

NOTICE

NOTICE is hereby given that the TWENTY NINTH ANNUAL GENERAL MEETING of the members of M/s. RAINBOW PAPERS LIMITED will be held on Monday, the 28th day of September, 2015, at 12.00 noon, at Ahmedabad Management Association (AMA), ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015, to transact the following business :

ORDINARY BUSINESS:

01. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date together with Directors' and the Auditors' Report thereon.
02. To appoint a Director in place of Smt. Aanal Trivedi (DIN 6931339), who retires by rotation and being eligible, offers herself for re-appointment.
03. To consider, and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. Mehta Lodha & Co., Chartered Accountants, Ahmedabad be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s P A R Y & Co., Chartered Accountants, Ahmedabad who had been appointed as Statutory Auditors of the Company upto 33rd Annual General Meeting which was subject to ratification at the ensuing Annual General Meeting.

RESOLVED FURTHER THAT M/s. Mehta Lodha & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 106250W) be and are hereby appointed as Statutory Auditors of the Company and that they shall hold the office of the Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of 33rd Annual General Meeting and that they shall conduct the Statutory Audit for the period ended 31st March, 2016 on such remuneration as may be fixed by the Board of Directors in consultation with them."

SPECIAL BUSINESS:

04. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder, and as amended from time to time, and such other permissions as may be necessary, the payment of the remuneration of ` 90,000/- (Rupees Ninety Thousand Only) with applicable Service Tax plus reimbursement of out of pocket expenses if any, to Shri V. H. Shah, who were appointed by the Board of Directors of the Company, as "Cost Auditor" to conduct the audit of cost records maintained by the Company for Financial Year ending 31st March, 2016, be and is hereby ratified and approved.

05. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 149, 150, 152 and other applicable provisions of the Companies Act, 2013, Mr. Indrasinh B. Zala (DIN 02137365), who was appointed as an Additional Director with effect from 12th August, 2015, and holds office upto the date of ensuing Annual General Meeting and in respect of whom a notice under Section 160 of the Companies Act, 2013, has been received from a member signifying his intention to propose Mr. Indrasinh B. Zala as a candidate for the office of Director of the Company be and is hereby appointed as an Independent Director of the Company for a period of 3 years upto 32nd Annual General Meeting of the Company".

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

“RESOLVED THAT pursuant to the provisions of Section 42 and 71 of the Companies Act, 2013 (‘the Act’), Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time being in force) and in accordance with the provisions of Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Rules, Regulations, Guidelines and Circulars, as amended from time to time, the Memorandum and Articles of Association of the Company and subject to such other approvals as may be required from regulatory authorities from time to time, consent of the Members be and is hereby accorded to the Board of Directors/Committee of Directors to offer, issue and allot, in one or more tranches Secured or Unsecured Non- convertible Debentures/Bonds on private placement basis during the Financial Year 2015-2016, for an amount not exceeding USD\$ 250 Million (USD Two Fifty Million) on such terms and conditions and at such times at par or at such premium, as may be decided by the Board/Committee of Directors to such person or persons, including one or more companies, bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person/persons as the Board/Committee of Directors may decide so, however that the aggregate amount of funds to be raised by issue of Non-convertible Debentures/Bonds shall not exceed US\$ 250 Mn.

RESOLVED FURTHER THAT in connection with the above, the Board/Committee of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

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

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a), Section 110 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications, amendments or re-enactments thereto) and the Rules made thereunder (collectively the “Act”), Clause 49 of the Listing Agreement with the Stock Exchanges on which the shares of the company are listed and Regulation 26(2)(a) of Securities and Exchange Board of India (Substantial Acquisition of Shares ad Takeovers) Regulations, 2011, the Memorandum and Articles of Association of the Company and subject to requisite approvals, permissions and sanctions as may be required, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall include a Committee thereof authorised for the purpose) for dilution of either the entire investment of the Company in Rainbow Papers JLT, Dubai {Wholly Owned Subsidiary(WOS)} or to such an extent as the Board may decide by way of sale or dilution of shareholding by raising capital by the said WOS .

RESOLVED FURTHER THAT Shri Ajay Goenka, Chairman & Managing Director and Shri Rahul Maheshwari, Executive Director of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things including but not limiting to deciding the time when the dilution be done by the Company, the manner of dilution, extent of dilution, other incidental and ancillary activities thereto determining such other terms and conditions relevant to such dilution, negotiating and finalizing the terms of sale or issue of fresh shares and executing the share purchase agreement(s) by whatever name called and such other contracts, undertakings as may be necessary desirable and expedient to be agreed, signed and executed to complete the aforesaid transaction and to settle any question that may arise in this regard and incidental thereto and to sign such declarations , undertakings, forms confirmations etc, as may be requisite in their behalf. “

BY ORDER OF THE BOARD OF DIRECTORS

PLACE : AHMEDABAD
DATE : 26th AUGUST, 2015

RUNEL RATHI
COMPANY SECRETARY

NOTES:

01. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself and such proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) who are holding, in the aggregate, not more than ten percent of the total share capital of the Company.

The enclosed proxy form, if intended to be used, should reach the registered office of the Company duly completed not less than forty eight hours before the scheduled time of the meeting.

02. The dividend recommended by the Board of Directors @ ₹ 0.20 per Equity Share of ₹ 2/- each at its meeting held on 29th May, 2015, has been revoked by the Board of Directors in its subsequent meeting held on 12th August, 2015 on account of non receipt of permission from the lenders. Accordingly, the notice of the meeting does not incorporate the item relating to declaration of dividend as an ordinary resolution.

03. The Register of Members and Share Transfer Books shall remain closed from 21st September, 2015 to 28th September, 2015 (both days inclusive).

04. Please bring copy of the annual report at the Annual General Meeting of the Company.

05. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special businesses set out above is annexed hereto.

06. All documents referred to in the notice are open for inspection at the registered office of the Company between 11.00 am to 5.00 pm on any working day prior to the date of the meeting and will also be available at the meeting venue on the date of the meeting.

07. Members intending to require information about accounts to be explained at the meeting are requested to write to the Company at least ten days in advance of the Annual General Meeting.

08. Members holding shares in dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their Depository Participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the members.

09. Members holding shares in physical form are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company/RTA.

10. Those members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the Company for the payment thereof as the same will be transferred to the "Investor Education and Protection Fund" of the Central Government pursuant to Section 205C of the Companies Act, 1956 on the respective dates mentioned there against. Kindly note that after such transfer, the members will not be entitled to claim such dividend.

Year	Date of transfer of dividend
2007-08	29 th October, 2015
2008-09	30 th October, 2016
2009-10	16 th August, 2017
2010-11	3 rd November, 2018
2011-12	3 rd November, 2019
2012-13	20 th October, 2020
2013-14	29 th October, 2021

11. The Company has implemented the "Green Initiative" as per Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and annual reports to shareholders. Henceforth, the email addresses indicated in your respective depository participant accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered email address for serving notices/documents including those covered under section 136 of the Companies Act, 2013 (corresponding to section 219 of the erstwhile Companies Act, 1956). The Notice of AGM and the copies of audited financial statements, directors' report, auditors' report etc. will also be displayed on the website (www.rainbowpapers.com) of the Company and the other requirements of the aforesaid MCA circular will be duly complied with. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the RTA of the Company quoting their folio number(s).
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company.
13. Information under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of Directors seeking appointment/re-appointment at the Annual General Meeting is given hereinafter.
14. Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business(es) contained therein may be transacted through Remote e-Voting Services provided by National Securities Depository Limited (NSDL):

Instructions for Remote E-Voting:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)]:
 - (i) Open email and open PDF file viz: "RAINBOW e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.

You will not receive this PDF file if you are already registered with NSDL for e-voting. In that case, you can use your existing password for casting the vote. If you have forgot your password, you can reset your password by using "Forget User Details / Password" option available available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.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 e-voting opens. Click on e-Voting: Active Voting Cycles.
 - (vii) Select "EVEN" of Rainbow Papers Limited.
 - (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 rainbowscrutinizer@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 Participant(s) or requesting physical copy] :
- (i) Initial password will be provided separately: EVEN (E Voting Event Number) USER ID, PASSWORD/PIN
 - (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) above, to cast vote.
 - (iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
 - (iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - (v) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the meeting.
 - (vi) You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).
 - (vii) The Remote e-voting period commences on 24th September, 2015 (9.00 am) and ends on 27th September, 2015 (5.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2015, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - (viii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2015.
- Any person, who acquires shares of the Company and becomes member of the Company after 28th August, 2015 i.e. the date considered for dispatch of the notice and holding shares as of the cut-off date i.e. 21st September, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or secretarial@rainbowpapers.com.
- (ix) Mr. M.C. Gupta of M. C. Gupta & Co., Company Secretaries, (Membership No. FCS:2047) (Address : A-201, Fairdeal House, Swastik Char Rasta, Navrangpura, Ahmedabad -380 009) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the physical ballots received from members who don't have access to the e-voting process) in a fair and transparent manner.
 - (x) 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 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.
 - (xi) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.rainbowpapers.com and on the website of NSDL and also will be communicated to the National Stock Exchange of India Limited and BSE Limited.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

M/s P A R Y & Co., Chartered Accountants, Ahmedabad have tendered their resignation from the position of Statutory Auditors, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). Casual vacancy caused by the resignation of auditors can only be filled up by the Company in general meeting. Board proposes that M/s. Mehta Lodha & Co., Chartered Accountants, Ahmedabad be appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s P A R Y & Co., Chartered Accountants, Ahmedabad who had been appointed as Statutory Auditors of the Company upto 33rd Annual General Meeting which was subject to ratification at the ensuing Annual General Meeting.

M/s. Mehta Lodha & Co., Chartered Accountants, Ahmedabad have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members for appointment of M/s. Mehta Lodha & Co., Chartered Accountants, Ahmedabad as Statutory Auditor of the Company from the conclusion of this Annual General Meeting until the conclusion of 33rd Annual General Meeting of the Company.

None of the Directors, Key managerial Personnel or their relatives, in any way, concerned or interested in the said resolution.

Item No. 4

The Board, on the recommendations of the Audit Committee, has approved the appointment of Shri V.H. Shah as the Cost Auditor of the Company at a remuneration of ₹ 90,000/- (Rupees Ninety Thousand Only) with applicable Service Tax plus reimbursement of out of pocket expenses if any, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor needs to be ratified by the Shareholders of the Company. Accordingly, approval of the members is requested for passing an Ordinary Resolution as set out at item no. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors to conduct audit of the cost records of the Company for the Financial Year ending March 31, 2016.

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

The Board recommends the Ordinary Resolution as set out at item no. 8 for approval by the shareholders.

Item No. 5

Mr. Indrasinh B. Zala was appointed as Additional Director of the Company with effect from 12th August, 2015 and hold office of Director upto the date of ensuing Annual General Meeting. A Notice under Section 160 of the said Act with the prescribed deposit has been received from the members of the Company signifying their intention to propose the name of Mr. Indrasinh B. Zala for appointment as the Director of the Company.

Mr. Indrasinh B. Zala is a commerce graduate, having more than 43 years of experience in print media & electronic media. His appointment as Director of the Company would be beneficial for the efficient working of the Company.

Mr. Indrasinh B. Zala has given declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and in the opinion of the Board, the Directors fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the Management.

Mr. Indrasinh B. Zala, is concerned or interested in the resolution of the accompanying notice relating to his concerned appointment. None of the other Directors, and Key Managerial Personnel of the Company and their relatives are concerned or interested, in the resolution set out at item No. 5 of the accompanying Notice.

Item No. 6

In order to meet the working capital requirements of the Company that may arise during FY'16, the Board of Directors of the Company at its meeting held on August 12, 2015 has, subject to the approval of Members in the general meeting proposed to issue Non-convertible Debentures/Bonds to various person(s) on private placement basis, at such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any and as may be finalized by the Board and/or Committee of Directors. The amount to be raised by way of issue of Non-convertible Debentures on a private placement basis however shall not exceed US\$ 250 Mn (USD Two Fifty Million) in aggregate.

It may be noted that Rule 14(2) of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 42 of the Companies Act, 2013, allows a company to pass a previous special resolution once in a year for all the offer or invitation for non-convertible debentures to be made during the year through a private placement basis in one or more tranches.

Consent of the Members is therefore sought in connection with the aforesaid issue of debentures/bonds from time to time and they are requested to authorize the Board (including any Committee of the Board) to issue Non-convertible Debentures/Bonds during the FY'16 on private placement basis upto US\$ 250 Mn as stipulated above, in one or more tranches.

The Board recommends the Special Resolution set forth in Item No.6 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company including their relatives are interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

Item No. 7

Rainbow Papers JLT, Dubai is a Wholly Owned subsidiary of the company engaged into business of trading in paper. The company has grown over a period of time and has exhibited good financial performance. However, on account of slow recovery of the receivables, the said subsidiary is facing liquidity crunch and had requested the company to provide much needed working capital and funds for on going business activities. However, on account of financial position of the company, the Board of Directors of the company had felt that it would not be possible for the company to provide more funds to the said subsidiary for operations and working capital requirements, as requested.

In view of above, Rainbow Papers JLT, Dubai has taken a decision to raise fresh capital by issue and allotment of shares to outside investors so that needed funds may be garnered. The company does not have any option except to agree to the aforesaid decision.

Consequently, the shareholding of the company in the said Wholly Owned Subsidiary may be reduced to minority and may fall below 50%. Clause 49 of the Listing Agreement provides that any disinvestment by a company in its subsidiary, which reduces its holding below 50% will need approval of the members by way of Special Resolution in General Meeting. Though the same is not a disinvestment, the Board of Directors of the company, as an abundant caution decided to seek approval of the members in the General Meeting by way of Special Resolution for such dilution under Clause 49 of Listing Agreement as well as under Section 180(i)(a) of the Companies Act, 2013.

BY ORDER OF THE BOARD OF DIRECTORS

PLACE : AHMEDABAD
DATE : 26th AUGUST, 2015

RUNEL RATHI
COMPANY SECRETARY

Details of the Directors seeking appointment/re-appointment in the ensuing Annual General Meeting

Sr. No.	Name	Age (In Years)	Date of Appointment	Qualification	Experience (In Years)
1.	Smt. Aanal Trivedi	31	12/08/2014	MBA (Finance)	5
2.	Shri Indrasinh B. Zala	65	12/08/2015	B.Com.	43

RAINBOW PAPERS LIMITED

CIN : L21010GJ1986PLC008772

Reg. Office : 801, Avdhesh House, Opp. Guru Govind Gurudwara, Thaltej, Ahmedabad – 380 054

Tel. No. +91 79 26855714/16, Fax No. +91 79 26855712

Website: www.rainbowpapers.com, Email: secretarial@rainbowpapers.com

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Company : RAINBOW PAPERS LIMITED

Registered Office : 801, Avdhesh House, Opp. Guru Govind Gurudwara, Thaltej, Ahmedabad – 380 054

Website: www.rainbowpapers.com

Name of the Member (s) :

Registered address :

E-mail Id :

Folio No. / Client Id : DP ID :

I / We, being the member(s) of Rainbow Papers Limited holding ____ Equity Shares of the Company, hereby appoint

1. Name : _____
 Address : _____
 E-mail Id : _____
 Signature : _____ or failing him / her

2. Name : _____
 Address : _____
 E-mail Id : _____
 Signature : _____ or failing him / her

3. Name : _____
 Address : _____
 E-mail Id : _____
 Signature : _____ or failing him / her

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 29th Annual General Meeting of the Company, to be held on the **28th day of September 2015 at 12.00 noon** at Ahmedabad Management Association (AMA) Hall, ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015 and at any adjournment thereof, in respect of such resolutions set out in the AGM Notice convening the meeting, as are indicated below:

Ordinary Business:

1. Adoption of Audited Balance Sheet as on 31st March, 2015, and the Statement of Profit and Loss for the year ended on that date, both on standalone and consolidated basis together with the Reports of the Board of Directors and the Auditors' thereon (Ordinary Resolution).
2. Re-appointment of Mrs. Aanal Trivedi, who retires by rotation and being eligible, offers herself for re-appointment (Ordinary Resolution).
3. Appointment of M/s. Mehta Lodha & Co., Chartered Accountants, as the Statutory Auditors of the Company in place of M/s. PARY & Co., Chartered Accountants. (Ordinary Resolution).

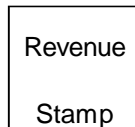
Special Business:

4. Payment of Remuneration to Cost Auditors (Ordinary Resolution)
5. Appointment of Shri Indrasingh B. Zala, as Independent Director of the Company (Ordinary Resolution).
6. Issue of Non-Convertible Debentures / Bonds for Amount not exceeding \$ 250 million (Special Resolution).
7. Dilution of Share holding of Rainbow Papers JLT, Dubai by raising capital by the said Company (Special Resolution).

Signed this day of 2015

Signature of Shareholder _____

Signature of Proxy Holder(s) _____



Note: The form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the Commencement of the meeting.



29th
ANNUAL
REPORT
2014 -15





FOUNDER & VISIONARY



Late Shri Radheshyamji Goenka

1929-2010

Founder & Visionary

His integrity, commitment and passion towards his work will always inspire us to grow with excellence.

