB TOTAL (A)(1) :	11,304,490	125	11,304,615	66.27	11,572,950	125	11,573,075	67.84	1.57
	2 FOREIGN	-	-	-	-	-	-	-	-	-
(a)	INDIVIDUAL	-	-	-	-	-	-	-	-	-
(b)	BODIES CORPORATE	-	-	-	-	-	-	-	-	-
(c)	INSTITUTIONS	-	-	-	-	-	-	-	-	-
(d)	ANY OTHER	-	-	-	-	-	-	-	-	-
	SUB TOTAL (A)(2) :	-	-	-	-	-	-	-	-	-
	TOTAL HOLDING FOR PROMOTERS									
	(A)=(A)(1)+(A)(2):	11,304,490	125	11,304,615	66.27	11,572,950	125	11,573,075	67.84	1.57
(B)	PUBLIC SHAREHOLDING									
	1 INSTITUTIONS	-	-	-	-	-	-	-	-	-
(a)	MUTUAL FUNDS / UTI	-	-	-	-	-	-	-	-	-
(b)	FINANCIAL INSTITUTIONS / BANKS	-	-	-	-	-	-	-	-	-
(c)	CENTRAL / STATE GOVERNMENT(S)	-	-	-	-	-	-	-	-	-
(d)	VENTURE CAPITAL FUNDS	-	-	-	-	-	-	-	-	-
(e)	INSURANCE COMPANIES	-	-	-	-	-	-	-	-	-
(f)	FII's	-	-	-	-	-	-	-	-	-
(g)	FOREIGN VENTURE CAPITAL	-	-	-	-	-	-	-	-	-
(h)	ANY OTHER	-	-	-	-	-	-	-	-	-
(i)	TRUSTS	-	-	-	-	-	-	-	-	-
	SUB TOTAL (B)(1) :	-	-	-	-	-	-	-	-	-
	2 NON-INSTITUTIONS									
(a)	BODIES CORPORATE	723,820	-	723,820	4.24	792,730	-	792,730	4.65	0.40
(b)i	INDIVIDUAL (CAPITAL <= Rs. 1 LAKH)	2,497,548	287	2,497,835	14.64	2,349,240	3,437	2,352,677	13.79	(0.85)
ii	INDIVIDUAL (CAPITAL > Rs. 1 LAKH)	2,470,923	-	2,470,923	14.48	2,285,872	-	2,285,872	13.40	(1.08)
(c)	ANY OTHERS	-	-	-	-	-	-	-	-	-
i	CLEARING MEMBER	33,483	-	33,483	0.20	27,448	-	27,448	0.16	(0.04)
ii	NRIs (REPAT)	23,496	-	23,496	0.14	23,319	-	23,319	0.14	(0.00)
iii	NRIs (NON REPAT)	5,078	-	5,078	0.03	4,129	-	4,129	0.02	(0.01)
	SUB TOTAL (B)(2) :	5,754,348	287	5,754,635	33.73	5,482,738	3,437	5,486,175	32.16	(1.57)
	TOTAL HOLDING FOR PUBLIC									
	(B)=(B)(1)+(B)(2):	5,754,348	287	5,754,635	33.73	5,482,738	3,437	5,486,175	32.16	(1.57)
(C)	SHARES HELD BY CUSTODIANS									
	SUB TOTAL (C) :	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C) :	17,058,838	412	17,059,250	100.00	17,055,688	3,562	17,059,250	100.00	-

ii) **Change in promoter's Shareholding (Please Speift, if ther is no change)**

Sr. No.	Category of shareholder	Shareholding at the beginning of			Shareholding at the End of the			% change in Share holding during the year
		Number of shares held	% of the total Shares of the Company	% of Shares Pledged/ encumbered to the total shares	Number of shares held	% of the total Shares of the Company	% of Shares Pledged / encumbered to the total shares	
1	BHANWARLAL MALU	125	0.00	0.00	125	0.00	-	-
2	PUNAMCHAND MALU	402,208	2.36	2.36	402,208	2.36	2.36	-
3	BANWARILAL MALU	372,912	2.19	2.19	372,912	2.19	2.19	-
4	DAMODARLAL MALU	345,833	2.03	2.03	345,833	2.03	2.03	-
5	PURUSHOTTAM MALU	302,083	1.77	1.77	302,083	1.77	1.77	-
6	VASUDEO MALU	726,424	4.26	4.26	726,424	4.26	4.26	-
7	GHASIRAM MALU	50,000	0.29	0.29	50,000	0.29	0.29	-
8	FRONTLINE COMMERCIAL	1,026,348	6.02	5.64	1,291,836	7.57	5.64	1.56
9	MARIGOLD FARMS P.LTD.	412,500	2.42	2.42	412,500	2.42	2.42	-
10	WISTARIA FARMS P. LTD	1,033,500	6.06	6.06	1,033,500	6.06	6.06	-
11	SHRAWANKUMAR MALU	286,501	1.68	1.66	288,472	1.69	1.66	0.01
12	RADHESHYMA MALU	217,708	1.28	1.28	217,708	1.28	1.28	-
13	VENUGOPAL MALU	217,708	1.28	1.28	217,708	1.28	1.28	-
14	GANPATI MALU	181,250	1.06	0.00	181,250	1.06	-	-
15	DAMODARLAL MALU (HUF)	158,333	0.93	0.93	158,333	0.93	0.93	-
16	PUNAMCHAND MALU (HUF)	158,333	0.93	0.93	158,333	0.93	0.93	-
17	PURUSHOTTAM MALU (HUF)	158,333	0.93	0.93	158,333	0.93	0.93	-
18	SHRAWANKUMAR MALU (H)	158,333	0.93	0.93	158,333	0.93	0.93	-
19	KAVERI MALU	1,052,487	6.17	0.00	1,052,487	6.17	-	-
20	SUMAN MALU	403,750	2.37	2.37	403,750	2.37	2.37	-
21	KAUSHALYA MALU	170,833	1.00	0.00	170,833	1.00	-	-
22	ANITA MALU	170,833	1.00	0.00	170,833	1.00	-	-
23	PUSHPA MALU	170,833	1.00	0.00	170,833	1.00	-	-
24	SUSHILA MALU	170,833	1.00	0.00	170,833	1.00	-	-
25	SUNFLAME FUELS PVT. LTD.	527,255	3.09	3.09	527,255	3.09	3.09	-
26	OMPRAKASH MALU	14,500	0.08	0.08	14,500	0.08	0.08	-
27	MANISHA MALU	262,500	1.54	1.54	262,500	1.54	1.54	-
28	KANTADEVI MALU	26,900	0.16	0.00	26,900	0.16	-	-
29	BHARAT MALU	189,583	1.11	0.00	189,583	1.11	-	-
30	SHASHI MALU	667,464	3.91	3.91	667,464	3.91	3.91	-
31	BANWARILAL MALU (HUF)	129,933	0.76	0.76	129,933	0.76	0.76	-
32	VASUDEO MALU (HUF)	370,117	2.17	2.17	370,117	2.17	2.17	-
33	GAJENDRA MALU	313,356	1.84	0.00	313,356	1.84	-	-
34	NARAYAN MALU	308,339	1.81	1.58	309,340	1.81	1.58	0.01
35	SOLAR CARBON PVT. LTD.	96,667	0.57	0.57	96,667	0.57	0.57	-
36	SHALINI V MALU	50,000	0.29	0.00	50,000	0.29	-	-
TOTAL		11,304,615	66.27	51.00	11,573,075	67.84	51.00	1.57

ii) Change in promoter's Shareholding (Please Specify, if there is no change)

b

Sr. No.	Category of shareholder	Shareholding at the beginning of the year		Date	Increase/Decrease Shareholding	Reason	Cumulative Shareholding during the year	
		Number of shares held	% of the total Shares of the Company				No. of Shares	% of the total Shares of the Company
1	BHANWARLAL MALU	125	0.00	01/04/2014				
	At the end of the year	125	0.00			Nil movement		
2	PUNAMCHAND MALU	402,208	2.36	01/04/2014				
	At the end of the year	402,208	2.36			Nil movement		
3	BANWARILAL MALU	372,912	2.19	01/04/2014				
	At the end of the year	372,912	2.19			Nil movement		
4	DAMODARLAL MALU	345,833	2.03	01/04/2014				
	At the end of the year	345,833	2.03			Nil movement		
5	PURUSHOTTAM MALU	302,083	1.77	01/04/2014				
	At the end of the year	302,083	1.77			Nil movement		
6	VASUDEO MALU	726,424	4.26	01/04/2014				
	At the end of the year	726,424	4.26			Nil movement		
7	GHASIRAM MALU	50,000	0.29	01/04/2014				
	At the end of the year	50,000	0.29			Nil movement		
8	FRONTLINE COMMERCIAL	1,026,348	6.02	01/04/2014				
				18/04/2014	6,341	Transfer	1032689	6.05
				25/04/2014	2901	Transfer	1035590	6.07
				09/05/2014	4062	Transfer	1039652	6.09
				30/05/2014	8798	Transfer	1048450	6.15
				06/06/2014	1214	Transfer	1049664	6.15
				20/06/2014	2726	Transfer	1052390	6.17
				30/06/2014	616	Transfer	1053006	6.17
				04/07/2014	4594	Transfer	1057600	6.2
				11/07/2014	5706	Transfer	1063306	6.23
				01/08/2014	10971	Transfer	1074277	6.29
				08/08/2014	33852	Transfer	1108129	6.49
				22/08/2014	16180	Transfer	1124309	6.59
				29/08/2014	11607	Transfer	1135916	6.66
				12/09/2014	1841	Transfer	1137757	6.67
				07/11/2014	8881	Transfer	1146638	6.72
				14/11/2014	3569	Transfer	1150207	6.74
				21/11/2014	28818	Transfer	1179025	6.91
				13/02/2015	51312	Transfer	1230337	7.21
				27/03/2015	61499	Transfer	1291836	7.57
	At the end of the year	1,291,836	7.57					
9	MARIGOLD FARMS P.LTD.	412,500	2.42	01/04/2014				
	At the end of the year	412,500	2.42			Nil movement		
10	WISTARIA FARMS P. LTD	1,033,500	6.06	01/04/2014				
	At the end of the year	1,033,500	6.06			Nil movement		
11	SHRAWANKUMAR MALU	286,501	1.68	01/04/2014				
				10/04/2014	918	Transfer	287,419	1.68
				25/04/2014	500	Transfer	287,919	1.69
				11/07/2014	553	Transfer	288,472	1.69
	At the end of the year	288,472	1.69					
12	RADHESHYMA MALU	217,708	1.28	01/04/2014				
	At the end of the year	217,708	1.28			Nil movement		
13	VENUGOPAL MALU	217,708	1.28	01/04/2014				
	At the end of the year	217,708	1.28			Nil movement		
14	GANPATI MALU	181,250	1.06	01/04/2014				
	At the end of the year	181,250	1.06			Nil movement		
15	DAMODARLAL MALU (HUF)	158,333	0.93	01/04/2014				
	At the end of the year	158,333	0.93			Nil movement		