CORPORATE INFORMATION

BOARD OF DIRECTORS

SHRI AJAY R. GOENKA	:	CHAIRMAN & MANAGING DIRECTOR
SHRI RAHUL J. MAHESHWARI	:	EXECUTIVE DIRECTOR
SHRI MAHENDRA M. PATEL	:	DIRECTOR (upto 02.07.2015)
SHRI KANTIBHAI H. PATEL	:	DIRECTOR
SHRI SHASHIKANT N. THAKAR	:	DIRECTOR
SMT. AANAL N. TRIVEDI	:	DIRECTOR
SHRI INDRASINH B. ZALA	:	DIRECTOR (w.e.f. 12.08.2015)

COMPANY SECRETARY

SMT. RUNEL RATHI

STATUTORY AUDITORS

M/S. P A R Y & Co.
CHARTERED ACCOUNTANTS
AHMEDABAD

COST AUDITORS

SHRI V. H. SHAH
COST ACCOUNTANTS
AHMEDABAD

INTERNAL AUDITORS

M/S. DHANESH B. KHATRI & CO.
CHARTERED ACCOUNTANTS
AHMEDABAD

REGISTERED OFFICE

801, Avdshesh House
Opp. Shri GuruGovind Gurudwara
Sarkhej-Gandhinagar Highway, Thaltej
Ahmedabad-380054. Gujarat. INDIA
Phone: 079-71797179/80
Email: info@rainbowpapers.com
Www.rainbowpapers.com
CIN: L21010GJ1986PLC008772

WORKS

1453, 1423, Village Rajpur, Tal: Kadi
Kalol-mehsana Highway:382715
North Gujarat. INDIA

REGISTRAR & SHARE TRANSFER AGENTS

M/s. SHAREPRO SERVICES (INDIA)
PRIVATE LIMITED
416-420, 4th Floor, Devnandan Mall,
Opp. Sanyas Ashram, Ellisbridge,
Ahmedabad – 380 006
Phone: 079-26582381-84
Email: sharepro.ahmedabad@shareproservices.com

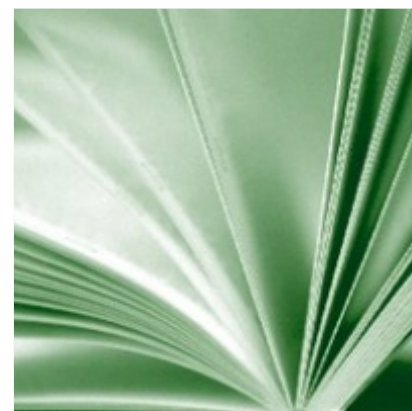
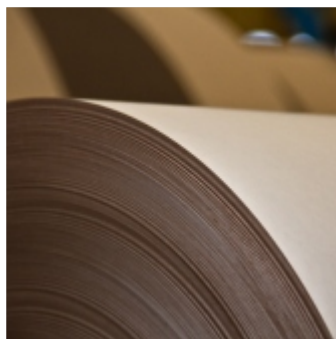
LISTINGS

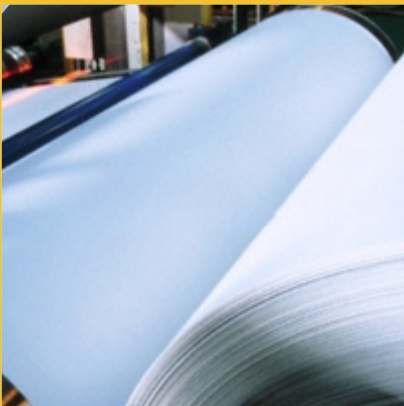
FOR EQUITY SHARES:

- BSE LIMITED
(SCRIP CODE 523523)
- NATIONAL STOCK EXCHANGE OF
INDIA LIMITED
(STOCK SYMBOL RAINBOWPAP)

FOR GDR's :

- LUXEMBOURG STOCK EXCHANGE
(STOCK CODE Us7508461073)





forward looking statement

In this annual report, we have disclosed forward-looking information to help investors comprehend our prospects and take informed investment decisions. This report is based on certain forward-looking statements that we periodically make to anticipate results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



CONTENTS

From the CMD's Desk.....	6
Directors' Report with Annexures.....	9
Report On Corporate Governance.....	32
Management Discussion & Analysis Report.....	44a
Consolidated Financial Statements	
Auditors' Report.....	46
Consolidated Balance Sheet.....	48
Consolidated Statement of Profit & Loss.....	49
Consolidated Cash Flow Statement.....	50
Notes forming part of the Consolidated Financial Statement.....	52
Standalone Financial Statements	
Auditors' Report.....	72
Balance Sheet.....	76
Statement of Profit & Loss.....	77
Cash Flow Statement.....	78
Notes forming part of the Financial Statement.....	80
Statement under Section 129(3) of the Companies Act, 2013 relating to subsidiary companies.....	103

FROM THE CMD'S DESK

Dear Shareholders,

Rainbow Papers Limited has grown and evolved over the years and is indebted for your constant support and encouragement that has provided us the momentum to go ahead and reach our dreams. We strive hard to fulfill all requisites to achieve the envisioned growth through innovation and hard work. What we are today is a result of thousands of hands which have worked together to build this company.

We have striven to support numerous industries like printing and publishing, writing and packaging by providing quality papers and boards. The increasing demand for paper is fuelled mainly by the demand in developing countries such as those in Asia and Africa, while demand for paper has decreased in developed countries all over the world. We often hear that there will be a 'paperless culture' in the near future. However, we will that it will take many more years to become a reality due to boost in primary education, and the culture to keep a copy of all important documents. Even then a paperless society remains a far cry as in future as books will get published and products will need to be packaged. Over the years, we aim to increase our turnover rate through incremental sales.

Ethics and integrity underlie our core values — commitment, ownership, respect and excellence. These values make Rainbow Papers Limited one of the most trustworthy names in business and are the foundation of our success.

We will continue to stride towards the goals of vertical integration, environmental protection, and value-added technology with a progressive perspective, a forward-looking strategy, and





*Ethics and integrity
underlie our core
values —
commitment,
ownership, respect and
excellence*



advanced technology. In the face of shifting trends, Rainbow Papers Limited has never been daunted by the prospect of change but is dedicated to doing what is right to create sustainable growth. We will make attempts for reduction of industrial waste and transformation of waste into resources in order to create a long-term competitive edge, reach our business objectives, and create maximum investment value for our shareholders.

We take this opportunity to thank our staff, our customers, and the community of Rainbow, without whose support, we could not have written this success story, and we are looking forward to their cooperation to make the success even much bigger - in the years to come!

Ajay Goenka
Chairman & Managing Director



DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 29th Annual Report of the Company together with the Audited Accounts for the financial year ended 31st March, 2015.

1. Financial Highlights

The standalone and consolidated financial results of the company for the year ended 31st March, 2015, are as under:

(` in Lacs)

FINANCIAL RESULTS	STANDALONE		CONSOLIDATED	
	2014-15	2013-14	2014-15	2013-14
Revenue from Operations	57321	67242	115263	115049
Profit before Exceptional, Extra ordinary items, Depreciation, Interest & Tax	11537	14237	14590	18044
Depreciation	3899	4787	3899	4787
Profit before Interest & Tax	7638	9450	10691	13257
Interest	7060	6076	7066	6076
Profit before Exceptional & Extraordinary Items & Tax	578	3374	3625	7181
Prior Period items / Exceptional items	33	-	33	-
Taxation: Less/ (Add) Current Tax	109	707	109	707
MAT Credit Entitlement	(109)	(707)	(109)	(707)
Deferred Tax	(1866)	970	(1866)	970
NET PROFIT AFTER TAX FOR THE YEAR	2444	2404	5524	6211
Add: Balance brought forward	16468	14708	24180	18598
NET SURPLUS AVAILABLE FOR APPROPRIATION	18912	17112	29704	24809
Capital Reserve on Consolidation	-	-	-	15
Proposed Dividend/ Dividend Paid	241	396	241	396
Corporate Tax on Dividend	48	67	48	67
Transfer to General Reserve	-	181	-	181
Surplus carried forward to Balance Sheet	18622	16468	29415	24180
EPS (Face Value of ` 2 per share)				
Basic	2.37	2.43	5.37	6.28
Diluted	-	2.27	-	5.85

2. Dividend and its revocation

The Board of Directors has in its meeting held on 29th May, 2015 had recommended dividend of 10% i.e. ₹ 0.20 per Equity Share on 10,62,17,300 Equity Shares of ₹ 2/- each for FY 2014-15, amounting to ₹ 212.43 lacs.

However, the Board of Directors of the Company at its meeting held on 12th August, 2015 has decided to revoke the decision of recommendation of dividend as the Lending Banks / Financial Institutions have not agreed to the request of the Company on such decision. Accordingly, the recommendation of dividend stands revoked.

3. Finance

During the year under review, your Company has converted its outstanding Indian Rupee Term Loan under consortium finance into Non Fund based limits in the form of Export Performance Bank Guarantee Limits (EPBG limits). The total exposure of the said EPBG limits was ₹ 326.23 Crores i.e. US\$ 54.372 Mn. considered at a notional rate of ₹ 60.00 per US\$.

Under the said arrangement, your company has executed Advance Payment & Supply Agreement (APSA) with an international trading entity M/s Cargill International Trading Pte. Ltd. for export of its goods over next 10 years.

Further, the consortium bankers have sanctioned the EPBG and the validity of this guarantee is initially for a period of 2 years which will be extended by 2 years every time upto a maximum period of 10 years. The value of Bank Guarantee will get reduced gradually on execution of Export Orders. The bank guarantee is issued by Consortium bankers in favour of M/s Cargill International Trading Pte. Ltd. which can be endorsed/ transferred to the International Bankers.

The said EPBG limits have resulted in drastic savings of interest and also your company is not required to pay installments for the said Term Loan on monthly basis.

4. Capacity Expansion

During the year under review, your Company has successfully completed the installation of Folding Duplex Board plant. Post installation of the said plant, the production capacity of the Company has gone up to 4,66,700 MTPA. The production from the said machine is mainly used for the packaging of cosmetics, cigarettes, medicines & electrical appliances etc.

5. Exports & Imports

During the Year under review, your Company has exported 16148.29 MT of paper. The export proceeds amounted to ₹ 6,186 Lacs (being 5.32% of Gross Sales).

Your Company imported 88673.24 MT of waste paper and 496 MT of chemical during the year under review. The imports amounted to ₹ 11508 Lacs of waste paper and ₹ 423 Lacs of chemicals.

6. Subsidiary Company

Your company is having one wholly owned subsidiary company viz. Rainbow Papers JLT, Dubai. The said subsidiary company is engaged in trading of paper and waste paper.

7. Public Deposits

The Company has not accepted or renewed any deposits from the public during the financial year 2014-15.

8. Human Resources

At the core, our underlying belief is that Human Resource Development is about nurturing human resources and leveraging human capital towards the achievement of business goals. The Company is committed towards development and creation of opportunities for its employees that help in retaining and developing a diversified workforce.

During the year, our focus was on strengthening a conducive work culture for our employees, reinforce health, safety and well-being of employees and also uphold our commitment towards ensuring transparency in business processes. Your organization encourages reporting of unethical / wrong practices and is committed to creating a constructive and open work environment. Further, initiatives were introduced to redefine various policies for employees' empowerment so as to enrich their professional, personal & social life.

During their tenure at the Company, employees are motivated through various skill-development, engagement and volunteering programs.

The Company has an employee strength of 1259 employees as on 31st March, 2015.

9. Corporate Social Responsibility (CSR)

As a part of its CSR, the Company makes concentrated efforts in the fields of Community Healthcare, Sanitation & Hygiene, Education & Knowledge Enhancement and Social Care & Concern.

In line with the provisions of the Companies Act, 2013 and rules made thereunder, Corporate Social Responsibility (CSR) Committee has been formed by the Board of Directors at its meeting held on 12th August, 2014. The Composition of the CSR Committee is as under:

Name of Director	Category of Directorship	Designation
Shri Ajay Goenka	Managing Director	Chairperson
Shri Rahul Maheshwari	Executive Director	Member
Shri Kantibhai Patel	Independent Director	Member

The details about the CSR policy recommended by the CSR Committee and approved by the Board of Directors, along with other details required as per the Companies Act, 2013 and rules made thereunder are given in the Annual Report on CSR Activities as an Annexure A to this Report.

10. Environment, Health and Safety

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliance of environmental regulations and preservation of natural resources.

The Company accords the highest priority to Environment, Health and Safety. Your Company continues to be accredited with ISO 9001, ISO 14401, OHSAS 18001.

11. Directors and Key Managerial Personnel

Subsequent to the notification of Section 149 and other applicable provisions of the Companies Act 2013, the shareholders have at the 28th Annual General Meeting of the Company, held on 25th September, 2014, appointed the Independent Directors - Shri Mahendra Patel, Shri Kantibhai Patel, Shri Shashikant Thakar for a term of three consecutive years upto 31st Annual General Meeting of the Company. Smt. Aanal Trivedi has also been appointed for a term of three years upto 31st Annual General Meeting of the Company as Woman Director of the Company. The Shareholders have, in the same meeting, also approved the reappointment of Shri Rahul Maheshwari as Executive Director of the Company w.e.f. 30th August, 2014 for a term of three consecutive years.

Shri Mahendra Patel has resigned from the directorship w.e.f. 2nd July, 2015 and Shri Indrasinh B. Zala is appointed as Independent Director of the company in the meeting of Board of Directors of the Company held on 12th August, 2015.

Smt. Aanal Trivedi retires by rotation as Director and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment as director as detailed in the notice convening the Annual General Meeting, subject to approval of the shareholders.

Shri Pankit Shah, Chartered Accountants, has been designated as Chief Financial Officer (CFO) of the Company w.e.f. 12th August, 2014.

12. Composition and number of meetings of the Board

The Board of Directors of the Company comprises of well qualified and experienced persons having expertise in their respective areas. It has appropriate combination of Executive and Non-Executive Directors consisting of one Chairman & Managing Director, one Executive Director, three Independent Director and one Woman Director as required pursuant to Section 149 of the Companies Act, 2013.

The Board meets at regular intervals with gap between two meetings not exceeding 120 days. Additional meetings are held as and when necessary. During the year under review, the Board met 14 times on 17th April, 2014, 22nd May, 2014, 30th May, 2014, 19th June, 2014, 28th June, 2014, 12th August, 2014, 24th September, 2014, 16th October, 2014, 14th November, 2014, 23rd December, 2014, 7th January, 2015, 29th January, 2015, 14th February, 2015 and 20th March, 2015.

13. Composition of Audit and Risk Management Committee

In compliance with the requirement of Section 177 of the Companies Act, 2013, the Board of Directors has constituted Audit Committee. The members of the Audit Committee possess financial/accounting expertise and exposure. The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements.

The Audit Committee of the Company also carries out the role of Risk Management Committee and hence, it has been renamed as Audit and Risk Management Committee in the Board Meeting held on 12th August, 2014.

The Audit & Risk Management Committee comprises of the Independent Directors of the Company under the Chairmanship of Mr. Shashikant Thakar. The other independent directors of the Committee are Mr. Kantibhai Patel, Mr. Mahendra Patel (upto 2nd July, 2015) and Mr. Indrasinh B. Zala (w.e.f. 12th August, 2015)

Statutory Auditors, Internal Auditors and Chief Financial Officer are the permanent invitees at the committee meetings. Company Secretary acts as the Secretary of the Committee.

During the financial year 2014-15, the Audit Committee met 5 times on the following dates: 22nd May, 2014, 30th May, 2014, 12th August, 2014, 14th November, 2014 and 14th February, 2015.

The recommendations given by the Audit Committee are considered and reviewed by the members of the Board of the Company. However, there is no such case where the Board dissented or did not accept the recommendation of the Audit Committee.

The Company has established the vigil mechanism through Whistle Blower Policy for all the stakeholders of the Company which also provides for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases as per the Policy.

The Whistle Blower Policy will be applicable to all the stakeholder of the Company, which is an extension of the Code of Business Conduct through which the Company seeks to provide a mechanism for the stakeholders to disclose their concerns and grievances on unethical behavior and improper/illegal practices and wrongful conduct taking place in the Company for appropriate action. The Company shall oversee the vigil mechanism only through the Audit Committee. If any of the members of the Audit Committee have a conflict of interest in a given case, they should excuse themselves and the others in the Committee would deal with the matter on hand.

14. Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of Section 178

Pursuant to provision of Section 178 of the Companies Act, 2013, as applicable to the Company, the Company has renamed "Remuneration Committee" during the financial year 2014-15 as "Nomination and Remuneration Committee". The Composition of the Nomination & Remuneration Committee is as under:

1. Shri Kantibhai Patel – Independent Director
2. Shri Shashikant Thakar - Independent Director
3. Shri Mahendra Patel - Independent Director (upto 2nd July, 2015)
4. Shri Indrasinh B. Zala (w.e.f. 12th August, 2015)

The Committee met on 12th August, 2014.