Sr. No.	Category of shareholder	Shareholding at the beginning of the year			Cumulative Shareholding during the year			
		Number of shares held	% of the total Shares of the Company	Date	Increase/Decrease Shareholding	Reason	No. of Shares	% of the total Shares of the Company
16	PUNAMCHAND MALU (HUF)	158,333	0.93	01/04/2014		Nil movement		
	At the end of the year	158,333	0.93					
17	PURUSHOTTAM MALU (HUF)	158,333	0.93	01/04/2014		Nil movement		
	At the end of the year	158,333	0.93					
18	SHRAWANKUMAR MALU (HUF)	158,333	0.93	01/04/2014		Nil movement		
	At the end of the year	158,333	0.93					
19	KAVERI MALU	1,052,487	6.17	01/04/2014		Nil movement		
	At the end of the year	1,052,487	6.17					
20	SUMAN MALU	403,750	2.37	01/04/2014		Nil movement		
	At the end of the year	403,750	2.37					
21	KAUSHALYA MALU	170,833	1.00	01/04/2014		Nil movement		
	At the end of the year	170,833	1.00					
22	ANITA MALU	170,833	1.00	01/04/2014		Nil movement		
	At the end of the year	170,833	1.00					
23	PUSHPA MALU	170,833	1.00	01/04/2014		Nil movement		
	At the end of the year	170,833	1.00					
24	SUSHILA MALU	170,833	1.00	01/04/2014		Nil movement		
	At the end of the year	170,833	1.00					
25	SUNFLAME FUELS PVT. LTD.	527,255	3.09	01/04/2014		Nil movement		
	At the end of the year	527,255	3.09					
26	OMPRAKASH MALU	14,500	0.08	01/04/2014		Nil movement		
	At the end of the year	14,500	0.08					
27	MANISHA MALU	262,500	1.54	01/04/2014		Nil movement		
	At the end of the year	262,500	1.54					
28	KANTADEVI MALU	26,900	0.16	01/04/2014		Nil movement		
	At the end of the year	26,900	0.16					
29	BHARAT MALU	189,583	1.11	01/04/2014		Nil movement		
	At the end of the year	189,583	1.11					
30	SHASHI MALU	667,464	3.91	01/04/2014		Nil movement		
	At the end of the year	667,464	3.91					
31	BANWARILAL MALU (HUF)	129,933	0.76	01/04/2014		Nil movement		
	At the end of the year	129,933	0.76					
32	VASUDEO MALU (HUF)	370,117	2.17	01/04/2014		Nil movement		
	At the end of the year	370,117	2.17					
33	GAJENDRA MALU	313,356	1.84	01/04/2014		Nil movement		
	At the end of the year	313,356	1.84					
34	NARAYAN MALU	308,339	1.81	01/04/2014				
	At the end of the year	309,340	1.81	14/07/2014 31/03/2015	1001 Transfer		309,340	1.81
35	SOLAR CARBON PVT. LTD.	96,667	0.57	01/04/2014		Nil movement		
	At the end of the year	96,667	0.57					
36	SHALINI V MALU	50,000	0.29	01/04/2014		Nil movement		
	At the end of the year	50,000	0.29					

iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters & Holders of GDRs and ADRs)

Sr. No.	Name	Shareholding at the beginning of the year					Cumulative Shareholding during the year	
		Number of shares held	% of the total Shares of the Company	Date	Increase / Decrease Shareholding	Reason	No. of Shares	% of the total Shares of the Company
1	BIPS TRADECOM P. LTD	373811	2.19	01/04/2014				
				25/04/2014	-5000	Transfer	368811	2.16
				23/05/2014	2430	Transfer	371241	2.18
				30/05/2014	1570	Transfer	372811	2.19
				20/06/2014	1000	Transfer	373811	2.19
				10/10/2014	10000	Transfer	383811	2.25
				17/10/2014	40200	Transfer	424011	2.49
	At the end of the year	424011	2.49					
2	ASHOK KUMAR KISHORILAI	0	0	01/04/2014				
				31/12/2014	289964	Transfer	289964	1.70
	At the end of the year	289964	1.699					
3	NEHA SHASHIKANT BIYANI	179829	1.05	01/04/2014				
				11/04/2014	1490	Transfer	181319	1.06
				18/04/2014	3000	Transfer	184319	1.08
				02/05/2014	2305	Transfer	186624	1.09
				23/05/2014	96	Transfer	186720	1.09
	At the end of the year	186720	1.09					
4	NIKITA NARAYAN MALU	92000	0.54	01/04/2014				
				11/04/2014	1610	Transfer	93610	0.55
				18/04/2014	1669	Transfer	95279	0.56
				02/05/2014	2000	Transfer	97279	0.57
				09/05/2014	1437	Transfer	98716	0.58
				16/05/2014	15	Transfer	98731	0.58
				23/05/2014	648	Transfer	99379	0.58
				06/06/2014	200	Transfer	99579	0.58
13/06/2014	100	Transfer	99679	0.58				
	At the end of the year	99679	0.58					
5	GOVINDGOPAL R SONI	85900	0.5	01/04/2014				
				19/09/2014	100	Transfer	86000	0.50
				05/12/2014	400	Transfer	86400	0.51
				12/12/2014	2850	Transfer	89250	0.52
				20/03/2015	-89250	Transfer	0	-
31/03/2015	89250	Transfer	89250	0.52				
	At the end of the year	89250	0.52					
6	MANOJ KHANDERIA	78922	0.46	01/04/2014				
				At the end of the year				NIL
7	LALKAR SECURITIES PVT.L'	60000	0.35	01/04/2014				
				At the end of the year				NIL
8	PANKAJ NANDLAL AGRAWA	57400	0.34	01/04/2014				
				At the end of the year				NIL
9	BRIJMOHAN SHRIVALLABH	50000	0.29	01/04/2014				
				At the end of the year				NIL
10	NIKHIL KAMALKISHORE KA	114565	0.67	01/04/2014				
				08/08/2014	-60000	Transfer	54565	0.32
				12/09/2014	-15853	Transfer	38712	0.23
				19/09/2014	20	Transfer	38732	0.23
				30/09/2014	10	Transfer	38742	0.23
				17/10/2014	1	Transfer	38743	0.23
	At the end of the year	38743	0.23					

v) **Shareholding of Directors and Key Managerial personnel**

Sr. No.	Name	Shareholding at the beginning of the year					Cumulative Shareholding during the year	
		Number of shares held	% of the total Shares of the Company	Date	Increase/DecreaseShareholding	Reason	No. of Shares	% of the total Shares of the Company
1	DAMODARLAL MALU	345,833	2.03	01/04/2014		Nil movement		
	Chairman	345,833	2.03	31/03/2015				
2	PUNAMCHAND MALU	402,208	2.36	01/04/2014		Nil movement		
	Managing Director	402,208	2.36	31/03/2015				
3	BANWARILAL MALU	372,912	2.19	01/04/2014		Nil movement		
	Jt. Managing Director	372,912	2.19	31/03/2015				
4	VASUDEO MALU	726,424	4.26	01/04/2014		Nil movement		
	Non Executive Director	726,424	4.26	31/03/2015				
5	Chandrakant Thakkar	2,232	0.01	01/04/2014		Nil movement		
	Non Executive Director	2,232	0.01	31/03/2015				
6	Satyanarayan Rathi	-	-	01/04/2014		Nil movement		
	Non Executive Director	-	-	31/03/2015				
7	Shyamsunder Soni	-	-	01/04/2014		Nil movement		
	Non Executive Director	-	-	31/03/2015				
8	Shrutika Inani	-	-	01/04/2014		Nil movement		
	Non Executive Director	-	-	31/03/2015				
9	Girish Malpani	-	-	01/04/2014		Nil movement		
	CFO	-	-	31/03/2015				

V INDEBTEDNESS**Indebtedness of the company including interest outstanding/accrued but not due for payment.**

Particulars	Secured Loans Excluding deposits	unsecured loans	deposits	Total indebtedness
Indebtedness at the beginning of the financial year				
i Principal Amount	626,596,182.62	308,400,000.00	-	934,996,182.62
ii Interest due but not paid	-	-	-	-
iii Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	626,596,182.62	308,400,000.00	-	934,996,182.62
Change in Indebtedness during the financial year				
Addition	-	12,600,000.00	-	12,600,000.00
Reduction	64,537,238.25	-	-	64,537,238.25
Net change	64,537,238.25	12,600,000.00	-	77,137,238.25
Indebtedness at the end of the financial year				
i Principal Amount	562,058,944.37	321,000,000.00	-	883,058,944.37
ii Interest due but not paid	-	-	-	-
iii Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	562,058,944.37	321,000,000.00	-	883,058,944.37

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Joint Managing Director and/or Manager

Sl no	Particulars of Remuneration	Name of MD/ JMD		Total Amount
		Punamchand Malu	Banwarilal Malu	
1	Gross Salary	600,000	600,000	1,200,000
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
5	Others	-	-	-
Total (A)		600,000	600,000	1,200,000

B Remuneration to other Directors

Slno	Particulars of Remuneration	Name of Directors						Total Amount
		Chandrakant Thakar	Satyanarayan Rathi	Shyamsunder Sarda	Shrutika Inani	Damodarlal Malu	Vasudeo Malu	
1 Independent Directors								
	For attending Board/ Committee Meetings	6,000	4,000	2,000	4,000	-	-	16,000
-	Commission	-	-	-	-	-	-	-
-	Others	-	-	-	-	-	-	-
Total (1)		6,000	4,000	2,000	4,000	-	-	16,000
2 Other Non Executive								
	For attending Board/ Committee Meetings	-	-	-	-	2,000	2,000	4,000
-	Commission	-	-	-	-	-	-	-
-	Others	-	-	-	-	-	-	-
Total (2)		-	-	-	-	2,000	2,000	4,000
Total B (1+2)		6,000	4,000	2,000	4,000	2,000	2,000	20,000

C Remuneration to Key Managerial Personnel

Sl No	Particulars of Remuneration	Name of Key Managerial Personnel	
		Girish Malpani, CFO	Total
1	Gross Salary	1,680,000	1,680,000
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
5	Others	-	-
Total (A)		1,680,000	1,680,000

VII PENALTIES/PUNISHMENT/COMPOUNDING OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty/ Punishment/ Copounding Fees imposed	Authority (RD/ NCLT/ COURT)	Appeal Made, if any (give details)
------	------------------------------	-------------------	---	-----------------------------	------------------------------------

A. COMPANY

Penalty
Punishment NONE
Compounding

B. DIRECTORS

Penalty
Punishment NONE
Compounding

C. OTHER OFFICERS IN DEFAULT

Penalty
Punishment NONE
Compounding

MALU PAPER MILLS LTD.
Annexure to Directors' Report-2015
ANNEXURE D

FORM A: FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A POWER AND FUEL CONSUMPTION

1	ELECTRICITY :	Current year	Previous year
	(a) Purchased		
	Unit	12,258,188	12,970,829
	Total amount (Rs)	87,125,232	91,874,568
	Rate/ unit	7.11	7.08
	(b) Own generation		
		N.A.	N.A.
	(i) Through diesel generator		
	Unit		
	Units per litre of diesel oil		
	Cost/ unit		
	(ii) Through steam turbine/ generator		
	Unit	35575700	36126800
	Units per litre of fuel oil / gas		
	Cost/ unit		
	2 COAL & BIO MASS:		
	Quantity (Metric Tonnes)	96,999.44	97,513.53
	Total cost (Rs.)	284,203,590	280,094,176
	Average rate	2,929.95	2,872.36
	3 FURNANCE OIL:	N.A.	N.A.
	Quantity (k. ltrs.)		
	Total amount		
	Average rate		
	4 OTHERS:	N.A.	N.A.
	Quantity		
	Total cost		
	Rate/ unit		

B CONSUMPTION PER UNIT OF PRODUCTION

Standards (if any)	Current year	Current year
Products unit (MT) (Kraft & News print/ Writing printing paper)	82,575.33	78,101.34
1 Electricity	148.45	166.08
2 Furnace oil	N.A.	N.A.
3 Coal & Biomass	1.17	1.25
4 Others (Specify)	N.A.	N.A.

FOR MALU PAPER MILLS LTD.

Sd/-

DIRECTOR

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Board of Directors and the Management of Malu Paper Mills Limited (MPML) commit themselves to high standard of professionalism, integrity, accountability, fairness, disclosure and transparency, social responsiveness, business ethics in its dealings and compliance to the spirit of the law. MPML believes that the corporate governance is key to enhance and retain investor confidence

2. BOARD OF DIRECTORS:

The Company is managed and controlled through a professional Board of Directors comprising of an optimum combination of Executive and Non-executive Independent Directors. The present strength comprises of Six Non-executive Directors and two Executive Directors as on 31st March. The Board monitors performance of the Company, approves and receives policies / strategies and evaluate management performance. The Board ensures legal and ethical conduct and accurate financial reporting.

i)	Non-Executive Directors:	DIN
	a) Promoter Group	
	1 Shri Damodarlal Malu, Chairman	00301120
	2 Shri Vasudeo Malu	00301313
	b) Independent	
	1 Shri Satyanarayan Rathi	01797378
	2 Shri Chandrakant Thakar	00784189
	3 Smt. Shrutika Inani	06937649
	4 Shri Shyamsunder Sarda	02399265
ii)	Executive Directors:	
	1 Punamchand Malu	00301030
	2 Banwarilal Malu	00301297

The Board of Directors meets at least once a quarter to review the Company's performance and financial results and more often, if necessary, to transact other business. 04 (Four) meetings of Board of Directors were held on 28/05/2014, 09/08/2014, 14/11/2014, 14/02/2015 during the financial year.

The information as specifies in Annexure 1A to Clause 49 of Listing Agreement is regularly made available to the Board, whenever applicable, for discussion and analysis.

Attendance of each Director at the meetings of Board of Directors held during the financial year 2014-15, last Annual General Meeting and the Number of Directorships and memberships of Committees of each Director in various Companies during the period under review is as follows:

Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM	No. of outside Directorship in India
Shri Punamchand Malu	ED	4	YES	-
Shri Banwarilal Malu	ED	4	YES	-
Shri Damodarlal Malu	NED	2	YES	-
Shri Vasudeo Malu	NED	1	YES	-
Shri Satyanarayan Rathi	ID	3	YES	-
Shri Chandrakant Thakar	ID	3	YES	-
Smt. Shrutika Inani	ID	2	YES	-
Shri Shyamsunder Sarda	ID	2	NO	-

Notes-

- i. ED- Executive Director; NED Non Executive Director; ID – Independent Director
- ii. Excludes Private Limited companies.

3. AUDIT COMMITTEE:

The Audit Committee as on 31-03-2015 comprised of three independent Non-Executive Directors namely Smt. Shrutika Inani (Chairman of the Committee), Shri Satyanarayan Rathi and Shri Chandrakant Thakar.

Smt. Shrutika Inani is Chartered Accountant and possessed expert knowledge in the area of finance and accounting.

In accordance with Clause 49 of the Listing Agreement the terms of reference stipulated by the Board to the Audit Committee include overseeing financial reporting process, reviewing periodic financial results, financial statements and adequacy of internal control systems with the management and adequacy of internal audit functions, discussions with auditors about the scope of audit including the observations of the auditors and discussion with internal auditors on any significant findings. The Committee also recommends to the Board the remuneration payable to the Executive Directors.

During the year under review 4 (Four) meetings were held on 28/05/2014, 09/08/2014, 14/11/2014 and 14/02/2015. The following table gives attendance record:

Sl. No.	Name of the Members of Audit Committee	Number of Meetings held	Number of Meetings attended
1	Smt. Shrutika Inani	4	2
2	Shri Satyanarayan Rathi	4	3
3	Shri Chandrakant Thakar	4	3

4. SHAREHOLDERS' GRIEVANCE COMMITTEE:

The Shareholders' Grievance Committee as on 31st March 2015 comprised of three Directors i.e. Mr. Satyanarayan Rathi, Mr. Chandrakant Thakar and Mr. Banwarilal Malu

The shareholder grievance committee has been constituted to attend to and redress the shareholders / investors grievances in matters such as transfer of shares, non receipts of annual reports, dematerialization of shares etc.

The Committee met on 09/08/2014 in which all the directors were present.

5. NOMINATION AND REMUNERATION COMMITTEE:

In compliance with provisions of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee as on 31-03-2015 comprised of three independent Non-Executive Directors namely Shri Chandrakant Thakar (Chairman of the Committee), Shri Satyanarayan Rathi and Shri Shyamsunder Sarada.

The Committee has been constituted to recommend remuneration of executive Directors, formulation of criteria for evaluation of Independent Director, Identifying persons who are qualified to become Directors and who may be appointed in senior management and recommendation to the Board for their appointment and removal.

The Committee met on 09/08/2014 in which all the directors were present.

6. THE LOCATION AND TIME OF THE LAST 3 ANNUAL GENERAL MEETINGS:

Financial year	Location	Date & Time of AGM
2013-14	Heera Plaza, 4 th Floor, Near Telephone Exchange, Central Avenue, Nagpur – 8.	25-09-2014 at 3.00 PM
2012-13	Heera Plaza, 4 th Floor, Near Telephone Exchange, Central Avenue, Nagpur – 8.	17-09-2013 at 3.00 PM
2011-12	Heera Plaza, 4 th Floor, Near Telephone Exchange, Central Avenue, Nagpur – 8.	28-09-2012 at 3.00 PM

Two Special Resolutions were passed at the annual general meetings :

7. DISCLOSURES:

There are no materially significant related party transactions of the Company, which have a potential conflict with the interest of the company at large.

Declaration

As provided under Clause 49 of the Listing Agreement, we confirm that the Board Members and Senior Management of the Company have confirmed compliance with the code for the year ended on 31st March, 2015.

8. MEANS OF COMMUNICATION:

During the year under review, the half-yearly and yearly results were displayed on the Company's web site <http://malupaper.com>. The quarterly results were also published in (English) newspaper (normally Indian Express) and in one vernacular (Marathi) newspaper (Loksata). These were not sent individually to the shareholders.