The Nomination & Remuneration Committee considers the requirement of the skill sets on the Board, integrity of the persons having standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions, recommend the appointment to the Board for approval.

The Committee has approved a policy with respect to the appointment and remuneration of the Directors and Senior Management personnel. The objectives of this policy are:

- (a) to create a transparent system of determining the appropriate level of remuneration throughout all levels of the Company;
- (b) encourage people to perform to their highest level;
- (c) allow the Company to compete in each relevant employment market;
- (d) provide consistency in remuneration throughout the Company;
- (e) align the performance of the business with the performance of key individuals and teams within the Company;
- (f) long term value creation; and
- (g) attract and retain the best professionals.

The policy details about the types of remuneration to be offered by the Company and factors to be considered by the Board, Nomination & Remuneration Committee and management in determining the appropriate remuneration strategy.

15. Board Evaluation

The board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (SEBI) under Clause 49 of the Listing Agreements ("Clause 49").

The performance of the committee was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of the independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors.

16. Insurance

The Company's properties including Building, Plant and Machinery, Stocks, Stores, etc., have been adequately insured.

17. Global Depository Receipts

As on date, the entire GDR holding has been converted into Equity Shares. Necessary application has been made on 21st July, 2015 for delisting of GDR's from Luxembourg Stock Exchange.

18. Transfer of Unclaimed Dividend to Investor Education and Protection Fund

In terms of Section 125 of the Companies Act, 2013, the unclaimed dividend aggregating to ₹ 1,45,661/- lying with the Company for a period of seven years pertaining to the year ended on 31st March, 2007, was transferred during the year 2014-15, to the Investor Education and Protection Fund established by the Central Government.

19. Awards and Accolades

During the year under review, the Company received the following awards:

- Ranked 438 under BW Real 500 rank in Special Issue of Business World dated 17th November, 2014 (451 in 2013).
- Certificate of Appreciation & Certificate of Honour for best Safety Performance for 2014 by Gujarat Safety Council & Directorate of Industrial Safety & Health Government of Gujarat.
- Shrama Ratna Award was given to one employee of the Company and three employees were awarded Prashansapatra for 2014 by Department of Labour Ministry, Government of Gujarat.

20. Information Technology

All the functional areas of your company are working on IT (Information Technology) platform i.e. Planning, Raw Material, Purchase, Finance, Sale, Weight Bridge, Production, HR etc.

We are working with ERP systems, modules and functions. Our entire plant is under observation on CCTV cameras and PA System (Public Announcements) for safety and security purpose.

21. Corporate Governance

Corporate Governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while

meeting stakeholders expectation. At Rainbow Papers Limited, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

As stipulated in Clause 49 of the Listing Agreement, the Management Discussion and Analysis Report and Report on Corporate Governance forms part of this Annual Report. Certificate of the Auditors regarding compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is also annexed to the Directors' Report.

22. Credit Rating

The current Bank Loan rating as assigned by the CARE vide their letter dated 31st March, 2015, is as under:-

Facility	Rated Amount (` in Crores)	Rating
Long-term Bank Facilities	983.16	BBB
Short-term Bank Facilities	150	A3+
Total	1133.16	

'BBB' are judged to offer a moderate degree of safety regarding timely servicing of financial obligations.

'A3' indicates moderate degree of safety regarding timely payment of financial obligations.

23. Dematerialization

The Equity shares of the Company are in compulsory demat segment and are available for trading in the depository system of both National Securities Depository Ltd (NSDL) and the Central Depository Services (India) Ltd. (CDSL). 10,52,26,395 nos. of equity shares forming 99.07% of the equity share capital of the Company stands dematerialized on 31st March, 2015.

24. Listing of Shares

The equity shares of the Company are presently listed on the BSE Ltd (BSE) and the National Stock Exchange of India Limited (NSE). The BSE & NSE have nation wide terminals and therefore, shareholders/investors are not facing any difficulty in trading in the shares of the Company from any part of the Country.

The GDR of the Company are listed on Euro MTF Market of Luxembourg Stock Exchange. However, on account of conversion of entire GDR Holding necessary application has been made to Luxembourg Stock Exchange on 21st July, 2015 for delisting of its GDRs.

Your Company has paid annual listing fees for financial year 2015-16 to BSE and NSE. Annual maintenance and

listing agency fee for the calendar year 2015 has also been paid by the Company to Luxembourg Stock Exchange, Luxembourg. Your Company has also paid custodial fees to National Securities Depository Ltd. and Central Depository Services (India) Ltd.

25. Statutory Auditors and their Report

M/s. P A R Y & Co., Chartered Accountants, the Statutory Auditors of the Company who were appointed at the 28th Annual General Meeting to hold office till 33rd Annual General Meeting are subject to ratification. They have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the rules framed there under for ratification as Auditors of the Company. As required under Clause 49 of the Listing Agreement, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. furnished a certificate regarding their eligibility for re-appointment as Statutory Auditors of the Company, pursuant to Section 139 (1) of the Companies Act, 2013 read with rules. The Board of Directors recommends their re-appointment.

The Auditors Report does not contain any qualification, reservation or any adverse remark.

26. Internal Auditors

Pursuant to the provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014, your Company has appointed M/s Dhanesh B. Khatri & Co., Chartered Accountants, as the Internal Auditors of the Company for conducting internal audit for the financial year 2015-16.

27. Cost Auditors

M/s. V. H. Shah, Cost Accountant, has been appointed as Cost Auditors for the financial year 2015-16 to conduct the cost audit of the accounts maintained by the company. He has confirmed his eligibility for appointment under the provisions of Section 148 of the Companies Act, 2013. The remuneration proposed to be paid to the Cost Auditor is submitted for ratification for approval of the shareholders at the ensuing Annual General Meeting of the Company.

28. Secretarial Audit Report

Pursuant to Section 204 read with Section 134(3) of the Companies Act, 2013, the Board of Directors has appointed M/s. Yogesh Chhunchha & Co., Company Secretaries, Ahmedabad as Secretarial Auditor of the Company for FY 2014-15. The Secretarial Audit Report

provided by M/s Yogesh Chhunchha & Co. is annexed with the Board's report as Annexure B.

29. Directors' Responsibility Statement

In terms of Section 134 (3) of the Companies Act, 2013, in relation to the financial statements for FY 2014-15, the Board of Directors states that:

- a) In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2015 and of the profits for the year ended 31st March, 2015;
- c) the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the financial statements have been prepared on a going concern basis.
- e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. Statement on Declaration given by Independent Directors under Sub-Section (6) of Section 149

Shri Kantibhai Patel, Shri Mahendra Patel, Shri Shashikant Thakar and Shri Indrasinh B. Zala, Independent Directors of the Company have given their declarations to the Board that they meet the criteria of Independence as provided under the applicable provisions of the Companies Act, 2013 and Listing Agreement.

31. Particulars of Contracts or Arrangements with Related Parties

All the related party transactions were at arm's length basis. They were in compliance with the applicable provisions of the Companies Act, 2013 and the Listing Agreement.

All the related party transactions are put forth for the approval of appropriate bodies, as applicable, in compliance with the applicable provisions of the Act. Omnibus approval from the Audit and Risk Management Committee is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit and Risk Management Committee for its review on quarterly basis, specifying the nature, value and terms and conditions of the transaction.

The particulars of contracts/arrangements entered into by the Company with related parties referred to in subsection (1) of section 188 of the Companies Act, 2013 are annexed to this report as Annexure C.

32. Code of Conduct

The Company has adopted a Code of Business Conduct based on the business principles of the Company. The Board has laid down the code of conduct for all Board members and Senior management of the Company. The code of conduct has been posted on the website of the company. All Board members and Senior management personnel affirms the compliance with the code on an annual basis in the prescribed format.

33. Disclosure under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has put in place an Anti-Sexual Harassment mechanism in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committees have been set up to redress

complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has not received any complaint of sexual harassment during the year 2014-15.

34. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The details relating to conservation of energy, technology absorption, foreign exchange earnings and outgo prescribed under section 134 of the Companies Act, 2013 read with Companies (Account) Rules, 2014 are given in the Annexure D and forms part of this Directors' Report.

35. Risk Management Policy

The Board of Directors has developed and implemented risk management policy for the Company ensuring that systems of risk management are in place. It has identified and assessed internal and external risks, with potential impact and likelihood, that may impact the Company in achieving its strategic objectives or may threaten its existence. The policy lays down procedures for risk identification, assessment, monitoring, review and reporting.

36. Particulars of Employees

The information required pursuant to Section 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided below:

- The ratio of the remuneration of each director to the median employee's remuneration:

Sr.No.	Name of the Director	Ratio (Remuneration of Director to Median Remuneration)
1.	Ajay R Goenka	13 Times
2.	Rahul J Maheshwari	13 times

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sr.No	Name	Designation	% increase (incl. sitting fees)
1.	Ajay Goenka	Managing Director	-83.15
2.	Rahul Maheshwari	Executive Director	-5.91
3.	Shashikant Thakar	Independent Director	5.26
4.	Mahendrabhai Patel	Independent Director	29.17
5.	Kanitibhai Patel	Independent Director	-52.78
6.	Aanal Trivedi	Director	-
7.	Runel Rathi	Company Secretary	5.40
8.	Pankit Shah	CFO	-

3. The percentage increase in the median remuneration of employees in the financial year:

~10% (% increase in the remuneration of median employee as on 31.03.2015)

4. The number of permanent employees on the rolls of company:

1259 employees as on 31st March 2015.

5. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

Shri Ajay Goenka (Managing Director), Shri Rahul Maheshwari (Executive Director), have been paid ` 1,42,43,243/- and ` 25,50,852/- respectively as remuneration during FY 13-14. During the year under review, they were paid ` 24,00,000/- each.

6. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Market Capitalization	BSE	NSE
31.3.2015	8,07,25,14,800	7,93,97,43,175
31.3.2014	7,37,81,61,315	7,39,79,55,175
P/E Ratio	BSE	NSE
31.3.2015	32.07	31.54
31.3.2014	30.68	30.76

percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company

came out with the last public offer in case of listed companies.

7. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year:

average percentage increase is 10% in FY 14-15

8. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company

The increase in the remuneration to the Chief Financial Officer and the Company Secretary was in line with the general increase of 10% for all employees of the Company.

9. The key parameters for any variable component of remuneration availed by the directors: NOT APPLICABLE.

10. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

Sr. No.	Name of the Employee	Designation	Ratio
1.	Niyati Agrawal	Senior Vice President	0.83
2.	Sangeeta Goenka	Senior Vice President	0.99

11. Affirmation that the remuneration is as per the remuneration policy of the company:

We hereby affirm that the remuneration paid to the Key Managerial Personnel is as per the remuneration policy of the Company.

12. Name of every employee of the company, who-
- i. if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees —NIL
 - ii. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month— NIL
 - iii. if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company -NIL

37. Industrial Relations

Industrial Relations remained cordial throughout the year under review. Several industrial relation initiatives implemented by the Company have significantly helped in improving the work culture, enhancing productivity and enriching the quality of life of the workforce.

38. The Extract of the Annual Return

The details forming part of the extract of the Annual Return in Form MGT 9 as required under Section 134 (a) of the Companies Act, 2013, is attached as Annexure E to this Report.

39. Appreciation and Acknowledgements

The Board of Directors places on record its appreciation for the continued support and confidence received from its Bankers and employees of the Company.

The Directors are also thankful to all other stakeholders for their valuable sustained support to the Company.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PLACE : AHMEDABAD

AJAY R. GOENKA

DATE : 12th AUGUST, 2015

CHAIRMAN &
MANAGING DIRECTOR

Note:

M/s. Pary & Co., Chartered Accountants, Ahmedabad have tendered their resignation as Statutory Auditors of the Company. Their appointment was subject to ratification at the ensuing Annual General Meeting of the Company. The Board has proposed the name of M/s. Mehta, Lodha & Co., Chartered Accountants, Ahmedabad to be appointed as Statutory Auditors of the Company in place of M/s. Pary & Co., Chartered Accountants, Ahmedabad in the Board Meeting held on 26th August, 2015.

DIRECTORS' REPORT - ANNEXURE - A

ANNUAL REPORT FY 2014-15 ON CSR ACTIVITIES:

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects and programmes:

The Committee has approved a Corporate Social Responsibility policy and the major guiding principle to attain the CSR objectives in a professional and integrated manner, are as under:

- * Undertake proactive engagement with stakeholders to actively contribute to the socio-economic development of the periphery / community in which it operates.
- * Using environment friendly and safe processes in production.
- * Create a positive footprint within the society by creating inclusive and enabling infrastructure / environment for liveable communities.
- * Ensure environmental sustainability by adopting best ecological practices and encouraging conservation / judicious use of natural resources.
- * Work towards mainstreaming the marginalized segments of the society by striving towards providing equal opportunities and making meaningful difference in their lives.
- * Focus on educating the girl child and the underprivileged by providing appropriate infrastructure, and groom them as future value creators.
- * Assist in skill development by providing direction and technical expertise to the vulnerable thereby empowering them towards a dignified life.
- * Emphasize on providing basic nutrition/health care facilities with special focus on establishing health centers for the mother and child as well as the elderly.

During the year 2014-15, the Company has not contributed to any fund towards CSR activity on account of non finalization of any viable CSR projects.

2. The Composition of the CSR Committee

The CSR Committee of the Company consists of three directors, out of which one director is Independent Director. Composition of CSR Committee is in accordance with section 135 of the Companies Act, 2013:

Name of Director	Category of Directorship	Designation
Shri Ajay Goenka	Managing Director	Chairperson
Shri Rahul Maheshwari	Executive Director	Member
Shri Kantibhai Patel	Non- Executive Independent Director	Member

3. Average net profit of the company for last three financial years

(₹ Lacs)

	2011-12	2012-13	2013-14	Total
Net Profits	3276.25	3536.16	2403.76	9216.17
Average Net profit*	-	-	-	3907.62

*Calculated for this purpose in accordance with the provisions of Section 198 of the Act read with Rules

4. Prescribed CSRExpenditure (2% of the Amount as in the item 3 above)

(₹ Lacs)

2% of Average Net profit	78.15
--------------------------	-------

5. Details of CSR spent during the financial year.
- (a) Total amount spent for the financial year: NIL
 - (b) Amount unspent, if any: ₹ 78.15 Lacs
 - (c) Manner in which the amount spent during the financial year is detailed below :
Not Applicable as the Company has not contributed any fund in CSR activity during the year.
6. In case the company has failed to spend the 2%, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
No viable project for CSR could be finalised.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PLACE : AHMEDABAD
DATE : 12th AUGUST, 2015

AJAYR. GOENKA
CHAIRMAN & MANAGING DIRECTOR

Annexure B

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 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
Rainbow Papers Limited
801, 8th Floor, Avdesh House,
Opp Guru Gobind Gurudwara,
Gandhinagar-Sarkhej Highway,
Thaltej,
Ahmedabad – 380054,
Gujarat, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rainbow Papers Limited (hereinafter referred as "*the Company*"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015 (hereinafter referred as "*the Audit Period*") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for *the Audit Period* 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 Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and
 - (c) 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;
- (vi) Other Laws and Rules specifically to the Company namely :
 - (a) The Indian Boilers Act, 1923; and
 - (b) The Factories Act, 1948.

We have also examined compliance with *the applicable clauses* of the Listing Agreements entered into by the Company with the Stock Exchanges.

We report that, during the Audit Period, the Company has complied with the provisions of the Acts, Rules, Regulations and Guidelines mentioned above.

We further report that, during *the Audit Period*, there were no actions/events/applicability in pursuance of:

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998,

requiring compliance thereof by the Company during *the Audit Period* and the Secretarial Standards issued by the Institute of Company Secretaries of India were not applicable during *the Audit Period*.

We further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the Audit, there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines however the compliance reports were not submitted to the Board.

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

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors, *except Meetings called at shorter notice to transact urgent business and in such meeting at least one independent director were present*, 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. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We report further that, during the audit period, there were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs.

For Yogesh Chhunchha & Co.

CS Yogesh Chhunchha

Proprietor

Place : Ahmedabad

Date : August 12, 2015

Membership No. : ACS 23657/ COP No.: 11005

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE 1' and forms an integral part of this report.

'ANNEXURE 1'

(To the Secretarial Audit Report)

To
The Members
Rainbow Papers Limited
801, 8th Floor, Avdesh House,
Opp Guru Gobind Gurudwara,
Gandhinagar-Sarkhej Highway,
Thaltej, Ahmedabad – 380054,
Gujarat, India.

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

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4) Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Yogesh Chhunchha & Co.