9. DETAILS OF DIRECTORS PROPOSED TO BE APPOINTED / REAPPOINTED AS REQUIRED IN TERMS OF THE LISTING AGREEMENT:

Name of the Director	Shri Damodarlal Malu	Shri Vasudeo Malu
DIN	00301120	00301313
Date of Birth	28-03-1933	07/06/1960
Date of Appointment	11-01-1994	11/01/1994
Expertise in specific functional area	Industrialist	Businessman
Qualification	LLB	B.com
No. of equity shares held	345,833	726,424
Chairman/ Member of the Committees of the Board of Directors of the Company	-	-

10. GENERAL SHAREHOLDERS INFORMATION

1. Twentysecond Annual General Meeting:

Date : 22nd September, 2015.

Time : 11.00 AM

Venue : Heera Plaza, 4th Floor, Near Telephone Exchange, Central Avenue, Nagpur – 8.

2. **Dates of Book Closure:** 14th September 2015 to 22th September 2015 (both days inclusive).

3. Financial Calendar of the Company:

The Financial Year covers the period from 01st April to 31st March.

Financial Reporting for 2015-16 (Tentative)

Unaudited Financial results for the quarter ending	30-06-2015	August, 2015
Unaudited Financial results for the quarter ending	30-09-2015	November, 2015
Unaudited Financial results for the quarter ending	31-12-2015	February, 2016
Unaudited Financial results for the quarter ending	31-03-2016	May, 2016

4. Listing on Stock Exchanges:

The equity shares of the Company are listed on The Bombay Stock Exchange Limited and the National Stock Exchange of India. The requisite annual listing fees for the year 2015-16 have been paid in full to the Stock Exchanges.

5. Stock Code:

The Bombay Stock Exchange Ltd. 532728
National Stock Exchange of India Ltd. MALUPAPER

The details of monthly high and low quotations of the equity shares of the Company traded at BSE and NSE from April 01, 2014 to March 31, 2015 are given below:

Month	Bombay Stock Exchange (BSE)		National Stock Exchange (NSE)	
	High	Low	High	Low
April, 2014	11.25	6.10	11.00	5.80
May, 2014	11.02	8.30	10.50	8.30
June, 2014	10.64	8.50	10.50	8.50
July, 2014	11.00	7.58	10.95	7.35
August, 2014	14.60	8.81	14.40	9.10
September, 2014	14.25	11.00	14.40	10.50
October, 2014	13.24	10.80	13.00	10.00
November, 2014	14.20	10.71	13.80	10.80
December, 2014	12.75	10.76	12.60	10.20
January, 2015	12.30	10.65	12.25	9.60
February, 2015	13.97	11.55	14.85	11.70
March, 2015	13.95	11.31	13.30	11.45

6. Registrar and Transfer Agents:

Link Intime Private Limited
C-13, Pannalal Silk Mills Compound,
LBS Road, Bhandup (West), MUMBAI – 440 078.
Tel. No. 022-2596 3838
Fax No. 022- 2594 6969
Email: info@linkintime.co.in

7. Share Transfer System:

Shares sent for transfer in physical form are registered and returned within a period of thirty days from the date of receipt of the document, provided the documents are valid and complete in all respects.

8. Distribution of Equity Shareholding as on 31-03-2015:

Shareholding of Shares			Share holders		Total Shares	
			Number	%	Shares	%
1	-	500	2828	71.04	512624	3.01
501	-	1000	484	12.16	392623	2.30
1001	-	2000	259	6.51	388007	2.27
2001	-	3000	114	2.86	291609	1.71
3001	-	4000	54	1.36	189215	1.11
4001	-	5000	41	1.03	191462	1.12
5001	-	10000	77	1.93	560691	3.29
10001	And	Above	124	3.11	14533019	85.19
TOTAL			3981	100	17059250	100

9. Shareholding Pattern as on 31-03-2015:

Category	No. of Shares held	% of Share holding
Indian Promoters	11546175	67.68
Private Corporate Bodies	820178	4.81
Indian Public	4665449	27.35
NRIs	27448	0.16
TOTAL	17,059,250	100.00

10. Dematerialisation of Shares:

As at 31st March 2015, 170,55,688 (99.97%) of total equity capital was held in Electronic form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's Equity Shares have to be compulsorily traded in the electronic form. Requests for dematerialisation of shares are processed and confirmed within 7 days. No GDRs, ADRs or warrants have been issued by the Company.

11. Registered Office of the Company:

Heera Plaza, 4th Floor,
Near Telephone Exchange,
Central Avenue,
Nagpur – 440 008 (MS)
Tel. No: (0712) 2760308; 2778506
Email: info@malupaper.com

12. Plant Locations:

Kraft Division
Village: Borujwada,
Taluka: Saoner
Saoner Road.
District: Nagpur.

Newsprint & Writing Printing Division
Village: Heti Surla
Taluka: Saoner
Nagpur Bhopal Highway
District: Nagpur.

13. Address for Correspondence from Shareholders:

(Registered Office)
Malu Paper Mills Ltd.
Heera Plaza, 4th Floor,
Near Telephone Exchange,
Central Avenue, Nagpur – 440 008 (MS)
Tel. No: (0712) 2760308; 2778506
Email: contacts@malupaper.com

CERTIFICATE BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER TO THE BOARD ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENTS.

We hereby certify that for the Financial Year 2014-15, we have reviewed the financial statements and cash flow statements and that to the best of our knowledge and belief:

1. These statements do not contain any material untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge or belief, no transactions entered into by the Company during the year 2014-15 which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of internal controls, if any, of which we are aware and that we have taken the required steps to rectify these deficiencies.
5. We further certify that
 - a) there have been no significant changes in internal control over financial reporting during this year.
 - b) there have been no significant changes in accounting policies during this year.
 - c) there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 13/08/2015

Sd/-
Punamchand Malu
Managing Director

Sd/-
Girish Malpani
CFO

To,
The Members of
Malu Paper Mills Limited,
Nagpur.

We have examined the compliance of conditions of Corporate Governance by the Malu Paper Mills Limited, Nagpur for the year ended on March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the Company with stock exchanges, in India, with the relevant records and documents maintained by the company and furnished to us and the report on Corporate Governance as approved by the Board of Directors.

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

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

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

Date: 13/08/2015
Place : Nagpur

For Demble Ramani & Co.
Chartered Accountants

Sd/-
Ashok Ramani
Partner
M.NO.30537

CA.Narayan Demble
B.Com., F.C.A.
CA.Ashok Ramani
B.Com., F.C.A.
CA.Vijay Ramani
B.Com., F.C.A.



DEMBLE RAMANI & CO.

CHARTERED ACCOUNTANTS

**201, M.G. HOUSE, R.T.ROAD,
CIVIL LINES, NAGPUR-440001**

PHONE : 8087200551 / 2

Fax No. 3918654

E-mail : dembleramani@yahoo.co.in

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MALU PAPER MILLS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **MALU PAPER MILLS LIMITED**, which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss & the cash flow statement for the year then ended on 31st March 2015, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on

the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our Opinion and to the best of our information and according to the explanations given to us and subject to matter described in the Emphasis of Matters, 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;

- a) In case of the balance Sheet, of the state of affairs of the Company as at 31st March 2015;
- b) In the case of the statement of Profit and Loss, of the profit for the year ended on 31st March 2015; and
- c) In the case of the Cash Flow Statement, of the cash flow for the year ended on 31st March 2015.

Emphasis of Matters

We draw attention to the following matters:

- (1) Balances shown under Loans and Advances, Sundry Debtors, Sundry Creditors and Current Liabilities being subject to confirmations/reconciliations/settlement and consequential adjustments, if any the impact thereof cannot be ascertained at this stage.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

**For DEMBLE RAMANI & CO.
Chartered Accountants**

**Place : NAGPUR
Date : 25.05.2015**

**CA ASHOK RAMANI
Partner
Mem No. : 30537
FRN : 102259W**

ANNEXURE OF THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in our report to the members of the Malu Paper Mills Limited for the year Ended on 31st March 2015.

We report that:-

- (i)
 - a) The company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The management has physically verified all its fixed assets at reasonable intervals and no material discrepancies were noticed on such physical verification.

- (ii)
 - a) As per the information furnished, the inventories have been physically verified by the management at reasonable intervals during the year.
 - b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) In our opinion, the company is maintaining proper records of inventory. No discrepancies observed during the verification.

- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Hence, Clause (a) and (b) are not applicable.

- (iv) In our opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of the company and the nature of its business for purchase of inventory and fixed assets and for the sale of goods & services. During the course of our audit no major weakness has been noticed in these internal controls system.

- (v) The company has not accepted deposits from the public. Hence the issue of compliance with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other

relevant provisions of the Companies Act and the rules framed thereunder does not arise.

(vi) The Central Government has not prescribed maintenance of Cost Records under sub section (1) of section 148 of the Companies Act, 2013 in respect of the Company's product.

(vii) a) According to the information and explanations given to us and the records examined by us, the company is regular in depositing undisputed statutory dues including Provident fund, Employees state insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at **31st March, 2015** for a period of more than six months from the date they became payable.

b) According to the records of the company there are statutory dues, which are outstanding on account of certain disputes at the end of the year.

Name of Statute	Nature of the Dues	Amount (Rs. in Lacs)	Assessment Years	Forum where dispute is pending
Central Excise Act.	Excise Duty	2.63	2003-04	Asstt. Commissioner of CEST (Appeal)
Central Excise Act.	Excise Duty	4.33	2004-05	Asstt. Commissioner of CEST (Appeal)
Central Excise Act.	Excise Duty	3.79	2004-05	Asstt. Commissioner of CEST (Appeal)

c) The Company is not required to transfer any amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

(viii) The Company is having accumulated losses at the end of the financial year; however the company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

- (ix) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank. The company does not have any borrowings by way of debentures.
- (x) According to the information and explanations given to us by the management, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations provided to us by the management, the company has used the funds for the purpose for which they were taken.
- (xii) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

**For DEMBLE RAMANI & CO.
Chartered Accountants**

**CA ASHOK RAMANI
Partner
Mem No. : 30537
FRN : 102259W**

**Place : NAGPUR
Date : 25.05.2015**

MALU PAPER MILLS LIMITED, NAGPUR
BALANCE SHEET AS AT 31ST MAR, 2015

Particulars		Note No.	Figures as at 31st Mar 2015 (In Rs.)	Figures as at 31st Mar 2014 (In Rs.)
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2	170,592,500	170,592,500
	(b) Reserves and surplus	3	(42,163,327)	(60,890,773)
2	Non-current liabilities			
	(a) Long-term borrowings	4	813,420,030	878,496,865
	(b) Other Long term liabilities	5	159,143,318	157,690,040
	(c) Long-term provisions	6	3,815,061	3,384,908
3	Current liabilities			
	(a) Short-term borrowings	7	224,322,742	166,915,435
	(b) Trade payables	8	166,394,066	150,386,959
	(c) Other current liabilities	9	77,297,975	62,535,226
	TOTAL :		1,572,822,365	1,529,111,159
II.	ASSETS			
	Non-current assets			
1	(a) Fixed assets			
	(i) Tangible Assets	10	919,205,774	932,805,914
	(ii) Intangible Assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible Assets under development		-	-
	(b) Non-current investments	11	1,100,000	1,100,000
	(c) Deferred tax assets (Net)	12	112,707,000	121,310,000
	(d) Long-term loans and advances	13	65,788,984	65,530,794
2	Current assets			
	(a) Current investments		-	-
	(b) Inventories	14	187,065,500	129,805,645
	(c) Trade receivables	15	212,731,272	209,041,192
	(d) Cash and cash equivalents	16	16,922,407	15,293,941
	(e) Short-term loans and advances	17	57,301,429	54,223,673
	TOTAL :		1,572,822,365	1,529,111,159
	Significant Accounting Policies	1		

For Malu Paper Mills Limited.

**As per our Report of even date,
For Demble Ramani & Co.
Chartered Accountants**

Punamchand Malu Banwarilal Malu
(Managing Director) (Jt. Managing Director)
Place : Nagpur
Date : 25.05.2015

Ashok Ramani
Partner
Mem. No. 30537
FRN 102259W

MALU PAPER MILLS LIMITED, NAGPUR
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MAR' 2015

Particulars		Note No.	2014-2015 (In Rs.)	2013-2014 (In Rs.)
I.	Revenue From Operations			
	Sale of products	18	2,373,394,954	2,236,763,525
	Less: Excise Duty		65,217,890	59,220,496
	Net Sales		2,308,177,064	2,177,543,028
II.	Other income	19	2,745,653	18,605,549
III.	Total Revenue (I + II)		2,310,922,717	2,196,148,578
IV.	Expenses:			
	Cost of materials consumed	20	1,371,796,070	1,279,730,066
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	1,327,400	4,958,500
	Employee benefits expenses	22	62,390,647	44,454,695
	Finance costs	23	155,752,702	154,250,519
	Depreciation and amortization expense	10	46,140,396	62,580,364
	Other expenses	24	646,185,056	630,029,725
	Total expenses		2,283,592,270	2,176,003,869
V.	Profit before exceptional and extraordinary items and tax (III-IV)		27,330,447	20,144,709
VI.	Exceptional items			
VII.	Profit before extraordinary items and tax (V - VI)		27,330,447	20,144,709
VIII.	Extraordinary Items			
IX.	Profit before tax (VII- VIII)		27,330,447	20,144,709
X	Tax expenses:			
	(1) Current tax		0	277,000
	(2) Deferred tax		8,603,000	5,884,000
XI	Profit (Loss) for the period from continuing operations (VII-VIII)		18,727,447	13,983,709
XII	Profit/(loss) from discontinuing operations			
XIII	Tax expense of discontinuing operations			
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			
XV	Profit (Loss) for the period (XI + XIV)		18,727,447	13,983,709
XVI	Earnings per equity share:			
	(1) Basic		1.10	0.82
	(2) Diluted		1.10	0.82

For Malu Paper Mills Limited.

**As per our Report of even date,
For Demble Ramani & Co.
Chartered Accountants**

Punamchand Malu Banwarilal Malu
(Managing Director) (Jt. Managing Director)
Place : Nagpur
Date : 25.05.2015

Ashok Ramani
Partner
Mem. No. 30537
FRN 102259W

MALU PAPER MILLS LIMITED, NAGPUR
CASH FLOW STATEMENT
FOR THE YEAR ENDED

31st March, 2015 31st March, 2014

A. Cash Flows from Operating Activities

Reserve & surplus

Net Profit before Tax	27,330,447	20,144,709
Adjustments for:		
Depreciation	46,140,396	62,580,364
Non Operating Income - Interest & Other	(2,656,190)	(2,016,652)
Non Operating Income - Profit/Loss on sale of Fixed Assets	54,078	(1,724,813)
Interest Expenses	155,752,702	154,250,519
Operating Profit before Working Capital Changes	226,621,432	233,234,126
Adjustments for:		
Trade Receivables	(3,690,079)	(34,813,324)
Other Receivables	5,267,054	(18,456,311)
Inventories	(57,259,855)	(11,303,945)
Trade Payables & Other Liabilities	31,200,009	(25,350,693)
Cash Generated from Operations	202,138,561	143,309,854
Deferred Tax	(8,603,000)	(6,161,000)
Net Cash from Operating Activities	193,535,561	137,148,854

B. Cash Flows from Investing Activities

Purchase of Fixed Assets	(32,779,334)	(5,488,388)
Sale of Fixed Assets	185,000	2,517,389
Interest Received & Others	2,656,190	2,016,652
Net Cash from Investing Activities	(29,938,144)	(954,346)

C. Cash Flows from Financing Activities

Proceeds from Borrowings	(20,269,528)	15,783,091
Increase in Inter Corporate	12,600,000	-21,150,000
Deposits & Other Loans	1,453,278	16,287,063
Interest Paid	(155,752,702)	(154,250,519)
Net Cash used in Financing Activities	(161,968,951)	(143,330,366)

**Net Increase/(Decrease) in Cash and Cash
Equivalents (A+B+C)**

1,628,466 (7,135,858)

Cash and Cash Equivalents at the beginning of period

15,293,941 22,429,799

Cash and Cash Equivalents at the end of period

16,922,407 15,293,941

Net Change in Cash {Inc+ / Dec-}

1,628,466 (7,135,858)

Note:

The above Cash Flow has been prepared under "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statement issued by Institute of Chartered Accountants of India.

For Malu Paper Mills Limited.

**As per our Report of Even Date
For Demble Ramani & Co.
Chartered Accountants**

**Punamchand Malu Banwarilal Malu
(Managing Director) (Jt. Managing Director)
Place : Nagpur
Date : 25.05.2015**

**Ashok Ramani
Partner
Mem. No. 30537
FRN 102259W**

Note 1 : STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

a) **System of Accounting :-**

The Financial Statements of the company have been prepared in accordance with the accounting principles generally accepted in India (Indian GAAP) and are in line with the relevant laws as well as the guidelines prescribed by the Department of Company Affairs, Ministry of Law, Justice & Company affairs & The Institute of Chartered Accountants of India..The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of financial statement are consistent with those followed in previous year

b) **Use of Estimates :-**

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities, including the disclosure of contingent liabilities (if any) as of the date of the financial statements and the reported incomes and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could vary from those estimates. Any revision to accounting estimates is recognized in the period in which the results are known / materialized.

c) **Fixed Assets :-**

Fixed Assets are carried at cost. Cost is inclusive of freight, duties, levies and any directly attributable cost of bringing the assets to their working condition for intended use and after providing for Cenvat Credit and VAT Credit.

d) **Depreciation :-**

Depreciation on Fixed Assets is provided using Straight Line Method on the basis of useful life of assets as specified in Schedule II of the Companies Act, 2013 and is provided on pro rata basis on the assets acquired during the year.

e) **Impairment of Assets :-**

The carrying amounts of assets / cash generating units are reviewed at each balance sheet date if there is any indication of Impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the pre tax weighted average cost of capital.

MALU PAPER MILLS LIMITED, NAGPUR

f) **Inventories**:-

Inventories comprising of raw materials, stock-in-progress, finished goods and consumable stores. Inventories are valued at cost or estimated net realizable value after providing for obsolescence and other losses, where considered necessary. The cost of inventories comprises of all cost of purchase, cost of conversion and other cost incurred in bringing inventories to their present location and condition. In the case of raw materials, stores and spares, and finished goods, cost is determined on the First-In-First-Out (FIFO) basis.

g) **Sales**:-

- (1) Sales of goods are recognised when goods are supplied in accordance with the terms of sales and are recorded inclusive of duties and taxes.
- (2) Sale of Carbon Credit and Interest Income are recognised on accrual basis.
- (3) Sale of scrap are recorded on cash basis.

h) **Borrowing Costs** :-

Borrowing costs include interest and bank charges. Borrowing costs are capitalized as a part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred.

i) **Taxes on Income** :-

Income tax expenses for the year comprises of current tax and deferred tax. Current tax provision has been determined on the basis of relief and deduction available under the Income tax Act-1961.

Deferred tax Assets is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal is one or more subsequent periods.

j) **Investments**:-

Long term Investments are valued at cost. These are classified as non Trade Investment.

MALU PAPER MILLS LIMITED, NAGPUR

k) **Retirement Benefits :**

Provisions for / contributions to retirement benefit scheme are made as follows :

a) Provident Fund on actual liability basis.