CS Yogesh Chhunchha
Proprietor

Place : Ahmedabad
Date : August 12, 2015

Membership No. : ACS 23657/ COP No.: 11005

1. DIRECTORS'REPORT - ANNEXURE - C

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis								
Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Not Applicable								
2. Details of material contracts or arrangement or transactions at arm's length basis								
Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board and Audit Committee, if any:	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting u/s 188 (1)	
1.	Shri Ajay Goenka	Rent Agreement	1 Year	Rent paid on the property utilised by the company. ₹ 8.82 Lacs	12/08/2014	Nil	25/09/2015	
	Smt. Draupadidevi Goenka			₹ 0.90 Lacs				
2.	Smt. Sangeeta Goenka	Salary	1 Year	Salary Paid to Senior Vice President. ₹ 24.23 Lacs	12/08/2014	Nil	25/09/2015	
	Smt. Niyati Agrawal			₹ 29.03 Lacs				
3.	M/s Rainbow Papers JLT	Interest Income from subsidiaries	1 Year	Interest Income from subsidiaries. ₹ 747.35 Lacs	12/08/2014	Nil	25/09/2015	

DIRECTORS' REPORT - ANNEXURE - D

(A) CONSERVATION OF ENERGY -

- i) The steps taken or impact on conservation of energy;
 - a. Installation of New High Efficiency Steam Traps in Steam Piping.
 - b. Installation of Very High Feed Flow Boiler Feed Pump VFD in Boiler feed application.
 - c. Complete plant operation hooked up with DCS system to optimize trouble free, efficient running of plant with interlocks resulted saves energy & increase production.
 - d. Complete Energy Audit for Steam, Power & system study done by reputed agency every year.
 - e. Complete plant operation hooked up with DCS system to optimize trouble free, efficient running of plant with interlocks resulted saves energy & increase production.
 - f. Yearly energy audit for steam & power.
 - g. All the above measures have resulted into substantial savings in energy cost & cost of production of goods.
- ii) The steps taken by the company for utilizing alternate sources of energy;
Rotary Kiln to recover heat energy from waste plastic and sludge.
- iii) the capital investment on energy conservation equipments
NIL

(B) TECHNOLOGY ABSORPTION -

- i) the efforts made towards technology absorption;
 - a. Energy efficient IE2 motors are being procured for all new requirements & being replaced (in phased manner) in-place of old motors of standard efficiencies or rewind motors more than 3 -4 times.
 - b. LED Itg Ftgs are being installed in place of fluorescent tube light ftgs & CFL lamps.
 - c. VFD's installation for reducing power consumptions of pumps by optimizing head as per actual requirement.
 - d. Use of Energy efficient bearings of SKF (imported) for motors to reduce power consumption of motors.
- ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
The quality of the product has improved substantially.
- iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - I. the details of technology imported;
 - II. the year of import;
 - III. whether the technology been fully absorbed;
 - IV. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
The Company has not imported technology during the last three years.
- iv) the expenditure incurred on Research and Development.
No specific expenses incurred.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Description	₹ In Lacs.
Foreign Exchange Earned	4994.58
Miscellaneous Income	—
Sale of CER	—
Foreign Exchange Used (Actual Basis)	
Import of Capital Goods	253.17
Import of Fuel, Components, Stores and Spare Parts	12197.83
Travelling, Subscription and Others	193.79

DIRECTORS' REPORT - ANNEXURE - E Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:-	L21010GJ1986PLC008772
ii)	Registration Date:	4 th July, 1986
iii)	Name of the Company:	Rainbow Papers Limited
iv)	Category / Sub-Category of the Company:	Public
v)	Address of the Registered office and contact details:	801, Avdhesh House, Opp. Guru Govind Gurudwara, S.G Highway, Thaltej, Ahmedabad – 380054 Tel: 91-79-26855714/16
vi)	Whether listed company Yes / No :	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any :	Sharepro Services (India) Pvt. Ltd. 416-420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ellisbridge, Ahmedabad – 380 006

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The company is engaged in only one business activity, i.e. manufacturing and trading of paper.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1	Rainbow Papers JLT Office No. 802, Tiffany Tower, Jumerirah Lake Towers, Dubai, UAE		Wholly owned Subsidiary Company	100%	2(87)

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

i) Category-wise Share Holding

	Category of Shareholders	No. shares held at the beginning of the year 01/04/2014				No. shares held at the end of the year 31/03/2015				% change during the Year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
a)	Individual/ HUF	2106930	0	2106930	2.13	2015072	0	2015072	1.90	(0.23)
b)	Central Govt.	0	0	0		0	0	0	0	0
c)	State Govt (s)	0	0	0		0	0	0	0	0
d)	Bodies Corp.	37101520	0	37101520	37.49	44349520	0	44349520	41.75	4.27
e)	Banks / FII(s)	0	0	0	0	0	0	0	0	0
f)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-Total A(1):	39208450	0	39208450	39.62	46364592	0	46364592	43.65	4.04
(2)	FOREIGN									
1.	Individuals (NRIs/ Foreign Individuals)	0	0	0	0	0	0	0	0	0.00
2.	Bodies Corporate	0	0	0	0	0	0	0	0	0.00

3.	Institutions	0	0	0	0	0	0	0	0	0.00
4.	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0.00
5.	Others	0	0	0	0	0	0	0	0	0.00
	Sub-Total A(2) :	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter(A)=A(1)+A(2)	39208450	0	39208450	39.62	46364592	0	46364592	43.65	4.04
B.	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
1.	Mutual Funds	500	0	500	0.00	500	0	500	0.00	0.00
2.	Financial Institutions /Banks	7150000	0	7150000	7.22	7810000	0	7810000	7.35	0.13
3.	Central Government	0	0	0	0	0	0	0	0	0.00
4.	State Government(s)	0	0	0	0	0	0	0	0	0.00
5.	Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
6.	Insurance Companies	0	0	0	0	0	0	0	0	0.00
7.	Foreign Institutional Investors	4012550	0	4012550	4.05	3212550	0	3212550	3.02	(1.03)
8.	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0.00
9.	Others	0	0	0	0	0	0	0	0	0.00
	Sub-Total B(1):	11163050	0	11163050	11.27	11023050	0	11023050	10.37	(0.90)
(2)	NON-INSTITUTIONS									
a)	Bodies Corporate									
i)	Indian	16195699	21500	16217199	16.39	15546409	21500	15567909	14.66	(1.73)
ii)	Overseas	0	0	0	0	0	0	0	0	0
b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ` 1 lakh	1369270	1004405	2373675	2.40	1205178	969405	2174583	2.05	(0.35)
(ii)	Individual shareholders holding nominal share capital in excess of ` 1 lakh	1163736	0	1163736	1.18	731377	0	731377	0.69	(0.49)
c)	Others									
i)	Employees	0	0	0	0	0	0	0	0	0
ii)	Non Resident Repatriates	6167	0	6167	0.01	11014	0	11014	0.01	0
iii)	Non Resident Non Repatriates	509	0	509	0.00	2159	0	2159	0.00	0
iv)	Non domestic companies	0	0	0	0	1435000	0	1435000	1.35	1.35
v)	Trusts	0	0	0	0	0	0	0	0	0
vi)	Others-Clearing Members	22190	0	22190	0.02	77061	0	77061	0.07	(0.05)
vii)	Directors & Their Relatives & Friends	174599	0	174599	0.18	190830	0	190830	0.18	0
viii)	Foreign Nationals	0	0	0	0	0	0	0	0	0
	Sub-Total B(2):	18932170	1025905	19958075	20.18	19199028	990905	20189933	19.01	(1.27)
	Total Public Shareholding (B)=B(1)+B(2) :	30095220	1025905	31121125	31.45	30222078	990905	31212983	29.38	(2.07)
(C)	Shares held by Custodians for GDRs & ADRs									
i)	Promoters	—	—	—	—	—	—	—	—	
ii)	Public	28639725	—	28639725	28.94	28639725	—	28639725	26.96	(1.97)
	Sub-total (C)-	28639725	—	28639725	28.94	28639725	—	28639725	26.96	(1.97)
	GRAND TOTAL (A+B+C):	97943395	1025905	98969300	100.00	105226395	990905	106217300	100.00	

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01-04-2014			Shareholding at the end of the year 31-03-2015			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares pledged / encumbered to total shares	
1	Orient Newsprint Limited	23377520	23.62	13.52	23377520	22.01	17.30	(1.61)
2	Rainbow Industrial Park Private Limited	6819000	6.89	6.89	6819000	6.42	6.42	(0.47)
3	Drupa Suppliers Private Limited	6905000	6.98	5.21	14153000	13.32	4.85	6.34
4	Ajaykumar Radheshyam Goenka	1120750	1.13	1.13	1028892	0.97	0.97	(0.16)
5	Draupadidevi Goenka	464000	0.47	0.47	464000	0.44	0.44	(0.03)
6	Sangeeta Ajay Goenka	337500	0.34	0.00	337500	0.32	0.00	(0.02)
7	Talati Nikita Aniket	181680	0.18	0.00	181680	0.17	0.00	(0.01)
8	Ajay Goenka Jt With Sangeeta Goenka	2500	0.00	0.00	2500	0.00	0.00	0.00
9	Niyati Sunny Agrawal	500	0.00	0.00	500	0.00	0.00	0.00

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name of the Promoter	No. of Shares
1.	Drupa Suppliers Pvt. Ltd.	
	Increase in the shareholding due to following allotments.	
	April, 2014	263300
	June, 2014	6984700
2.	Ajay Goenka	
	Decrease in the shareholding due to sale of shares	
	December, 2014	91858

- During the period there was no allotment (except preferential allotment to promoters). Hence, there was no change (increase or Decrease) more than 2% of the capital

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2014	
		No. of shares	% of total shares of the Company
1	DEVKANT SYNTHETICS (INDIA) PVT. LTD.	7617746	7.70
2	LIFE INSURANCE CORPORATION OF INDIA	4500000	4.55
3	INDIA FOCUS CARDINAL FUND	2880500	2.91
4	HEADWAY CAPITAL ADVISORS LIMITED	2761406	2.79
5	GENERAL INSURANCE CORPORATION OF INDIA	2650000	2.68
6	BDR SECURITIES LIMITED	1528213	1.54
7	GUINNESS SECURITIES LIMITED	1183592	1.20
8	CHINTAN PARESH BHAGAT	1022587	1.03
9	SILVER STALLION LIMITED	800000	0.81
10	CANDID INVESTMENTS PRIVATE LIMITED	500000	0.51
11	GLOBE FINCAP LIMITED	500000	0.51

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the end of the year 01-04-2015	
		No. of shares	% of total shares of the Company
1	DEVKANT SYNTHETICS (INDIA) PVT. LTD.	7610449	7.16
2	LIFE INSURANCE CORPORATION OF INDIA	4500000	4.24
3	GENERAL INSURANCE CORPORATION OF INDIA	3310000	3.12
4	MANGAL KESHAV CAPITAL LIMITED	3004632	2.83
5	INDIA FOCUS CARDINAL FUND	2880500	2.71
6	HEADWAY CAPITAL ADVISORS LIMITED	2161143	2.03
7	SILVER STALLION LIMITED	1435000	1.35
8	GUINNESS SECURITIES LIMITED	658679	0.62
9	CANDID INVESTMENTS PRIVATE LIMITED	500000	0.47
10	BRADY INVESTMENTS PVT LTD	368375	0.35

(iv) Shareholding Pattern Directors and Key Managerial Personnel:

Sr. No.	Name	No. of Shares at the beginning (01/04/14) / end of the year (31/03/15)	% of total shares of the Company	Date	Increase / Decrease	Reason
A.	Directors:					
1	Shri Ajay Goenka	1120750	1.13	01/04/14		
		1028892	0.97	31/03/15	-91858	Sale
2	Shri Rahul Maheshwari	100	0.00	01/04/14	0	
		100	0.00	31/03/15		
3	Shri Mahendra Patel	0	0	01/04/14	0	
		0	0	31/03/15		
4	Shri Kantibhai Patel	0	0	01/04/14	0	
		0	0	31/03/15		
5	Shri Shashikant Thakar	0	0	01/04/14	0	
		0	0	31/03/15		
6	Smt. Aanal Trivedi	0	0	01/04/14	0	
		0	0	31/03/15		
B.	Key Managerial Personnel:					
1	Smt. Runel Rathi	2000	0	01/04/14	0	
		2000	0	31/03/15		
2	Shri Pankit Shah	0	0	01/04/14	0	
		0	0	31/03/15		

V. INDEBTEDNESS

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

(` in Lacs)				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness as on 01-04-2014				
(i) Principal Amount	63575.93	3000.00	0	66575.93
(ii) Interest accrued & due but not paid	705.00	18.47	0	723.48
Total (i+ii)	64280.93	3018.47	0	67299.40
Change in Indebtedness during the financial year 2014-15				
Addition	11063.41	0	0	11063.41
Reduction	27438.10	0	0	27438.10
Net Change	-16374.70	0	0	-16374.70
Indebtedness as on 31-03-2015				
i) Principal Amount	47537.42	3000.00	0	50537.42
ii) Interest accrued & due but not paid	368.82	17.18	0	386.00
Total (i+ii)	47906.24	3017.18	0	50923.41

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(` In Lacs)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (`)
		Ajaykumar R. Goenka (Managing Director)	Rahul J. Maheshwari (Executive Director)	
1	Gross salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22.70	23.74	46.44
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	1.30	0.26	1.56
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit			
	- others specify	0	0	0
	Others, please specify	0	0	0
	Total (A)	24.00	24.00	48.00
Ceiling as per the Act		5% of the Net Profit of the Company and overall 10% of Net Profits to both the directors		

B. Remuneration to other directors:

(` In Lacs)

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount (`)
		Mahendrabhai M. Patel	Kantibhai H. Patel	Shashikant N. Thakar	Aanal N. Trivedi	
1.	Independent Directors					
	Fee for attending board / committee meetings	0.16	0.08	20	---	
	Commission					
	Others, please specify					
	Total (1)	0.16	0.08	20	---	0.50
2.	Other Non-Executive Directors					
	Fee for attending Board / committee meetings	---	---	---	0.06	---
	Commission					
	Others, please specify					
	Total (2)	---	---	---	---	---
	Total (B)=(1+2)	0.16	0.08	20	0.06	0.50
	Total Managerial Remuneration					
Overall Ceiling as per the Act		1% of the Net Profit of the Company				

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

(` In Lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross salary				
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	9.88	5.22	15.10
(b)	Value of perquisites u/s 17(2) of the Income-tax, Act 1961	-	-	-	-
(c)	Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit				
	- others specify				
5	Others, please specify	-	-	-	-
	Total	-	9.88	5.22	15.10

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PLACE : AHMEDABAD
DATE : 12th AUGUST, 2015

AJAY R. GOENKA
CHAIRMAN & MANAGING DIRECTOR



REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2015.

1. COMPANY'S PHILOSOPHY ABOUT CORPORATE GOVERNANCE:

The company's Philosophy is that Corporate Governance is a process which enables the Company to operate in a systemic manner to meet its ethical, legal and business expectations and at the same time fulfills its social responsibilities. A sound Corporate Governance is critical to enhance and retain stakeholders' trust. The Company envisages the attainment of a high level of transparency and accountability in the functioning of the Company and conduct of its business internally and externally.

The Company has complied with the requirements of the Corporate Governance code in terms of Clause 49 of the Listing Agreement with the Stock Exchanges as discussed herein below.

2. BOARD OF DIRECTORS & BOARD MEETINGS:

(a) COMPOSITION OF BOARD OF DIRECTORS:

The Board of Directors presently comprises of six Directors consisting of one Managing Director, one Executive Director, three Independent Directors and One woman Director. All Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

Sr. No.	Name of the Director	Executive /Non-Executive	Category
1.	Shri Ajay Goenka	Executive	Promoter Director (CMD)
2.	Shri Rahul Maheshwari	Executive	Executive Director
3.	Shri Shashikant Thakar	Non-executive	Independent Director
4.	Shri Mahendra Patel*	Non-executive	Independent Director
5.	Shri Kantibhai Patel	Non-executive	Independent Director
6.	Smt. Aanal Trivedi	Non-executive	Woman Director
7.	Shri Indrasinh B. Zala *	Non-executive	Independent Director

*Shri Mahendra Patel has resigned from directorship on 2nd July, 2015 & Shri Indrasinh B. Zala is appointed as Independent Director w.e.f. 12th August, 2015.

All the Directors on the Board of the Company have made necessary declarations / disclosures regarding their other directorships along with Committee positions held by them in other companies.

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long term interests of the stakeholders are being served. The Chairman and Managing Director is assisted by the Executive Director / Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board has constituted the following Committees, namely Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, CSR Committee and Risk Management Committee. The Board constitutes additional functional committees, from time to time, depending on the business needs.

Committee/Board Meetings to discuss internal audit reports and/or to provide detailed insights on items.

(b) NUMBER OF BOARD MEETINGS:

During the year under review, the Board of Directors met fourteen times on the following dates:

17.04.2014	22.05.2014	30.05.2014	19.06.2014
28.06.2014	12.08.2014	24.09.2014	16.10.2014
14.11.2014	23.12.2014	07.01.2015	29.01.2015
14.02.2015	20.03.2015		

The maximum time gap between any two consecutive meetings did not exceed 120 days as required under Section 173(1) of the Companies Act, 2013.

In terms of the provisions of the Clause 49 of the Listing Agreement with the Stock Exchanges, no director of the Company is a member in more than ten committees or acts as Chairman in more than five committees of Public Limited Companies, in which he is a director.