B) Liability in respect of future payment of Gratuity to retiring employees is provided on the accrual basis on estimation at the end of each financial year.

l) **Foreign Currency Transactions :**

Foreign Currency Transactions are accounted for at the rates prevailing on the dates of the transactions converted at contracted rate.

m) **Earning Per Share :-**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

n) **Provisions, Contingent Liabilities and Contingent Assets :-**

A provision is recognized when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the company or (ii) Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

MALU PAPER MILLS LTD; NAGPUR
NOTES ATTACHED TO FINANCIAL STATEMENT
AS ON 31/03/2015

NOTE	PARTICULARS	AS ON 31ST MAR'2015 AMOUNT		AS ON 31ST MARCH'2014 AMOUNT	
NOTE 2	<u>SHARE CAPITAL</u>				
		Number		Number	
a	<u>Authorised</u>				
	Equity Shares of `Rs.10 each	20,000,000	200,000,000	20,000,000	200,000,000
b	<u>Issued</u>				
	Equity Shares of ` Rs.10 each fully paid	17,059,250	170,592,500	17,059,250	170,592,500
c	<u>Subscribed & fully Paid up</u>				
	Equity Shares of ` Rs.10 each fully paid	17,059,250	170,592,500	17,059,250	170,592,500
	Total :	17,059,250	170,592,500	17,059,250	170,592,500
d	<u>Reconciliation of Number of Shares Outstanding :</u>				
	Shares outstanding at the beginning of the year	17,059,250	170,592,500	17,059,250	170,592,500
	Movement During the Year	-	-	-	-
	Shares outstanding at the end of the year	17,059,250	170,592,500	17,059,250	170,592,500
e	<u>Rights, preference & restriction attached to Equity Shares</u>				
	The company has only one class of equity Share. Each Shareholder is eligible for one vote per share. In the event of liquidation of company, the shareholders are entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution shall be in proportion to number of equity shares held by the shareholder.				
f	<u>Details of Shareholders, holding more than 5% of the Paid up Equity Share Capital of the Company with Voting Rights :</u>				
	Name of Shareholder	Number of Shares held	% of Holding	Number of Shares held	% of Holding
	Frontline Commercial Pvt Ltd	1,291,836	7.57%	962,222	5.64%
	Wistaria Farms Pvt Ltd	1,033,500	6.06%	1,033,500	6.06%
	Kaveri Malu	1,052,487	6.17%	1,052,487	6.17%
NOTE 3	<u>RESERVES & SURPLUS</u>				
a	<u>General Reserves</u>				
	Opening Balance		211,880,327		211,880,327
	Movement During the Reporting Period				
	Closing Balance		211,880,327		211,880,327
b	<u>Securities Premium Account</u>				
	Opening Balance		147,952,928		147,952,928
	Movement During the Reporting Period				
	Closing Balance		147,952,928		147,952,928
c	<u>Profit & Loss Account</u>				
	Opening balance		(420,724,028)		(434,707,737)
	(+) Net Profit/(Net Loss) For the period		18,727,447		13,983,709
	Closing Balance		(401,996,582)		(420,724,028)
	Total (a+b+c) :		(42,163,327)		(60,890,773)

MALU PAPER MILLS LTD; NAGPUR
NOTES ATTACHED TO FINANCIAL STATEMENT
AS ON 31/03/2015

NOTE 4 **LONG-TERM BORROWINGS**

a SECURED LOANS

i	Bank of India, Mumbai	132,425,659	154,024,829
ii	Jammu & Kashmir Bank, Mumbai	87,459,342	102,151,487
iii	State Bank of India, Nagpur	128,797,012	149,896,442
iv	Bank of Baroda, Mumbai	50,536,842	60,099,904
v	Axis Bank, Nagpur	92,645,305	103,062,880
vi	Sundaram Fianance Ltd	-	39,190
vii	ICICI Bank Ltd	93,975	657,132
viii	State Bank of India	461,895	165,000
Total (a) :		492,420,030	570,096,865

- 1** (Loans of Sr. No a (i) to (v) of Note 4 are secured by :
1. Primary : First pari passu charge on the entire Fixed Assets of the Company both present & future.
 2. Collateral : Second pari passu charge on entire current assets of the company and First pari passu charge by way of equitable mortgage of Land and Plant & Machinery of Solar Carbon Pvt Ltd.
 3. Guarantee : Personal guarantee of Directors Shri Punamchand Malu & Shri Banwarilal Malu and corporate guarantee of Solar Carbons Pvt Ltd.)
 4. Pledge of Promoters Shareholding to the extent of 51% of the paid up capital of the Company.
- 2** (Loans of Sr. No a (vi) and (viii) of Note 4 are secured by hypothecation of vehicle of company.)
- 3** In the financial year 2011-12, Loans of Sr. No. a (i) to (v) of Note 4 are restructured under the Corporate Debts Restructure (CDR) mechanism.

DETAILS OF RATE OF INTEEST & TERMS OF REPAYMENT OF TERM LOANS

REPAYMENT SCHEDULE OF TERM LOANS	Repayable after 1 year from the date of Balance Sheet	Repayment in FY 15-16	Terms of Payment - 4 Quaterly Instalment in FY 15-16	Rate of Interest in FY 15-16
Bank of India, Mumbai	80,848,937	11,682,200	2,920,550	18.0%
Bank of India, Mumbai	37,826,722	5,420,000	1,355,000	11.5%
Bank of India, Mumbai	13,750,000	2,750,000	687,500	14.0%
Jammu & Kashmir Bank, Mumbai	74,626,686	10,633,920	2,658,480	18.0%
Jammu & Kashmir Bank, Mumbai	12,832,656	2,566,664	641,666	14.0%
State Bank of India, Nagpur	65,067,761	9,490,000	2,372,500	20.3%
State Bank of India, Nagpur	49,729,251	6,960,000	1,740,000	11.5%
State Bank of India, Nagpur	14,000,000	2,700,000	675,000	14.0%
Bank of Baroda, Mumbai	50,536,842	7,560,000	1,890,000	18.0%
Axis Bank, Nagpur	29,958,505	3,264,000	816,000	23.5%
Axis Bank, Nagpur	57,786,800	6,168,000	1,542,000	11.5%
Axis Bank, Nagpur	4,900,000	1,000,000	250,000	14.0%
Total (i) :	491,864,160	70,194,784	17,548,696	

REPAYMENT SCHEDULE OF VEHICLE LOANS	Repayable after 1 year from the date of Balance Sheet	Repayment in FY 15-16	Terms of Payment - Monthly Instalment	Rate of Interest
Sundaram Fianance Ltd	-	39,190	39,190	9.50%
ICICI Bank Ltd; Nagpur	93,975	563,256	46,938	10.50%
State Bank of India	461,895	542,484	45,207	10.50%
Total (ii) :	555,870	1,144,930	131,335	
Total (I + ii) :	492,420,030	71,339,714	17,680,031	

b UNSECURED LOANS

(a) Loans and advances from related parties	297,000,000	268,800,000
(b) Loans and advances from others	24,000,000	39,600,000
Total (b) :	321,000,000	308,400,000
Total (a + b) :	813,420,030	878,496,865

MALU PAPER MILLS LTD; NAGPUR
NOTES ATTACHED TO FINANCIAL STATEMENT
AS ON 31/03/2015

NOTE 5 **OTHER LONG TERM LIABILITIES**

Deffered Sales Tax	159,143,318	157,690,040
Total :	159,143,318	157,690,040

Deffered Sales Tax Liability includes:

(1) Interest free deffered Sales Tax Liability amounting to Rs. 1627.09 Lacs (PY Rs 1589.47s) has been outstanding at the year end. During the year company has availed further deffered sales tax liability in Kraft Division of Rs.37.62 Lacs (PY Rs. 162.87 Lacs)

(2) The repayment of the Deffered sales tax liability will be made after 31.03.2015 as per the schedule.

(3) Repayment schedule

REPAYMENT SCHEDULE OF DEFFERED SALES TAX	Repayable after 1 year from the date of Balance Sheet	Repayable in FY 15-16	Total
Deffered Sales Tax	159,143,318	3,565,575	162,708,893
Total	159,143,318	3,565,575	162,708,893

NOTE 6 **Long Term Provisions**

Retirement Benefits		
Provision for Gratuity	3,815,061	3,384,908
Total :	3,815,061	3,384,908

NOTE 7 **SHORT TERM BORROWINGS**
Secured

a Loans repayable on demand Working Capital Limit from

i Axis Bank Ltd; Nagpur	58,355,448	42,112,324
ii State Bank of India, Nagpur	55,577,697	39,624,803
iii Bank of India, Mumbai	55,159,401	43,910,260
iv Jammu & Kashmir Bank, Mumbai	27,726,060	20,259,498
v Bank of Baroda, Mumbai	27,504,136	21,008,549
Total :	224,322,742	166,915,435

(Loans of Sr. No a (i) to (v) of Note 7 are secured by :

1. Primary : First pari passu charge on the entire Curent Assets of the Company both present & future.

2. Collateral : Second pari pasu charge on entire Fixed assets of the company and second pari passu charge by way of equitable mortgage of Land and Plant & Machinery of Solar Carbon Pvt Ltd.

3. Guarantee : Personal guarantee of Directors Shri Punamchand Malu & Shri Banwarilal Malu and corporate guarantee of Solar Carbons Pvt Ltd.)

4. Pledge of Promoters Shareholding to the extent of 51% of the paid up capital of the Company.

NOTE 8 **TRADE PAYABLE**

a Trade Payable	166,394,066	150,386,959
Total :	166,394,066	150,386,959

b The information required to be disclosed under Micro, Small & Medium Enterprises Development Act, 2006 is not available with the Company.