(c) DETAILS OF ATTENDANCE OF DIRECTORS IN THE BOARD MEETING AND GENERAL MEETING ALONG WITH OTHER DIRECTORSHIP AND MEMBERSHIP IN COMMITTEES:

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

Name of the Director	Director Identification Number	Category	No. of Board Meetings held during their tenure in 2014-15	No. of Board Meetings attended	Attendance in last AGM	Number of Directorship In Other public companies as on 31-03-2015		Details of Committee positions held in other public companies as on 31-03-2015		Share-holding Equity Shares of face value of ₹ 2/- each
						Chairman ship	Member ship	Chairman ship	Member ship	
Mr. Ajay Goenka	00139512	Chairman & Managing Director	14	13	Yes	-	-	-	-	10,31,392
Mr. Rahul Maheshwari	00289730	Executive Director	14	13	Yes	-	-	-	-	100
Mr. Shashikant Thakar	02887471	Independent Director	14	10	Yes	-	-	-	-	-
Mr. Mahendra Patel*	00137602	Independent Director	14	9	No	-	1	-	-	-
Mr. Kantibhai Patel	02325787	Independent Director	14	10	No	-	3	-	-	-
Mrs. Aanal Trivedi	06931339	Woman Director	8	5	Yes	-	-	-	-	-

* Mr. Mahendra Patel has resigned from directorship on 2nd July, 2015.

* Mr. Indrasinh B. Zala is appointed as Independent Director w.e.f. 12th August, 2015.

(d) INFORMATION SUPPLIED TO THE BOARD:

The matters generally placed before the Board, inter alia, include:

- Quarterly results of the Company and its operating divisions or business segments
- Company's annual Financial Results, Financial Statements, Auditors' Report and Board's Report.
- Minutes of Meetings of the Audit Committee and other Committees of the Board
- Any significant development in Human Resources, Industrial Relations front like implementation of Voluntary Retirement Scheme, etc.
- Sale of material nature of investments, subsidiaries, assets, which is not in normal course of business.
- Quarterly details of foreign exchange exposures and steps taken by management to limit risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements, and shareholders' service, such as dividend non-payment, share transfer delay (if any), among others.
- Appointment, remuneration and resignation of Directors.
- Formation / Reconstitution of Board Committees.
- Terms of reference of Board Committees.
- Minutes of Board meetings of subsidiary company.
- Declaration from Independent Directors at the time of appointment / annually.

- Disclosure of Directors' interest and their shareholding.
- Appointment or removal of the Key Managerial Personnel.
- Appointment of Internal Auditors and Secretarial Auditors.
- Quarterly / Annual Secretarial Audit reports submitted by Secretarial Auditors.
- Dividend declaration.
- Quarterly summary of all long-term borrowings made, bank guarantees issued and loans and investments made
- Significant changes in accounting policies and internal controls.
- Statement of significant transactions, related party transactions and arrangements entered by unlisted subsidiary companies.
- Issue of securities
- Recommending appointment of and fixing of remuneration of the Auditors as recommended by the Audit Committee.
- Borrowing of monies, giving guarantees or providing security in respect of loans.
- Brief on statutory developments, changes in government policies, among others with impact thereof, Directors' responsibilities arising out of any such developments.
- Compliance Certificate certifying compliance with all laws as applicable to the Company.
- Reconciliation of Share Capital Audit Report under SEBI (Depositories and Participants) Regulations, 1996.
- Brief on information disseminated to the press.

The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalize the agenda for Board Meetings.

(e) CODE OF CONDUCT:

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the employees, and Non-Executive Directors including Independent Directors. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code has been put on the Company's website (www.rainbowpapers.com). The Code has

been circulated to Directors and Management Personnel, and its compliance is affirmed by them annually.

A declaration signed by the Company's Chairman and Managing Director is forming part of this Report.

(f) DIRECTORS' PROFILE:

A brief resume of Directors, nature of their expertise in specific functional areas and names of companies in which they hold Directorships, Memberships / Chairmanships of Board Committees, and Shareholding in the Company are provided in this Report.

1) MR. AJAY GOENKA

Chairman & Managing Director

Mr. Ajay Goenka, CMD, aged 57 years is a commerce graduate. He started his career at a very young age of 19 years as a paper trader. It is under his leadership that M/s. Rainbow Papers Limited has flourished from a small trading unit to a giant production house manufacturing 200 different varieties of paper, having total production capacity of 4,66,700 MT per annum as on date. He has a rich experience of 36 years in the paper industry.

He is also associated with various Non Profit organizations, Paper associations and schools. He is the Founder Chairman of Indian Agro & Recycled Paper Mills Association, Gujarat Division.

2) MR. RAHUL MAHESHWARI

Executive Director

Mr. Rahul Maheshwari, aged 38 years, is Bachelor of Commerce & ICWA. He was working with the Company since 2003 and lastly as Vice President. Thereafter, he was appointed as Whole-time Director. He is having experience of 12 years in field of marketing, purchase and exports.

3) MR. SHASHIKANTHAKAR

Independent Director

Mr. Shashikant Thakar, aged 60 years, is Bachelor of Commerce, Bachelor of Law and a Fellow member of the Institute of Company Secretaries of India. He is an Independent Director on the Board of the Company. He is having professional experience of more than 27 years in Legal, Finance and Company law matters. He is the Chairman of the Audit

Committee of the Board of Directors of the Company.

- 4) MR. MAHENDRAPATEL (Upto 2nd July, 2015)
Independent Director

Mr. Mahendra M. Patel aged 58 years, is a commerce graduate, having more than 25 years of experience in paper and chemicals.

- 5) MR. KANTIBHAI PATEL
Independent Director

Shri Kantibhai H. Patel aged 69 years, is a Bachelor of Science and Law from Gujarat University. He is also Master of Labour Welfare (MLW). He has been associated with Textile industries for 15 years and served as Labour Welfare Officer for 7 years in New Cotton Mills Limited. He started his own practice as an advocate in 1980. His area of practice includes Labour Law and Criminal Law (Management) side. He is the Chairman of the Remuneration & Compensation committee and Shareholders/Investors Grievance Committee of the Board of Directors of the Company.

- 6) MRS. AANAL TRIVEDI (w.e.f. 12th August, 2014)

Woman Director

Mrs. Aanal N. Trivedi aged 32 years, is M.B.A. (Finance), having experience of more than 5 years.

- 7) MR. INDRASINH B. ZALA (w.e.f. 12th August, 2015)

Independent Director

Mr. Indrasinh B. Zala is a commerce graduate, having more than 43 years of experience in print media & electronic media.

3. COMMITTEES OF THE BOARD

Your Company has constituted the following committees:-

(A) AUDIT & RISK MANAGEMENT COMMITTEE

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors. Its purpose is to assist the Board in fulfilling its responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee is governed by a Chapter which is in line with the regulatory requirements mandated by the Companies Act 2013 and Clause 49 of the

Listing Agreement. The Audit Committee has been renamed in the Board Meeting held on 12th August, 2014 as Audit & Risk Management Committee. The most important functions performed by the Committee are:

Financial Reporting and Related Processes:

- * Oversight of the Company's financial reporting process and financial information submitted to the Stock Exchanges, regulatory authorities or the public.
- * Reviewing with the Management the quarterly unaudited financial statements and the Auditors' Limited Review Report thereon / audited annual financial statements and Auditors' Report thereon before submission to the Board for approval. This would, inter alia, include reviewing changes in the accounting policies and reasons for the same, major accounting estimates based on exercise of judgment by the Management, significant adjustments made in the financial statements and/ or recommendation, if any, made by the Statutory Auditors in this regard.
- * Review the Management Discussion and Analysis of financial and operational performance.
- * Discuss with the Statutory Auditors its judgement about the quality and appropriateness of the Company's accounting principles with reference to the Generally Accepted Accounting Principles in India (IGAAP).
- * Review the investments made by the company.

Internal Controls and Governance Processes

- * Review the adequacy and effectiveness of the Company's system and internal controls.
- * Review and discuss with the Management the Company's major financial risk exposures and steps taken by the Management to monitor and control such exposure.
- * To oversee and review the functioning of a vigil mechanism.

Audit:

- * Review the scope of the Statutory Auditors, the annual audit plan and the Internal Audit Plan with a view to ensure adequate coverage.
- * Review the significant audit findings from the statutory and internal audits carried out, the recommendations and Management's response thereto.

- * Review and recommend to the Board the appointment / re-appointment of the Statutory Auditors and Cost Auditors.
- * Approve such additional services to be rendered by the Statutory Auditors except those enumerated in Section 144 of the Companies Act, 2013 and payment for such services.
- * To recommend to the Board the remuneration of the Statutory Auditors / Cost Auditors.
- * To discuss with the Statutory Auditors / Internal Auditors any significant difficulties encountered during the course of the Audit.
- * Review annual Cost Audit Report submitted by the Cost Auditor.

Other Duties :

- * To approve the appointment, removal and terms of remuneration of the Internal Auditor and to approve the appointment of the Chief Financial Officer.
- * To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transactions subject to the approval of the Board.

The composition of the Audit Committee as on date and details of the Members participation at the Meetings of the Committee are as under:

Sr. No.	Name of Director	Category of Directorship	Committee Position Held	No. of meetings held	No. of meetings attended
1.	Shri Shashikant N. Thakar	Independent Director	Chairman	5	5
2.	Shri Kantibhai Patel	Independent Director	Member	5	4
3.	Shri Mahendra Patel*	Independent Director	Member	5	5

* Shri Mahendra Patel has resigned from directorship on 2nd July, 2015.

* Shri Indrasinh B. Zala is appointed as Member of the Committee w.e.f. 12th August, 2015.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls. The Statutory Auditors, Internal Auditors, CFO are permanent invitees to the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee.

(B) NOMINATION & REMUNERATION COMMITTEE

(The existing "Remuneration Committee" has been renamed as "Nomination and Remuneration Committee" in compliance with Section 178 of the Companies Act, 2013.

The Scope of Nomination & Remuneration Committee is to review the remuneration package to Managing Director and Executive Director and Executives at the top level Management of the Company and gives its recommendation to the Board and act in terms of reference of the Board from time to time.

The Remuneration Committee of your Company comprises of three members including Chairman, all of them are independent director.

During the period 2014-15, one meeting of the Nomination and Remuneration Committee were held on 12th August, 2014. The necessary quorum was present at the meeting.

Sr. No.	Name of Director	Category of Directorship	Committee Position Held	No. of meetings held	No. of meetings attended
1.	Shri Kantibhai Patel	Independent Director	Chairman	1	1
2.	Shri Shashikant Thakar	Independent Director	Member	1	1
3.	Shri Mahendra Patel*	Independent Director	Member	1	0

* Shri Mahendra Patel has resigned from directorship on 2nd July, 2015.

* Shri Indrasinh B. Zala is appointed as Member of the Committee w.e.f. 12th August, 2015.

DETAILS OF REMUNERATION PAID TO THE DIRECTORS:

(₹ In Lacs)

Name	Designation	Particulars					Period of
		Salary	Contribution To Provident Fund	Perquisites	Total	Service	
Ajay Goenka	Chairman & Managing Director	22.70	-	1.30	24.00	5 years	21.08.13 to 20.08.18
Rahul Maheshwari	Executive Director	23.74	-	0.26	24.00	3 years	30.08.14 to 29.08.17

SITTING FEES PAID TO NON EXECUTIVE DIRECTORS:

During the year, the Company has paid the sitting fees to Non Executive Directors for attending Board & Committee meetings as under:

Sr. No.	Name of Director	Designation	Sitting Fees paid (₹)	No of Board Meetings/	No of Committee Meetings attended
1	Shri Shashikant Thakar	Independent Director	31000	10	6
2	Shri Kantibhai Patel	Independent Director	29000	10	4
3	Shri Mahendra Patel*	Independent Director	28500	9	6
4	Mrs. Aanal Trivedi	Woman Director	12500	8	-

Remuneration policy

The recommendations about the remuneration of Directors are subject to the approval of the Members of the Company and the remuneration of the key managerial persons is to be recommended by the Nomination and Remuneration Committee to the Board.

(C) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The existing "Share Transfer & Shareholders Grievance Committee" has been reconstituted as "Stakeholders Relationship Committee" in compliance with Section 178 (5) of the Companies Act, 2013. As per the requirements of SEBI circular dated 17th April, 2014 for amendment to Equity Listing Agreement (which is effective from 1st October, 2014), the new terms of reference for the Stakeholders Relationship Committee and there upon the revised terms of reference of the Stakeholders Relationship Committee are in conformity with the requirements of Clause 49 (VIII) (E)(4) of the revised Listing Agreement and Section 178(5) of the Companies Act 2013.

a) COMPOSITION & ATTENDANCE OF THE MEETING:

The shareholders/investors Grievance committee comprises the following Directors:

Sr. No.	Name of Director	Category of Directorship	Committee Position Held
1.	Shri Kantibhai Patel	Independent Director	Chairman
2.	Shri Ajay R. Goenka	Managing Director	Member
3.	Shri Rahul Maheshwari	Executive Director	Member
4.	Smt. Aanal Trivedi	Independent Director	Member

During the year under review, fourteen meetings of Committee were held.

b) TERMS OF REFERENCE OF THE COMMITTEE:

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/ reported lost, defaced or destroyed as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates/certificates relating to other securities.
- issue and allot right shares/bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to approve and monitor dematerialization of shares/other securities and all matters incidental or related thereto;

- to authorize the Company Secretary and other officers of the Share Department to attend to matters relating to non receipt of annual reports, notices, non receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors/ stakeholders grievances;
- all other matters incidental or related to shares, debentures and other securities of the company.

c) NUMBER OF COMPLAINTS:

During the year under review, the complaints received are as under:-

Opening Balance as on 01.04.2014	:	Nil
Complaints received during the year	:	1
Total	:	1
Complaints Redressed during the year	:	1
Closing Balance as on 31.03.2015	:	Nil

4. GENERAL BODY MEETINGS:

(i) Details of Annual General Meetings:

The details about the location and time of the Annual General Meeting (AGM) in the last three years are as under:-

Year	AGM	Location	Date	Time
2011-12	26 th AGM	Ahmedabad Textiles Mills Association (ATMA) Hall, Ashram Road, Ahmedabad – 380 009	27 th September, 2012	11.00 a.m.
2012-13	27 th AGM	Ahmedabad Textiles Mills Association (ATMA) Hall, Ashram Road, Ahmedabad – 380 009	16 th September, 2013	11.00 a.m.
2013-14	28 th AGM	Ahmedabad Management Association (AMA), ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015	25 th September, 2013	11.00 a.m.

(ii) Special Resolution passed in AGM/EOGM in the last three years:

During the last three years approvals of the shareholders were obtained by passing special resolutions as follows:

Year	Subject	Date of AGM/EOGM
2011-12	NIL	27/09/2012
2012-13	Appointment of Mr. Ajay Goenka, as Managing Director of the Company for the period of 5 years with effect from 21 st August, 2013.	16/09/2013
2013-14	Approval of Related Party Transactions for FY 2014-15 & 2015-16.	25/09/2014
EOGM	1. Consent of the Company under Section 62(1)(c) of the Companies Act, 2013 to the Board of Directors to raise funds up to Rs. 1,000 Crores.	14/07/2014
	2. Consent of the Company under Section 180 (1)(c) of the Companies Act, 2013 to the Board of Directors to borrow up to Rs. 3000 Crores.	
	3. Consent of the Company under Section 180 (1) (a) of the Companies Act, 2013 to the Board of Directors to create charges on the movable and immovable properties of the Company.	

- (iii) Postal Ballot:
During the year under review, no Special Resolution was passed through postal ballot.

5. RECONCILIATION OF SHARE CAPITAL AUDIT REPORTS:

A qualified practicing Company Secretary carried out Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The Audit report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL.

The Quarterly Reconciliation of Share Capital Audit Reports were furnished to the Stock Exchanges on the following dates:

For the quarter ended	Furnished on
30 th June, 2014	July 22, 2014
30 th September, 2014	October 21, 2014
31 st December, 2014	January 28, 2015
31 st March, 2015	April 28, 2015

6. DISCLOSURES:

01. Materially Significant related party transactions:
Your Company has not entered into any transaction of a material nature except transactions with related parties which are furnished under Notes to the Financial Statements as stipulated under Accounting Standard 18 (AS-18), with the Promoters, their subsidiary or relatives, Directors or the Management etc. All transactions were carried out on an arms-length basis and were not prejudicial to the interest of the Company.
02. Details of Statutory Non-Compliances:
There have not been any non-compliance by the Company and no penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authorities, on any matter related to capital markets, during the period under review.
03. Management Discussion and Analysis Report:
Management Discussion and Analysis Report form a part of this Annual Report and is in accordance with the requirements as laid down in Clause 49 of the Listing Agreement entered with the Stock Exchanges.
04. Clause 49(VIII)(B) : Disclosure of Accounting Treatment:

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently and comply with material aspects with the accounting standards notified under Section 133 of the Companies Act, 2013.