NOTE 9 **OTHER CURRENT LIABILITIES**

a Current Maturities of Long Term Debt (As per Note 4 above)	71,339,714	58,574,176
b Deffered Sales Tax (As per Note 5 above)	3,565,575	1,257,116
c Duties & Taxes	1,670,886	1,984,634
d Other Payables	721,800	719,300
Total :	77,297,975	62,535,226

MALU PAPER MILLS LTD; NAGPUR
NOTES ATTACHED TO FINANCIAL STATEMENT
AS ON 31/03/2015

NOTE 11 **NON- CURRENT INVESTMENTS**

Investment in Equity instruments Unquoted Ganga Care Hospitals Ltd. (110000 Equity Shares of Rs. 10 each)	1,100,000	1,100,000
Total :	1,100,000	1,100,000

NOTE 12 **DEFERRED TAX ASSETS (NET)**

a Deffered Tax Assets		
Unabsorbed Depreciation & Business Loss	295,233,000	302,629,000
b Deffered Tax Liability		
Depreciation & Amortisation	182,526,000	112,707,000
Total :	112,707,000	121,310,000

NOTE 13 **LONG-TERM LOANS & ADVANCES**

a Security Deposits		
Unsecured, considered good	11,456,183	11,178,983
b Deposits with Government Authorities	49,835,118	50,276,721
c Fixed Deposit with Bank (Against Margin Money for Letter of Credit & Bank Guarantee)	3,917,951	3,917,951
d Accrued Interest on FDR	579,732	157,139
Total :	65,788,984	65,530,794

NOTE 14 **INVENTORIES**

a Raw Materials and components (Valued at cost or NRV whichever is lower)		
Waste Paper - Indian	68,659,200	14,081,000
Waste Paper - Imported	12,143,200	3,304,300
Chemical	15,210,000	15,565,000
b Fuel	19,509,000	26,508,000
c Packing Material	2,060,000	2,875,845
Total (a+b+c) :	117,581,400	62,334,145
d Finished goods (Valued at cost or NRV whichever is less)		
Internally Manufactured	10,904,100	12,231,500
Finished Goods	6,689,100	7,873,500
Stock In Process	4,215,000	4,358,000
Total (d) :	10,904,100	12,231,500
e Consumable Stores (Valued at cost or NRV whichever is lower)	58,580,000	55,240,000
Total (e) :	58,580,000	55,240,000
Total (a+b+c+d+e) :	187,065,500	129,805,645

MALU PAPER MILLS LTD; NAGPUR
NOTES ATTACHED TO FINANCIAL STATEMENT
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NOTE 15 **TRADE RECEIVABLES**

a Trade receivables outstanding for a period less than six months from the date they are due for payment

Unsecured, considered good	208,861,755	204,595,685
Total (a) :	208,861,755	204,595,685

b Trade receivables outstanding for a period exceeding six months from the date they are due for payment

Unsecured, considered good	3,869,517	4,445,507
Total (b) :	3,869,517	4,445,507
Total (a + b) :	212,731,272	209,041,192

NOTE 16 **CASH AND CASH EQUIVALENTS**

a Balances with Banks

In current Account with

State Bank of India, Saoner	486,030	332,896
Jammu & Kashmir Bank, Mumbai	5,000	5,000
Oriental Bank of Commerce, Nagpur	38,755	63,599
Bank of India, Nagpur	61,188	61,188
Axis Bank Ltd; Nagpur - Collection Inflow	84,469	98,760
Total :	675,442	561,443

FDR with Bank (Against Margin Money for Letter of Credit & Bank Guarantee)	15,381,540	14,194,782
---	------------	------------

b Cash in hand	865,424	537,716
Total :	16,922,407	15,293,941

NOTE 17 **SHORT TERM LOANS AND ADVANCES**

Unsecured, considered good

a Deposits and Balances with Government and Other Authorities	10,992,343	8,908,262
b Advances Recoverable in Cash or in Kind or for value to be received	45,877,768	44,833,412
c Accrued Interest on FDR	431,318	481,999
Total :	57,301,429	54,223,673

MALU PAPER MILLS LTD; NAGPUR
NOTES ATTACHED TO FINANCIAL STATEMENT
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NOTE 18 **REVENUE FROM OPERATION**

Sale of products;
Manufacturing Goods

a	Kraft Paper	1,093,254,814	984,358,585	
b	Newsprint Paper	1,280,140,141	1,252,404,940	
	Total :	2,373,394,954	2,236,763,525	

NOTE 19 **OTHER INCOME**

Interest on FDR	1,768,913	1,093,255
Interest on Security Deposit	744,377	709,097
Income from Duty Draw Back-Export	127,041	-
Dividend	16,500	-
Income from Carbon Credit Sale	-	14,864,084
Income from Profit on Acquisition of Land	-	1,704,338
Income from Profit on Sale of Vehicle	(54,078)	20,475
Sale of Scrap	142,900	214,300
	Total :	18,605,549

NOTE 20 **COST OF MATERIALS CONSUMED**

Details of Raw Material Consumed

Raw Material at the beginning of the year	32,950,300	34,850,800
Add: Purchases	1,411,104,822	1,256,404,790
Total :	1,444,055,122	1,291,255,590
Less: Raw Material at the end of the year	96,012,400	32,950,300
	Cost of Raw Material consumed	1,258,305,290

Item wise details of Raw Material Consumed

Waste Paper - Indian - Kraft	442,064,774	366,473,729
Waste Paper - Imported - Kraft	154,776,791	201,331,972
Chemical - Kraft	58,512,325	42,854,577
Waste Paper - Indian - Newsprint	626,649,924	594,196,007
Waste Paper - Imported - Newsprint	4,704,842	2,118,945
Chemical - Newsprint	61,334,068	51,330,061
	Total	1,258,305,290

Details of Consumable Stores Consumed

Consumable Stores at the beginning of the year	55,240,000	51,250,000
Add: Purchases	27,093,348	25,414,776
Total :	82,333,348	76,664,776
Less: Consumable Stores at the end of the year	58,580,000	55,240,000
	Cost of Consumable Stores consumed	21,424,776
	Total :	1,279,730,066

MALU PAPER MILLS LTD; NAGPUR
NOTES ATTACHED TO FINANCIAL STATEMENT
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NOTE 21 **Details of changes in Inventory**
Inventory at the end of the year

Particulars

Stock in Process	4,215,000	4,358,000
Finished Goods	6,689,100	7,873,500
Total :	10,904,100	12,231,500

Inventory at the beginning of the year

Particulars

Stock in Process	4,358,000	3,988,000
Finished Goods	7,873,500	13,202,000
Total :	12,231,500	17,190,000

Increase/Decrease in Inventory

Particulars

Stock in Process	143,000	(370,000)
Finished Goods	1,184,400	5,328,500
Total :	1,327,400	4,958,500

NOTE 22 **EMPLOYEE BENEFITS**

Directors Remuneration	1,200,000	-
Salary & Allowances	55,980,022	41,035,675
Providend Fund	3,603,114	2,152,067
Staff Welfare Expenses	1,177,358	891,261
Retirement Benefits	430,153	375,692
Total :	62,390,647	44,454,695

NOTE 23 **FINANCE COSTS**

Bank Charges	10,018,109	9,122,897
Interest to Bank	114,035,699	121,101,676
Interest on Unsecured Loan	31,698,894	24,025,946
Total :	155,752,702	154,250,519

MALU PAPER MILLS LTD; NAGPUR
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<u>NOTE 24</u>	<u>OTHER EXPENSES</u>	
Power & Fuel	371,328,823	371,968,744
Packing Material	27,113,979	23,240,148
Freight Inward	59,327,694	59,880,140
Contractor Payment	15,099,080	13,795,620
Clearing & Forwarding	1,024,297	1,624,027
Custom Duty	2,018,215	1,526,920
Water Charges	1,988,768	1,881,549
VAT/CST	71,309,052	66,112,272
VAT (2005-06) & (2008-09)	-	1,223,299
Repairs & Maintenance		
Building	884,691	1,253,017
Plant & Machinery	44,027,666	40,080,008
Advertisement	211,888	232,047
Annual Listing Fees	284,944	110,438
Audit Fees	561,800	561,800
Consultancy Charges	2,605,647	3,263,081
Conveyance Charges & Vehicle Maintenance	947,785	910,590
Donation	510,000	25,500
Insurance Charges	1,682,629	1,549,730
Internal Audit Fees	133,500	150,000
Labour Welfare Fund	53,674	32,352
Legal Expenses	-	15,000
Office & Misc. Expenses	1,260,465	1,023,143
Periodicals & Subscription	78,617	90,139
Postage	130,563	161,286
Printing & Stationery	254,765	353,580
Rent, Rates & Taxes	2,099,133	903,601
ROC Fees Expenses	15,000	23,000
Security Expenses	2,720,288	2,332,199
Selling & Distribution Expenses	34,613,508	29,827,066
Carriage Outward	2,274,448	4,188,806
Service Tax	-	17,883
Sitting Fess Expenses	12,000	34,000
Interest on Tds and Late Fees	-	78,395
Telephone Expenses	637,897	879,300
Travelling Expenses	974,241	635,023
Workman Compensation	-	46,022
Total :	<u><u>646,185,056</u></u>	<u><u>630,029,725</u></u>

MALU PAPER MILLS LTD; NAGPUR
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NOTE 25 **DISCLOSURE OF RELATED PARTY TRANSACTIONS :**

List of related parties with whom transactions have taken place during the year

a **Associate Companies**

Malu Electrodes Pvt. Ltd.
Frontline Commercials Pvt Ltd
Narayan Coal Traders Pvt Ltd
Neelkamal Financial Services Pvt Ltd
Shree Sales Corporation Pvt Ltd
Solar Carbons Pvt Ltd
Wistaria Farms Pvt Ltd
Malu Infrastructure Pvt Ltd

b **Key Management Persons**

Poonamchand Malu
Banwarilal Malu

c **Transactions with Related Party**

Associate Company

Malu Electrodes Pvt. Ltd.

Purchases during the year	275,821	182,265
Finance Taken	28,687,000	45,156,000
Interest on Loan	7,570,000	5,160,000

Frontline Commercials Pvt Ltd

Finance Taken	122,000	36,400
Interest on Loan	420,000	404,000

Narayan Coal Traders Pvt Ltd

Finance Taken	-	300
Finance Paid	24,000	-
Interest on Loan	360,000	333,000

Neelkamal Financial Services Pvt Ltd

Interest on Loan	1,500,000	1,356,000
Finance Taken	150,000	-
Finance Paid	-	20,400

Shree Sales Corporation Pvt Ltd

Finance Taken	-	1,046,000
Finance Paid	9,900,000	-
Interest on Loan	145,000	1,060,000

Solar Carbons Pvt Ltd

Interest on Loan	1,462,500	1,354,500
Finance Paid	66,250	19,050

Wistaria Farms Pvt Ltd

Interest on Loan	126,000	117,000
Finance Paid	13,400	5,300

Malu Infrastructure Pvt Ltd

Finance Taken	5,900,000	-
Finance Paid	-	45,900,000
Interest on Loan	1,007,350	3,375,390

Relatives of Key Management Persons

	Interest on Loan	Interest on Loan
Banwarilal Malu (HUF)	126,000	117,000
Kaveri Malu	778,500	720,000
Manisha Malu	216,000	258,000
Shashi Malu	756,000	702,000
Vasudeo Malu	1,701,000	1,741,500

Amount Payable as on reporting Date

Banwarilal Malu (HUF)	1,500,000	1,400,000
Frontline Commercials Pvt Ltd	11,000,000	10,500,000
Kaveri Malu	9,300,000	8,650,000
Malu Electrodes Pvt. Ltd.	208,000,000	172,500,000
Manisha Malu	2,500,000	2,400,000
Narayan Coal Traders Pvt Ltd	4,300,000	4,000,000
Neelkamal Financial Services Pvt Ltd	14,000,000	12,500,000
Shashi Malu	9,000,000	8,400,000
Shree Sales Corporation Pvt Ltd	-	9,900,000
Solar Carbons Pvt Ltd	17,500,000	16,250,000
Vasudeo Malu	18,400,000	20,900,000
Wistaria Farms Pvt Ltd	1,500,000	1,400,000
Malu Electrodes Pvt. Ltd. (Purchase)	-	58,826
Malu Infrastructure Pvt Ltd	9,000,000	3,100,000

MALU PAPER MILLS LTD; NAGPUR
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NOTE 26 **PAYMENT TO AUDITORS IN OTHER EXPENSES (NOTE 24) CONSISTS OF:**

Statutory & Tax Audit Fees	500,000	500,000
Service Tax	61,800	61,800
Total	561,800	561,800

NOTE 27 **SEGMENT INFORMATION :**

The Company operates in only one main segment i.e. manufacturing of paper. Since the company has only one reportable business segment and geographical segment, no further disclosure is required as per the Accounting Standard 17 on Segment Reporting.

NOTE 28 **EARNING PER SHARE (EPS)**

EPS is calculated by dividing the earning available for equity shareholders or loss attributable to equity shareholders by the weighted

Profit (Loss) after tax	18,727,447	13,983,709
Weighted Number of Shares - Basic	17,059,250	17,059,250
EPS	1.10	0.82
Basic/Diluted Earning Per Share	1.10	0.82
Face value per share	10.00	10.00

NOTE 29 **ADDITIONAL INFORMATION**

a Value of imports calculated on C.I.F basis by the company during the financial year in respect of –		
I. Raw materials;	168,320,532	198,413,717
II. Components and spare parts;	5,903,703	10,329,228
III. Capital goods;	-	-
IV. Purchase of Trading Goods:-	-	-
 b Expenditure in foreign currency during the financial year on account of royalty, know-how, professional and consultation fees, interest, and other matters;	 NIL	 NIL
 c Total value of all imported raw materials, spare parts and components consumed during the financial year and the total value of all indigenous raw materials, spare parts and components similarly consumed and the percentage of each to the total consumption;	 165123491 (12%) 1206672579 (88%) 1371796070 (100%)	 213780145 (17%) 1065949920 (83%) 1279730065 (100%)
 d The amount remitted during the year in foreign currencies on account of dividends with a specific mention of the total number of non-resident shareholders, the total number of shares held by them on which the dividends were due and the year to which the dividends related;	 NIL	 NIL
 e Earnings in foreign exchange classified under the following heads, namely:-		
I. Export of goods calculated on F.O.B. basis;	16,131,455	39,171,834
II. Royalty, know-how ,professional and consultation fees;	-	-
III. Interest and dividend;	-	-
IV. Other income (Sale of CER)	-	14,864,084

NOTE 30 **CONTINGENT LIABILITIES :**

Bank Guarantee Outstanding	14,423,377	14,423,377
Letter of Credit/Buyer's Credit	114,896,964	113,431,776
Bonds Executed in Favour of Government Authorities in respect of EPCG Licence towards duty saved against which Export obligation has to be made.	61,401,000	61,401,000

MALU PAPER MILLS LTD; NAGPUR
NOTES ATTACHED TO FINANCIAL STATEMENT
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NOTE 31 OTHERS :

- a Balances in various personal accounts remain unverified since confirmations from the parties are awaited.
- b The current assets, loans and advances are approximately of the values stated if realized in the ordinary course of business. The provision for depreciation and all known liabilities are adequate and not in excess of the amount considered reasonably necessary.
- c The company has revised depreciation rates on fixed assets effective 1st April, 2014 in accordance with requirements of schedule II of Companies Act 2013 ("the Act"). The remaining useful life has been revised by adopting standard useful life as per New Companies Act, 2013. The carrying amount as on 1st April 2014 is depreciated over the remaining useful life. As a result of this changes the depreciation charged for the year ended 31st March 2015 is lower by Rs. 1,64,39,968/-.
- d Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For Malu Paper Mills Ltd;

**As per our Report of even date,
For Demble Ramani & Co.
Chartered Accountants**

Punamchand Malu Banwarilal Malu
(Managing Director) (Jt. Managing Director)
Place : Nagpur
Date : 25.05.2015

Ashok Ramani
Partner
Mem. No. 30537
FRN 102259W

MALU PAPER MILLS LTD; NAGPUR
NOTES ATTACHED TO FINANCIAL STATEMENT
AS ON 31/03/2015

NOTE 10 FIXED ASSETS

Sr. No.	Fixed Assets	Useful Life	Gross Block				Accumulated Depreciation			Net Block	
			Balance as at 1 April 2014	Additions during the year	Disposal / Transfer during the year	Balance as at 31 Mar 2015	Balance as at 1 April 2014	Depreciation charge for the year (As per SLM)	Balance as at 31 Mar 2015	Balance as at 1 April 2014	Balance as at 31 Mar 2015
a	Tangible Assets (Under Lease)										
1	Leasehold Land		8,573,045			8,573,045	721,944	90,243	812,187	7,851,101	7,760,858
b	Tangible Assets (Not Under Lease)										
1	Freehold Land		7,631,171			7,631,171	0	0		7,631,171	7,631,171
2	Factory Building	30	205,984,759	3,367,832		209,352,591	51,473,491	6,314,300	57,787,791	154,511,268	151,564,800
3	Office Building	60	702,610			702,610	183,248	10,761	194,009	519,362	508,601
4	Office Building (Ho)	60	1,065,670			1,065,670	173,700	16,445	190,145	891,970	875,525
5	Staff Quarters	60	1,712,841			1,712,841	485,534	26,170	511,704	1,227,307	1,201,137
6	Plant & Machinery	25	731,098,319	27,874,455		758,972,774	243,241,236	25,023,327	268,264,563	487,857,083	490,708,211
7	Furniture & Fixture	10	3,135,642	191,696		3,327,338	1,822,856	317,793	2,140,649	1,312,786	1,186,689
8	Office Equipment	25	1,002,474			1,002,474	554,645	21,755	576,400	447,829	426,074
9	Computers	3	1,753,792	106,143		1,859,934	1,753,792	15,924	1,769,716	0	90,219
10	Boiler	25	12,059,151			12,059,151	7,795,711	288,649	8,084,360	4,263,440	3,974,791
11	Captive Power Plant	25	201,377,144			201,377,144	60,812,066	6,610,346	67,422,412	140,565,078	133,954,732
12	Water Supply Equipments	25	252,811			252,811	216,162	24,008	240,170	36,649	12,641
13	Fire Fighting Equipments	25	214,497			214,497	113,077	5,989	119,066	101,420	95,431
14	Effluent Treatment	25	26,077,357			26,077,357	9,683,998	1,116,057	10,800,055	16,393,359	15,277,302
15	Electrical Installation	25	120,371,331			120,371,331	35,493,774	4,172,805	39,666,579	84,877,557	80,704,752
16	Misc.Fixed Assets	25	24,831,502			24,831,502	7,089,363	859,799	7,949,162	17,742,139	16,882,340
17	Vehicles	10	21,543,344	1,239,208	631,272	22,151,280	14,966,948	1,226,025	15,800,779	6,576,396	6,350,501
	Total		1,369,387,459	32,779,334	631,272	1,401,535,521	436,581,545	46,140,396	482,329,747	932,805,914	919,205,774



MALU PAPER MILLS LIMITED

Regd. Office:- Heera Plaza, 4th Floor, Near Telephone Exchange,
Central Avenue, Nagpur – 440 008.
CIN:L15142MH1994PLC076009

PROXY FORM

ANNUAL GENERAL MEETING 2014-15

Folio No. _____ DPID: _____ Client ID: _____

I/ We _____ of _____ in
the District of _____ being a member / members of the above named company,
hereby appoint Mr./Mrs/Kum _____ as my /our proxy to attend
and vote for me/us on my/our behalf at the Twentysecond Annual General Meeting of the Company
to be held at **Heera Plaza, 4th Floor, Near Telephone Exchange, Central Avenue, Nagpur – 440
008** on Tuesday, the 22nd day of September, 2015 at 11.00 AM and at any adjournment thereof.

Date: _____

Address: _____

Signature: _____

Affix Re.1
Revenue
Stamp

Note: The proxy form duly completed must be deposited at Registered Office not less than 48 hours
before the time for commencement of the meeting. A proxy need not be a member.