05. Clause 49(II) (B):
None of the Independent/Non-Executive Directors have pecuniary relationship or transactions with the Company which in the judgement of the Board may affect the independence of the Director except receiving sitting fee for attending Board/committee meetings.
06. Clause 49 (VIII) (E) : Shareholders Information:
Appointment/Re-appointment of Directors: The brief resume of directors retiring by rotation and appointment of Independent Directors, including nature of their experience in specific functional areas, names of companies in which they hold directorship and membership of committees of the Board is forming part of the report.
07. CEO & Managing Director Certificate:
Certification by the Managing Director and Chief Executive Officer of the Company as required under Clause 49 of the Listing Agreement is provided at the end of the Corporate Governance Report.
08. Risk Management:
The management of the company has identified some of the major areas of concern having inherent risk viz., foreign Currency fluctuations, Client Concentration, Technology, Risk and Credit Control. The process relating to minimizing the above risks has already been initiated at the different levels of management and the same is expected to be further strengthened in the financial year 2015-16.
09. It is confirmed that no personnel has been denied access to the Audit Committee.
7. MANAGING DIRECTOR CERTIFICATION:
A certificate duly signed by the Chairman & Managing Director relating to financial statements, internal controls and internal control systems for financial reporting as per the format provided in Clause 49 of the Listing Agreement was placed before the Board and was taken on record.
8. MEANS OF COMMUNICATION TO SHAREHOLDERS:
The quarterly, half yearly and annual results of the Company are published in leading newspapers in English & Gujarati. The results are also displayed on the

Company's website "www.rainbowpapers.com". Press releases made by the Company from time to time are also displayed on the website. Presentations made to the institutional investors and analysts after declaration of the Company's quarterly, half-yearly and annual results are also displayed on the Company's website. The financial statements, shareholding pattern, quarterly compliances and other relevant corporate communication are filed with BSE Limited & National Stock Exchange of India Limited electronically through NSE Electronic Application Processing System (NEAPS) and BSE Helpdesk.

9. ADDITIONAL INFORMATION FOR SHAREHOLDERS:

- 1) Annual General Meeting:
The details of the 29th Annual General Meeting to be held is as under:-
Date : 28th September, 2015
Day : Monday
Time : 12.00 Noon
Venue : Ahmedabad Management Association, (AMA), ATIRA Campus, Dr. Vikram Sarabhai Marg, Ahmedabad –380 015.

Financial Year: 1st April, 2014 to 31st March, 2015.

- 2) Financial Calendar (Tentative)

Quarter	Tentative Dates of Board Meeting for (F.Y.2015-16)
1 st Quarter Results	Mid of August, 2015
2 nd Quarter Results	Mid of November, 2015
3 rd Quarter Results	Mid of February, 2016
4 th Quarter Results	Last week of May, 2016

- 3) Book Closure Date:
The Shares Transfer books and Register of Members will remain closed from 21st September, 2015 to 28th September, 2015 (both days inclusive).
- 4) Dividend Policy:
Dividends are declared at the Annual General Meeting of shareholders based on the recommendation of the Board of Directors. Generally, the factors that may be considered by

the Board of Directors before making any recommendations for dividend include, without limitation, the Company's future expansion plans and capital requirements, profits earned during the fiscal year, cost of raising funds from alternate sources, liquidity position, applicable taxes including tax on dividend, as well as exemptions under tax laws available to various categories of investors from time to time and general market conditions.

- 5) Listing on Stock Exchanges:

(A) Equity Shares

BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai – 400 001.

National Stock Exchange of India Limited,
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051

(B) Global Depository Receipts (GDRs) Luxembourg Stock Exchange Societe de la Bourse de Luxembourg, 11, av de la Porte-Neuve L-2227 Luxembourg.

- 6) Depository For GDRs:

a) Overseas Depository for GDRs:

The Bank of New York Mellon
(Luxembourg), S.A.
Vertigo Building – Polaris,
2-4 rue Eugène Ruppert,
L-2453 Luxembourg.
Tel: (+352) 24 525 320

b) Domestic Custodian of GDRs :

DBS Bank Limited
Securities Services, 5th Floor,
Fort House, 221, Dr. D.N. Road
Mumbai – 400 001, India.
Tel: (022) 66 388 888

7) Stock Code

(A) Equity Shares

BSE Limited – Stock Code	523523
National Stock Exchange of India Limited – Stock Symbol	RAINBOWPAP
ISIN No. for Equity Shares	INE028D01025

(B) Global Depository Receipts (GDR's)

Luxembourg Stock Exchange – Stock Code	US7508461073
ISIN No. for GDRs'	US7508461073

8) *Share Prices Data:

Month	BSE Limited			National Stock Exchange of India Limited		
	Price High (In `)	Price Low (In `)	Volume (No. of Shares)	Price High (In `)	Price Low (In `)	Volume (No. of Shares)
Apr-14	77.40	70.75	1154276	77.35	70.20	1027602
May-14	85.15	70.05	1328652	85.00	69.95	1366351
Jun-14	87.50	78.50	1649325	86.90	78.45	1692549
Jul-14	94.40	75.50	1431711	94.40	75.55	1632351
Aug-14	85.50	74.65	1223802	83.80	74.65	1164710
Sep-14	85.55	78.35	1611184	85.25	78.35	1737226
Oct-14	84.90	77.35	3580828	83.80	77.60	1305712
Nov-14	80.10	73.90	1028684	80.00	73.80	988168
Dec-14	75.20	67.50	858068	76.30	67.55	732196
Jan-15	80.00	65.75	393710	79.60	64.65	459432
Feb-15	76.00	67.95	1239074	75.40	67.90	1268158
Mar-15	81.00	67.20	2356785	79.80	61.00	1759123

* Share price data is obtained from the websites of the respective stock exchanges.

- 9) Registrar and Share Transfer Agents:
Entire Share Transfer work and dematerialization/
rematerialization work is handled by Registrar &
Share Transfer Agents M/s. Sharepro Services (India)
Private Limited, Ahmedabad.
- a) Share Transfer System:
As the members are aware, the Company has
appointed Sharepro Services (India) Pvt. Ltd., as
Registrar & Share Transfer Agent (RTA) to handle
dematerialization of shares and physical share

transfers as well as other share related activities of
the Company.

The Members are advised to correspond with the
RTA at its office at 416-420, Devnandan Mall, Opp.
Sanyas Ashram, Ellisbridge, Ahmedabad – 380 006.
Shares sent for transfer in physical form are
registered and dispatched by our RTA within period
of two weeks from receipt of the documents at its
office, provided the documents are found to be in
order. Shares under objection are returned within
two weeks from the receipt of the document.

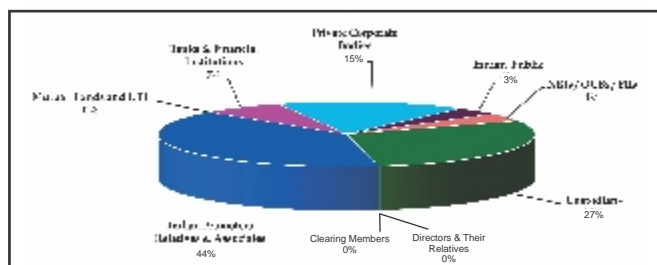
10) DISTRIBUTION OF HOLDINGS AS ON 31ST MARCH, 2015:

Category (No. of Shares)	As on 31 st March, 2015			
	No. of Shareholders		No. of Shares	
	Total	%	Total	%
Upto 2500	3221	96.03	1589164	1.50
2501 - 5000	53	1.58	203202	0.19
5001 - 10000	20	0.60	148468	0.14
10001 - 15000	7	0.21	91675	0.09
15001 - 20000	3	0.09	60000	0.06
20001 - 25000	2	0.06	47525	0.04
25001 - 50000	6	0.18	239964	0.22
50001 and above	42	1.25	103837302	97.76
TOTAL	3354	100.00	106217300	100.00

11) SHAREHOLDING PATTERN OF THE COMPANY AS ON 31ST MARCH, 2015:

Category	No of Shares held	% of Share Holding
1) Promoters Holding:		
i. Indian Promoters relatives & associates (including Body Corporates)	46364592	43.65
ii Foreign Promoters:	---	---
Sub Total (A)	46364592	43.65
2) Non Promoters Holding:		
i. Mutual Funds and UTI	500	—
ii. Banks & Financial Institutions	7810000	7.35
Sub Total (B)	7810500	7.35
3) Others		
i. Private Corporate Bodies	15567909	14.66
ii. Indian Public	2905960	2.74
iii. NRIs / OCBs / FII	4660723	4.39

iv. Directors & their relatives & Friends (other than promoter Director)	190830	0.18
v. Clearing Members	77061	0.07
Sub Total (C)	23402483	22.04
4) Shares held by Custodians and against which Depository Receipts have been issued (GDRs)	28639725	26.96
Sub Total (D)	28639725	26.96
Grand Total (A+B+C+D)	106217300	100.00



12) DEMATERIALIZATIONS OF SHARES AND LIQUIDITY:

As on 31st March, 2015, 99.07% of the total Equity Shares are held in dematerialized form with National Securities Depository Ltd (NSDL) and Central Depository Services (India) Limited (CDSL). The details of which is as under:-

Mode of Holding	No. of Shares	% of Holding
DEMAT	105226395	99.07
PHYSICAL	990905	0.93
TOTAL	106217300	100.00

13) OUTSTANDING GLOBAL DEPOSITORY RECEIPTS (GDRs):

Outstanding GDR's for conversion into Equity Shares as on 31st March, 2015 are 2,86,39,725 being 26.96% of outstanding paid-up Capital of the Company. Each GDR represents one underlying Equity Share.

14) PLANT LOCATION

1453, 1423 Village Rajpur, Tal. : Kadi,
Kalol-Mehsana Highway, Dist. Mehsana
North Gujarat - 382 715.

15) ADDRESS FOR CORRESPONDENCE

a) Company: Smt. Runel Rathi
Company Secretary
Rainbow Papers Limited
801, Avdhesh House,
Opp. Shri Guru Govind Gurudwara,
Sarkhej-Gandhinagar Highway,
Thaltej, Ahmedabad-380 054
Ph.Nos: [079] 26855714, 26855716,
Fax No.: [079] 26855712,
email: secretarial@rainbowpapers.com
Website: www.rainbowpapers.com

b) Registrar & Share Transfer Agents
Sharepro Services (India) Private Limited
416-420, Devnandan Mall,
Opp. Sanyas Ashram,
Ellis Bridge, Ahmedabad – 380 006.
Telephone Nos. : (079) 26582381 – 84
Fax No. : (079) 26582385
Email : sharepro@shareproservices.com

16) OTHER INFORMATION TO THE SHAREHOLDERS

- a) Depository Services
Shareholders may write to the respective Depository or to Sharepro Services (India) Private Limited for guidance on depository services. Address for correspondence with Depositories are as follows:
- 1) National Securities Depository Limited - Trade World, A Wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai- 400 013.
Telephone: (022) 2499 4200,
Fax: (022) 2497 6351,
E-mail: info@nsdl.co.in,
Website: www.nsdl.co.in
 - 2) Central Depository Services (India) Limited - Phiroze Jeejeebhoy Towers, 17th Floor, Dalal Street, Fort, Mumbai -400 001.
Telephone: (022) 2272 3333,
Fax: (022) 2272 3199
E-mail: investors@cdslindia.com,
Website: www.cdslindia.com.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PLACE : AHMEDABAD
DATE : 12th AUGUST, 2015
AJAY R. GOENKA
CHAIRMAN &
MANAGING DIRECTOR

CERTIFICATE BY MANAGING DIRECTOR

We hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year which is fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We further confirm that :
 - (i) there were no significant changes in internal control over financial reporting during the year;
 - (ii) there were no significant changes in accounting policies during the year and
 - (iii) there were no instances of significant fraud of which we are aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

PLACE : AHMEDABAD
DATE : 12th AUGUST, 2015

AJAY R. GOENKA
CHAIRMAN & MANAGING DIRECTOR



01. **INDIAN PAPER INDUSTRY INTRODUCTION:**

Paper industry is vital to the manufacturing sector of a country. The paper industry supplements the economy through revenue generation, foreign exchange earnings, and employment initiation. The role of paper in every area of human activity is almost inevitable. Paper finds its usage in and dissemination of information. In addition to these, paper is a widely used medium for wrapping and packaging of several products. Despite the technological revolution leading to increased computerization of operations, paper still holds on to its existence and has become an essential commodity.

The assistance of paper in the progress of a country is proven by the fact that the per capita consumption of paper in developed nations is nearly 100 times that of the developing ones.

Indian Paper Industry is the 15th largest paper industry in the world. It provides employment to nearly than 0.37 million people directly and 1.3 million people indirectly, and contributes INR 30,000 million to the exchequer. The government of India regards the paper industry as one of 35th high priority industries of the country.

With the constantly rising GDP levels of a developing country such as India, the paper industry is poised to grow consequently. India is recognized as the fastest growing market for paper globally and the consumption of paper on the basis of volume is estimated to grow at a CAGR of 6.3% during FY'2013-FY'2018.

The paper industry in India is highly fragmented, with nearly 1,000 units engaged in the manufacture of paper.

The Indian paper industry is projected to grow tremendously on account of increasing literacy levels, higher government spending on education, booming retail sector, increasing industrial activities, growth in print media, packaging of FMCGs, pharmaceuticals and apparels, and changing urban lifestyles.

02. **COMPANY OVERVIEW:**

Rainbow is engaged in sales of paper and paper products. The company offers wide range of paper including writing and printing paper, newsprint paper, Duplex Board, Coated Paper, Colour Paper and Board, Crepe paper, Poster Paper, Cast coated paper, fluorescent paper. The products manufactured by your

company are primarily used for industrial and packaging purpose. The finished products are utilized in packing various consumer products such as tooth paste, butter and for manufacturing notebooks and other stationery items. Your company's cast coated paper is used for magazines, Brochures, Annual Reports, Greeting Cards, Invitation Cards, Stickers, Hoardings, Display Boards etc.

The products have wide acceptability not only in Indian markets but also in the global market and the company has established its presence in various countries like USA, Middle East, South Africa, South East Asia and U.K.

Your Company uses recycled paper for its manufacturing unit. It uses various qualities of waste paper as its raw material for manufacturing finished paper. Thereby, making it a 100% eco friendly unit.

Besides, the company also manufactures Bricks out of the fly ash generated from the Power Plant and plastic sheets out of the plastic which is being segregated in the process of manufacturing and is utilized for manufacturing of laminate sheets and plastic sheets which has its end use in making furniture, sheds etc.

03. **RISK & CONCERNS:**

The key risk management practices include those relating to identifying key risks to our business objective, impact assessment, risk analysis, risk evaluation, risk reporting and disclosures, risk mitigation and monitoring, and integration with strategy and business planning.

Risk Identification and Impact assessment: Mechanisms for identification and prioritization of risks include risk survey, industry benchmarking, incident analysis, business risk environment scanning, and focused discussions.

Risk Evaluation: Risk evaluation is carried out to decide the significance of risks to the Company. Estimated risks are compared against the established risk criteria. This risk criteria include key focus areas namely: strategy growth, cost, talent, reputation, leadership and regulatory compliance.

Risk reporting and disclosures: Risks to the achievement of key business objectives, trend line of risk level, impact and mitigation actions are reported.

Risk Mitigation and Monitoring: Mitigation plans are finalized owners are identified and progress of mitigation actions are monitored and reviewed. Further,

for those business, objectives, whose achievement is at risk, periodic reviews are conducted to deploy actions.

Integration with strategy and business planning: Identified risks to the business objectives in the near-term, medium-term and long-term are used as one of the key inputs for the development of strategy and annual business plan. Key strategic initiatives are identified to mitigate specific risks.

04. SWOT ANALYSIS:

Strength

Your company is operating paper and paper board production facility with installed capacity of 3,34,700 MTPA at the said location since long and the Promoters of the company have substantial experience of the industry. They are well versed with various aspects of manufacturing and trading of the products. As a result, your company will have advantage to hire and retain competent staff and to manage transport of raw material and finished goods due to its location which is well connected to ports and airports.

Further, your company has well established marketing network to sell the products proposed to be manufactured through the ensuing as well as proposed expansion plans.

Weakness

Sometimes seasonal factor affects the prices and availability of waste paper and accordingly, the profitability.

Opportunities and Threats

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

- its large and growing domestic paper market and potential for export.
- Increasing use of paper boards in packaging.
- qualified technical manpower with capability to manage world scale pulp and paper mills
- well established Research and Development (R & D) facilities / activities encouraging innovation.
- fast growing contemporary printing sector.
- Government's thrust for improving literacy in the Country.
- potential for growth of forest plantations.

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

- inadequate availability of virgin fiber resulting in high cost of raw materials, including wood, non-wood and waste paper.
- delay in creation of sustainable raw material base through industrial plantations.
- small and fragmented industry structure.
- many non-competitive mills.
- inconsistent multi-tiered quality of products.
- environmental problems of most of the small pulp mills and also some large mills.
- high energy consumption and costs.
- poor infrastructure.
- likely closures, owing to increasingly stringent environmental regulations.

05. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has adequate internal controls for its operations processes across the business segments to ensure efficient operations, compliance with internal policies, applicable laws and regulations, protection of resources and assets and accurate reporting of financial transactions. Your Company also has an internal audit system which is conducted by independent firm of Chartered Accountants so as to cover various operations on a continuous basis. The internal audit plans, reports, internal and external audit observations, assessments and recommendations requiring attention are reviewed by the management as also by the Audit Committee of your Company and necessary action plans are decided, wherever needed.

06. CAUTIONARY STATEMENT:

Statements made in this report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute "forward-looking statements" within the meaning of applicable laws and regulations. Actual results might differ from those either expressed or implied.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

**PLACE : AHMEDABAD
DATE : 12th AUGUST, 2015**

**AJAY R. GOENKA
CHAIRMAN &
MANAGING DIRECTOR**

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT.

To
The Members
Rainbow Papers Limited

1. We have reviewed the implementation of Corporate Governance by Rainbow Papers Ltd. ("the Company") during the year ended 31st March, 2015, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.
2. The compliance of conditions on Corporate Governance is the responsibility of the Management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. 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.
4. We state that no major investor grievances are pending for period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievance Committee and certified by the Company.
5. On the basis of our review and according to the information and explanations provided to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement(s) with the Stock Exchange have been complied with in all material aspects by the Company.

Place : Ahmedabad
Date : 12th August, 2015

For PARY & Co.,
Chartered Accountants
Firm Regn No: 007288C

Sushil Goenka
(Partner)
Membership No: 115465



INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors of,
Rainbow Papers Limited.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of RAINBOW PAPERS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinion

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

Other Matter

- (a) We did not audit the Financial Statements of subsidiary viz Rainbow Papers JLT whose financial statements reflect total assets of ₹ 19,155.06/- Lacs as at 31st March, 2015, total revenues of ₹ 57,941.59/- Lacs and net cash outflow amounting to ₹ 256.40/- Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 3079.63/- Lacs for the year ended 31st March, 2015, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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, the company does not have any subsidiary incorporated in India and hence paragraph 3 and 4 of the order is not applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding company, are disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group Refer Note 19(a) to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 3(d)(iv) to the consolidated financial statements in respect of such items as it relates to the Group
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company.

For P A R Y & Co
Chartered Accountants
(Firm Reg No:007288C)

Place : Ahmedabad
Date : 29th May, 2015

(Sushil Goenka)
(Partner)
Mem No:115465



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

(` in Lacs)

Particulars	Note No	As at March 31,2015	As at March 31,2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	2124.35	1979.39
(b) Reserves and Surplus	3	79021.30	67956.40
(c) Money received against share warrants		-	1467.72
		81145.65	71403.51
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	42816.27	63247.03
(b) Deferred tax liabilities (Net)	5	2493.66	4371.55
(c) Other Long Term Liabilities	6	45951.64	9283.65
(d) Long term provisions	7	270.22	155.37
		91531.79	77057.60
(3) Current Liabilities			
(a) Short-term borrowings	8	19503.12	14728.14
(b) Trade payables	9	13378.18	15551.52
(c) Other current liabilities	10	11450.50	12126.21
(d) Short-term provisions	11	367.57	591.95
		44699.37	42997.82
Total		217376.81	191458.93
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	99551.61	100877.56
(ii) Capital work-in-progress	13	54736.18	37420.99
(b) Long term loans and advances	14	479.21	6667.70
		154767.00	144966.25
(2) Current assets			
(a) Inventories	15	17820.11	12112.94
(b) Trade receivables	16	27085.63	22081.12
(c) Cash and bank balances	17	5719.20	2043.10
(d) Short-term loans and advances	18	11984.87	10255.52
		62609.81	46492.68
Total		217376.81	191458.93

The accompanying notes are an integral part of these financial statements.

1 to 35

As per our separate report of even date attached.

For PARY & Co
Chartered Accountants
(Firm Reg No: 007288C)

Sushil Goenka
Partner
Mem. No. 115465

Ahmedabad
May 29, 2015

For and on behalf of the Board of Directors

Ajay Goenka	DIN :00139512	Chairman & Managing Director
Rahul Maheshwari	DIN: 00289730	Executive Director
Mahendrabhai Patel	DIN: 00137602	Director
Shashikant Thakar	DIN: 02887471	Director
Kantibhai Patel	DIN: 02325787	Director
Aanal Trivedi	DIN: 06931339	Director
Pankit Shah		Chief Financial Officer
Runel Rathi		Company Secretary

Ahmedabad
May 29, 2015



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	Note No	(` in Lacs)	
		For the year ended March 31, 2015	For the year ended March 31, 2014
I. Revenue from operations	20	115262.50	115049.27
Less : Excise duty		1419.38	1627.95
Revenue from operations (Net)		113843.12	113421.32
II. Other income	21	453.13	363.01
III. Total Revenue (I + II)		114296.25	113784.33
IV. Expenses:			
Cost of materials consumed	22	20168.93	26760.45
Purchase of stock-in-trade		66620.57	54009.28
		86789.50	80769.73
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	(310.99)	(1665.50)
Employee benefit expense	24	2142.91	2155.29
Finance costs	25	7066.65	6076.61
Depreciation and amortization expense	12	3899.03	4786.63
Other expenses	26	11084.49	14480.84
IV. Total Expenses		110671.59	106603.60
V. Profit before exceptional and extraordinary items and tax (III-IV)		3624.66	7180.73
VI. Exceptional items	27	33.34	-
VII. Profit before tax (V + VI)		3658.00	7180.73
VIII. Tax expense:			
Current tax		109.04	707.16
Less: MAT credit entitlement		(109.04)	(707.16)
Net current tax liability		-	-
Deferred tax		(1865.82)	970.03
IX. Profit for the period (VIII-IX)		5523.82	6210.70
X. Earnings per equity share:(Face value of ` 2 per share) (Refer Note No 32)			
(1) Basic		5.37	6.28
(2) Diluted		-	5.85

The accompanying notes are an integral part of these financial statements.

1 to 35

As per our separate report of even date attached.

For PARY & Co
Chartered Accountants
(Firm Reg No: 007288C)

Sushil Goenka
Partner
Mem. No. 115465

Ahmedabad
May 29, 2015

For and on behalf of the Board of Directors

Ajay Goenka	DIN :00139512	Chairman & Managing Director
Rahul Maheshwari	DIN: 00289730	Executive Director
Mahendrabhai Patel	DIN: 00137602	Director
Shashikant Thakar	DIN: 02887471	Director
Kantibhai Patel	DIN: 02325787	Director
Aanal Trivedi	DIN: 06931339	Director
Pankit Shah		Chief Financial Officer
Runel Rathi		Company Secretary

Ahmedabad
May 29, 2015



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2015

(` in Lacs)

	31-03-2015	31-03-2014
A. Cash Flow from Operating Activities		
Net profit before extraordinary items	3624.66	7180.72
<u>Adjustment For:</u>		
Provision for wealth tax	0.07	0.11
Depreciation & amortization expenses	3899.03	4786.62
Sundry balances written off	(1.39)	3.12
Finance costs	7066.65	6752.52
Loss/(Profit) on Sale of Assets / Investment	(2.84)	0.05
Foreign Currency Monetary Assets Reserve	131.74	316.96
Operating profit before working capital changes	14717.92	19040.10
<u>Adjustment For:</u>		
Increase /(decrease) in trade payables	(2173.33)	4980.41
Increase /(decrease) in current liabilities and provisions	2660.87	41.67
(Increase) /decrease in inventories	(5707.17)	(4004.37)
(Increase) /decrease in trade receivables	(5004.52)	(1854.16)
Cash generated from operating activities	4493.77	18203.65
Net prior year adjustment on account of subsidiaries	-	-
Direct tax paid	(19.64)	(973.44)
Cash flow before extra-ordinary items	4474.13	17230.21
Extra-ordinary Items:		
Excess provision written back	(33.34)	-
Prior period Income	-	-
Net cash flow from operating activities	4440.80	17230.21
B. Cash flow from investing activities		
Purchase of fixed assets (including capital work in progress)	(19835.79)	(23673.38)
Sales of fixed assets	4.02	-
Movement in loans & advances	4478.00	357.77
Investments in subsidiaries/other investment	-	-
Sale of investment	-	15.00
Dividend received	-	-
Interest income	147.55	163.33
Net cash flow from investing activities	(15206.22)	(23137.28)

(` in Lacs)

	31-03-2015	31-03-2014
C. Cash flow from financing activities		
Proceeds from long term borrowings	43651.44	24648.16
Repayment of long term borrowings	(27438.10)	(13801.61)
Short term borrowings (net)	1534.76	2499.57
Proceeds from issue of share capital	5870.88	204.12
Re-payment of Share application money	-	-
Issue /(Conversion) of share warrants	(1467.72)	(51.03)
Interest paid	(7214.20)	(6915.85)
Dividend paid (including dividend distribution tax)	(495.54)	(461.95)
Net cash flow from financing activities	14441.52	6121.41
Net change in cash & cash equivalents(a+b+c)	3676.10	214.34
Opening balance - cash and cash equivalent	2043.10	1828.76
Closing balance - cash and cash equivalent	5719.20	2043.10

Note:

1 CASH AND BANK BALANCES:

Balance with Banks :

- In Collection accounts	26.32	55.19
- In Current accounts	491.93	277.49
- In EEFC accounts	-	0.07
Cash on hand	17.30	8.37

Other bank balances:

- In Dividend Accounts	14.98	13.44
- In Margin Money**	5168.67	1688.54
Total	5719.20	2043.10

As per our separate report of even date attached.

For and on behalf of the Board of Directors

For PARY & Co	Ajay Goenka	DIN :00139512	Chairman & Managing Director
Chartered Accountants	Rahul Maheshwari	DIN: 00289730	Executive Director
(Firm Reg No: 007288C)	Mahendrabhai Patel	DIN: 00137602	Director
Sushil Goenka	Shashikant Thakar	DIN: 02887471	Director
Partner	Kantibhai Patel	DIN: 02325787	Director
Mem. No. 115465	Aanal Trivedi	DIN: 06931339	Director
Ahmedabad	Pankit Shah		Chief Financial Officer
May 29, 2015	Runel Rathi		Company Secretary
	Ahmedabad		
	May 29, 2015		

Note-1: SIGNIFICANT ACCOUNTING POLICIES:

1) Principles of consolidation:

- a) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) on "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and on the basis of separate audited Financial Statements of Rainbow Paper Limited and its subsidiary.
- b) The Consolidated Financial Statements have been prepared on the following basis:
 - (i) The Financial Statements of the Subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard-21 (AS 21).
 - (ii) In case of Foreign Subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the year end. Any exchange difference arising on consolidation is recognized in "Exchange Fluctuation Translation Reserve".
 - (iii) The difference between the cost of investments in the subsidiaries over the net assets at the time of acquisition of the investment in the subsidiaries is recognized in the Financial Statements as Goodwill or Capital Reserve as the case may be.
 - (iv) As far as possible the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations if any have been made in the Consolidated Financial Statements.

2) The list of Subsidiary Companies included in consolidation with Rainbow Papers Limited and Rainbow's shareholding therein is as under:

Name of Subsidiary	Nature of relationship	Country of Incorporation	Shareholding as at 31-03-2015	Shareholding as at 31-03-2014
Rainbow Papers JLT, Dubai	Direct Control	U.A.E	100%	100%

3) Basis of Accounting:

These financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provisions of the Companies Act 1956, read with General Circular No 15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013. All Incomes and Expenditures having material bearing on the Financial Statements are recognized on accrual basis.

4) Use of Estimates:

The presentation of the Financial Statements, in conformity with the Generally Accepted Accounting policies, require the management to make estimates and assumptions that affect the reported amount of Assets and Liabilities, Revenues and Expenses and disclosure of contingent liabilities. Such estimation and assumptions are based on management's evaluation of relevant facts and circumstances as on date of Financial Statements. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

5) Revenue Recognition:

Sales are stated net of rebate, trade discount and inter-divisional transfers. It excludes Central Sales Tax and State Value Added Tax. With regard to sale of products, income is reported when practically all risks and rights connected with the ownership have been transferred to the buyers. This usually occurs upon dispatch of the goods.

Export benefits representing Custom Duty Rebate entitlement against exports made under Duty Entitlement Passbook Scheme, Focus Market Scheme, Status Holder Incentive Scheme and Duty free Import Authorization Scheme are accounted for on accrual basis.

Interest on deposits is recognized on accrual basis.

6) Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction, net of accumulated depreciation, cenvat credit and adjustments arising from exchange rate variations relating to borrowings attributed to fixed assets. Cost includes incidental expenses capitalized from time to time on their due recognition, trial run expenses and interest attributable to the project till the date of commissioning.

Project under commissioning and other capital work-in-progress are carried at cost, comprising direct cost, related incidental pre-operative expenses, and attributed interest.

Advances paid towards the acquisition of Fixed Assets are included under the head Long term loans and advances shown as Capital advances.

7) Impairment of Assets:

The carrying value of assets of the Company's cash generating units are reviewed for impairment annually or more often if there is an indication of decline in value. If any indication of such impairment exists, the recoverable amount of those assets are estimated and impairment loss is recognized, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor. Net selling price is the estimated selling price in the ordinary course of business, less estimated cost of completion and to make the sale.

As per the assessment conducted by the Company at March 31, 2015, there were no indications that the fixed assets have suffered an impairment loss.

8) Inventories:

Raw Materials, Packing Materials, Coal and Furnace Oil are valued at lower of cost or net realizable value after considering the credit of VAT and Cenvat. Stores & Spares are valued at cost. Inventories of Finished Goods and Work in Progress are valued at lower of cost or net realizable value. Stock in transit and Stock lying at third party Premises are valued at cost. Cost is determined on First-in-first-out basis. The cost of Work-in-progress and Finished goods includes the cost of material, labour, manufacturing and other overheads.

9) Depreciation:

For Rainbow Papers Limited

(1) On the additions made on or after 1.4.2009 to Plant & Machinery on "Straight Line Method" on Pro-rata basis in accordance with Section 123(2), as per useful life specified in Schedule II of the Companies Act 2013.

(2) On all other Fixed Assets on "Written Down Value Method" on pro-rata basis in accordance with the Section 123(2), as per useful life specified in Schedule II of the Companies Act 2013.

For the following subsidiaries:

Name Of Subsidiary	Basis Of Depreciation
Rainbow Papers JLT ,Dubai, U.A.E	Using straight-Line method over their estimated useful economic lives.

10) Central Excise Duty:

Excise Duty payable on finished goods is accounted for on clearance of goods. CENVAT Credit on Capital Goods and inputs is accounted for on the date of actual receipt of the same, respectively.

11) Foreign Currency Transactions:

i) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency of the transaction.

ii) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate of the date of transaction; and non-monetary items which are carried of fair value or other similar valuation denominated in foreign currency are reported using the exchange rates that existed when the values were denominated.

iii) Exchange Difference:

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

iv) Forward Exchange Contracts not intended for trading:

The premium or discount arising of the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange difference on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

12) Investments:

Investments are classified as Long Term & Current Investments. Long Term Investments are valued at cost less provision for diminution other than temporary in value, if any. Current Investments are valued at Cost or Net Realizable Value whichever is lower.

13) Borrowing Cost:

Borrowing costs are recognized in the period to which they relate, regardless of how the funds have been utilized, except where it relates to the financing of construction or development of assets requiring a substantial period of time to prepare for their intended future use. Interest on borrowings if any is capitalized up to the date when the asset is ready for its intended use. The amount of interest capitalized for the period is determined by applying the interest rate applicable to respective borrowings.

14) Earnings per Share:

Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity shares outstanding during the year. Diluted earnings per Share is calculated by dividing net profit attributable to equity shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

15) Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding long term benefits) are not discounted to its present value and are determined based on best estimated 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 liabilities are not recognized but are disclosed in the notes to the Financial Statements. A contingent asset is neither recognized nor disclosed.

16) Taxation :

(1) The Company and other Indian subsidiaries:

Provision for Current Tax is made as per the provisions of the Income Tax Act, 1961.

Deferred Tax resulting from "timing differences that are temporary in nature" between accounting and taxable profit is accounted for, using the tax rates and laws that have been enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable or virtual certainty, as the case may be, that the asset will be realized in future.

(2) Foreign Companies:

Foreign Companies recognize tax liabilities in accordance with the local laws. Further any Statutory reserves required, if any, are established in accordance with the local laws.

17) Cash Flow Statement:

The Cash Flow Statement is prepared by the "indirect method" set out in Accounting Standard 3 (AS 3) on "Cash Flow Statements" and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the Cash Flow Statements consist of cash on hand and demand deposits with banks.

(` in Lacs)

2 SHARE CAPITAL :

	Asat March 31, 2015	Asat March 31, 2014
<u>Authorised Capital:</u>		
20,00,00,000 Equity Shares of ` 2/- each (PY 17,50,00,000 Equity Shares of ` 2/- each)	4000.00	3500.00
<u>Issued, Subscribed & Fully Paid up Capital :</u>		
10,62,17,300 Equity shares of ` 2/- each fully paid (PY 9,89,69,300 Equity Shares of ` 2/- each fully paid)	2124.35	1979.39
Out of the above 5,11,77,275 of Rs. 2 each (PY 5,11,77,275 Equity Shares of ` 2 each) fully paid up represent Global Depository Receipts (GDRs) Outstanding GDRs for conversion into Equity Shares are 2,86,39,725 (PY 2,86,39,725)		
	2124.35	1979.39

(a) Reconciliation of number of shares :

Equity shares:	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Amount	No of Shares	Amount
Shares outstanding at the beginning of the year	98,969,300	1979.39	98,717,300	1974.35
Add: Conversion of Convertible Warrants during the year	7,248,000	144.96	252,000	5.04
Shares outstanding at the end of the year	106,217,300	2124.35	98,969,300	1979.39

(b) Terms/rights ,preferences and restrictions attached to securities:

Equity Shares:

The company has one class of equity shares having a par value of ` 2 each. Each share holder is eligible for one vote per share held. The dividend proposed by the board of director is subject to the approval of share holders in the ensuing Annual General meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential dues, in proportion to their shareholding.

During the year ended 31 March 2015, the amount of per share dividend recognized for distribution to equity shareholders was ` 0.20.

(c) Details of share holders holding more than 5% shares in the company:

Name of share holders	As at March 31, 2015		As at March 31, 2014	
	No of Shares held	% of holding	No of Shares held	% of holding
Orient Newsprint Limited	23,377,520	22.01	23,377,520	23.62
Drupa Suppliers Pvt Limited	14,153,000	13.32	6,905,000	6.98
Devkant Sythetics (India) Pvt Ltd	7,610,449	7.16	7,617,746	7.70
Rainbow Industrial Park Pvt Ltd	6,819,000	6.42	6,819,000	6.89

(₹ in Lacs)

3 RESERVES & SURPLUS :	As at March 31, 2015	As at March 31, 2014
a. <u>Capital Reserve</u>	30.19	45.52
<u>Add : Addition/ (Deduction) on consolidation/Cessation</u>	-	(15.33)
	<u>30.19</u>	<u>30.19</u>
b. <u>Securities Premium</u>		
Balance as per last accounts	19839.28	19640.20
Add: Premium on Conversion of warrants	5725.92	199.08
	<u>25565.20</u>	<u>19839.28</u>
c. <u>Revaluation Reserve</u>		
Balance as per last accounts	21019.02	-
Add: Revaluation of Land	-	21019.02
	<u>21019.02</u>	<u>21019.02</u>
d. <u>Other Reserves:</u>		
i. <u>General Reserve</u>		
Balance as per last accounts	2481.87	2300.87
Less : Adjustment relating to Fixed Assets (Note 11(iii))	26.98	-
Add : Amount transferred from surplus balance in statement of Profit & Loss	-	181.00
	<u>2454.89</u>	<u>2481.87</u>
ii. <u>Forfeiture of Warrants</u>	27.43	27.43
iii. <u>Foreign Currency Translation Reserve</u>	749.61	378.32
iv. <u>Foreign Currency Monetary Item Translation Difference Account (FCMITDA)</u>	(239.55)	-
v. <u>Surplus in Statement of Profit & Loss:</u>		
Balance as per last accounts	24180.29	18598.43
Less: Dividend Paid on 7248000 Convertible Warrants		
Dividend Paid	28.99	-
Dividend Distribution tax paid (P.Y. Nil Equity Shares)	4.93	-
	<u>24146.37</u>	<u>18598.43</u>
Profit for the year	5523.82	6210.69
Add : Capital Reserve on consolidation	-	15.33
Less: Appropriations		
Proposed dividend on Equity Shares for the year	212.43	395.88
Dividend distribution tax on Proposed dividend	43.25	67.28
Transfer to General Reserve	-	181.00
	<u>29414.51</u>	<u>24180.29</u>
Total	<u>79021.30</u>	<u>67956.40</u>

(` in Lacs)

4 LONG TERM BORROWINGS:	As at March 31,2015	As at March 31,2014
<u>(A) Secured :</u>		
(a) From banks:		
- Rupee term loans	33416.27	45945.65
- Vehicle loans	-	6.38
(b) From others		
- Rupee term loan	9400.00	8000.00
<u>(B) Unsecured:</u>		
(a) Term loan		
From Others:		
- Financial institutions	-	2000.00
(b) Loans and advances from related parties	-	7295.00
Total	42816.27	63247.03

(a) Nature of security and terms of repayment for secured borrowings

Term loan:

Term Loan in Rupee Currency are secured by way of First hypothecation charge on Pari passu basis over the fixed assets of the company, situated at Survey No 1423,1453 and other adjoining Survey nos. in the name of the Company and situated at Village: Rajpur, Taluka: Kadi, Dist:Mehsana. Second charge on paripassu basis on entire current assets of the company situated on the above stated properties.The loan is further secured by personal guarantee of Shri Ajay Goenka Chaiman and Managing Director of company, Smt Sangeeta Goenka and three promoter group companies. Term Loan is carrying Rate of Interest(at present) from 13% to 13.75% p.a. repayable over a period of 7 years.

Corporate Loan from Allahabad Bank secured by way of exclusive charge on Land at Survey no 1439/p/1,1440/p/1 & 1441/p admeasuring 11288 sq. mts situated at Village: Rajpur, Taluka: Kadi, Dist:Mehsana together with building and fixed structures thereon . The loan is further secured by personal guarantee of Shri Ajay Goenka Chairman and Managing Director of the company. The said Corporate Loan has been converted into EPBG during the year under consideration and same set of security is exclusively charged with Allahabad bank for the entire exposure of the said bank.

Corporate Loan from Bank of India is secured by way of exclusive charge on Land at Survey no 1524,1457-58,1483-84,1447/4/2 collectively admesuring 62524 sq. mts. situated at Village: Rajpur, Taluka: Kadi, Dist:Mehsanatogether with building and fixed structures thereon . The loan is further secured by personal guarantee of Shri Ajay Goenka Chaiman and Managing Director of company, Smt Sangeeta Goenka and three promoter group companies. The said Corporate Loan has been converted into EPBG during the year under consideration and same set of security is exclusively charged with the said bank.

Corporate Loan from IFCI Ltd is secured by exclusive charge on power division assets of the Company bearing Survey No. 1474/1, 1474/2, 1475, 1476, 1477, 1478, 1517 P1, 1517P2 (now forming part of new Survey No. 1442/1) and 1451, 1473, 1520, 1521 total admeasuring 81403 Sq. Mtrs. situated at Village Rajpur, Ta. Kadi, Dist. Mehana and further secured by exclusive charge on Survey no. 1444 & part of 1445 admeasuring 16633 Sq. Mtrs. situated at Village Rajpur, Ta. Kadi, Dist. Mehana, by way of pledge of 1,32,52,412 equity shares of Rainbow Papers Limited having Face Value of Rs.2 per share , being held by promoters and promoter group companies .The loan is further secured by personal guarantee of Shri Ajay Goenka Chaiman and Managing Director of company. Term Loan is carrying Rate of Interest (at present) 14.75% p.a. and is repayable in 5 years with balloning installments quarterly.

Vehicle Loan:

Vehicle loan from banks were secured by hypothecation of vehicles and are repayable over a period of 3 years carrying rate of interest 10.32 to 11.25% p.a..Further loan is guaranted by Shri Ajay Goenka Chaiman and Managing Director of company.

Vehicle loan from financial institutions were secured by hypothecation of vehicles and are repayable over a period of 3 years carrying rate of interest 11.25 p.a.%.Further loan is guaranted by Managing Director of the company.

(b) The period and amount of installments due are as under: (₹ in Lacs)

Financial Year	Amount	Financial Year	Amount
2016-17	6273.75	2020-21	4773.75
2017-18	8173.75	2021-22	4773.75
2018-19	9273.75	2022-23	4773.77
2019-20	4773.75		

(c) Terms of repayment for unsecured borrowings

Loan from financial institution:

The company shall repay the loan in two installments with the first installment of ₹ 10 crore payable on 31.03.2015 and second installment of ₹ 20 crore payable on 31.03.2016 which carries Rate of Interest(at present) 14.25% p.a.

The Company has pledged 11940000 Equity Shares of Rainbow Papers Limited Face Value of ₹ 2/- each, being held by one of its Promoter Group for availing Corporate Term Loan of ₹ 30 Crores.

Loans and advances from related parties:

The company had taken interest free advance from related parties which is repayable after a period of one year.

(₹ in Lacs)

5 DEFERRED TAX LIABILITIES (NET):	As at March 31,2015	As at March 31,2014
Deferred tax liabilities		
Fixed Asset: Impact of difference between tax depreciation and depreciation charged for the financial reporting including unabsorbed depreciation	2864.88	4373.66
Gross deferred tax liability	2864.88	4373.66
Deferred tax assets		
Gratuity	64.61	3.02
Leave Encashment	33.78	(0.91)
Others	272.83	-
Gross deferred tax asset	371.22	2.11
Net deferred tax liability	2493.66	4371.55

Deferred Tax Liability calculated as above is excluding the assets pertaining to Power Generating Units, the income of which being deductible u/s 80 IA of The Income Tax Act 1961. As prescribed in ASI 3 & ASI 5 regarding application of AS 22 in situation of "Tax Holiday" period under Section 80 IA and 80 IB, where the timing difference arising in a year is reversed during Tax Holiday period itself, no Deferred Tax should be recognized.

6 OTHER LONG TERM LIABILITIES:

(₹ in Lacs)

	As at March 31,2015	As at March 31,2014
Other :		
Retention money for capital goods	654.97	1707.61
Export Advance Received*	33323.60	-
Other long-term liabilities**	11973.07	7576.04
	45951.64	9283.65

*Export Advances are secured by way of Export Performance Bank Guarantee from Indian Banks for 54.37mn \$ (PY Nil).

** Other long term liabilities are repayable after period of twelve months or more.

(₹ in Lacs)

7 LONG TERM PROVISIONS:	As at March 31, 2015	As at March 31, 2014
<u>Provisions for employee benefits :</u>		
Provision for gratuity	168.66	96.48
Provision for leave encashment	101.56	58.89
Total	<u>270.22</u>	<u>155.37</u>

(₹ in Lacs)

8 SHORT TERM BORROWINGS:	As at March 31, 2015	As at March 31, 2014
<u>(A) Secured:</u>		
Loans repayable on demand:		
From Banks:		
Cash Credit Facility		
- Rupee Loan	16534.81	11897.35
<u>(B) Unsecured:</u>		
Other Loans and advances:		
From Banks (Buyer's Credit)	2968.31	2830.79
Total	<u>19503.12</u>	<u>14728.14</u>

Nature of security provided for short term borrowings:

Cash Credit Limit is secured by way of First hypothecation charge on Pari passu basis over the current assets of the company, situated at 1423 and 1453 of Village: Rajpur, Taluka: Kadi, Dist: Mehsana. Second charge on paripasu basis on all fixed assets, situated at survey no 1423 and 1453 of Village: Rajpur, Taluka: Kadi, Dist: Mehsana. The loan is further secured by personal guarantee of Shri Ajay Goenka Chairman and Managing Director of the company.

(₹ in Lacs)

9 TRADE PAYABLES:	As at March 31, 2015	As at March 31, 2014
- Acceptances	8767.05	7649.22
- Due to Micro Small & Medium Enterprises	175.76	160.97
- For Goods, services & trade deposits*	4435.37	7741.33
Total	<u>13378.18</u>	<u>15551.52</u>

* Includes creditors for Expense and services amounting ₹ 1226.30 Lacs

(₹ in Lacs)

10 OTHER CURRENT LIABILITIES:	As at March 31,2015	As at March 31,2014
Current maturities of Non Current Liabilities*	7721.15	10623.90
Interest accrued and due on borrowings	386.00	723.48
Unclaimed dividend**	14.98	13.44
Other payables:		
- Statutory dues and unpaid expenses	919.67	564.40
- Advances from customers / others	2408.70	200.99
Total	11450.50	12126.21

* Includes of EPBG Advance to be adjusted in 12 months of ₹ 850.76 Lacs

** Liability towards Investor Education and Protection Fund under Section 125 of The Companies Act, 2013 (Not Due as on 31.03.2014 / 31.03.2015)

(₹ in Lacs)

11 SHORT TERM PROVISIONS:	As at March 31,2015	As at March 31,2014
<u>Provision for employee benefits:</u>		
Provision for bonus	62.95	75.68
Provision for gratuity	40.42	47.22
Provision for leave encashment	7.77	5.21
<u>Others:</u>		
Provision for proposed dividend on equity shares	212.43	395.88
Provision for dividend distribution tax on proposed dividend	43.25	67.28
Provision for wealth tax	0.75	0.68
Total	367.57	591.95

12. TANGIBLE FIXED ASSETS

	(In Lacs)													
	Land	Factory Building	Tubewell	Office Building	Plant & Machinery	Electrical Installation	Workshop Equipment	Laboratory Equipment	Furniture	Vehicles	Office Equipment	Computers	Air Conditioners	Total
Cost of assets														
At 1 April 2013	896.90	6581.00	34.47	476.54	71839.47	264.30	17.76	44.77	69.04	156.38	49.36	246.95	68.84	80745.79
Additions	21169.76	1075.54	-	-	20248.99	-	-	6.57	3.29	21.30	1.79	40.05	0.96	42568.26
Disposal / Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	26.15	-	-	269.42	-	-	-	-	-	-	-	-	295.57
At 31 March 2014	22066.66	7682.69	34.47	476.54	92357.88	264.30	17.76	51.34	72.33	177.68	51.15	287.00	69.80	123609.61
Additions	-	-	-	-	2594.16	-	-	0.84	0.89	1.01	3.61	3.67	9.14	2613.31
Disposal / Adjustment	-	-	31.61	-	-	193.28	-	10.76	37.89	14.12	16.99	221.65	8.53	534.84
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2015	22066.66	7682.69	2.86	476.54	94952.04	71.02	17.76	41.42	35.33	164.57	37.77	69.02	70.41	125688.09
Depreciation														
At 1 April 2013	-	1444.01	16.75	149.12	15671.49	226.81	15.48	16.96	53.30	73.41	20.15	226.38	31.57	17945.43
Charge for the year	-	570.13	0.89	16.37	4140.42	5.22	0.35	4.48	3.25	24.29	4.21	11.72	5.30	4786.63
Disposal / Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2014	-	2014.14	17.64	165.49	19811.91	232.03	15.83	21.44	56.56	97.71	24.36	238.10	36.87	22732.05
Charge for the year	-	610.53	1.02	44.20	3121.97	17.68	0.40	8.88	5.85	30.83	15.72	27.79	14.15	3899.02
Disposal / Adjustment	-	-	17.46	-	-	180.30	-	9.71	36.16	12.65	14.14	216.77	7.42	494.61
At 31 March 2015	-	2624.67	1.20	209.69	22933.88	69.40	16.23	20.61	26.25	115.88	25.94	49.12	43.61	26136.47
At 31 March 2014	22066.66	5668.55	16.83	311.04	72545.98	32.28	1.94	29.90	15.77	79.98	26.79	48.91	32.93	100877.56
At 31 March 2015	22066.66	5058.02	1.66	266.85	72018.16	1.62	1.53	20.81	9.08	48.69	11.82	19.90	26.82	99551.61

Deferral/capitalization of exchanged differences:

The company had opted to follow the option granted by notification no 225(E) dated March 31, 2009 issued by the Ministry of Corporate Affairs relating to limited relaxation in the provision of "Accounting Standard-11" in respect of Foreign Exchange differences on foreign currency loans:

- (i) Exchange differences relating to long-term monetary items, arising during the year, in so far as they relate to the acquisition of a depreciable asset are added to / deducted from the cost of the asset and depreciated over the balance life of the asset.
- (ii) In other cases such differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized to the Profit and Loss account over the balance life of the long-term monetary item, however the period of amortization does not extend beyond; March 31, 2020 [extended by notification no GSR 913(E) dated 29th December 2011].

Accordingly, Nil Lacs has been added (PY ` 295.57 was added) to the cost of the fixed assets.

- (iii) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted net of tax, in the opening balance of General Reserve amounting to ` 26.98 Lacs.

(` in Lacs)

13 CAPITAL WORK IN PROGRESS COMPRISES:

	As at March 31,2015	As at March 31,2014
Building , Plant & Machinery and Pre operative expenses (Pending Allocation)	54,736.18	37,420.99
TOTAL	54,736.18	37,420.99

- Cost of Fixed Assets and pre-operative expenses, being technical matter, are capitalized or allocated to Capital work in progress on the basis of data certified by technical person & the management.
- Borrowing cost includes interest and other bank charges including the exchange difference arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs which are directly related to the acquisition & construction of a qualifying asset.
- Advances to Project suppliers are shown under Long term loans & advances included in Capital advances.

(` in Lacs)

14 LONG-TERM LOANS & ADVANCES:

(Unsecured, considered good, unless otherwise stated)	Asat March 31,2015	Asat March 31,2014
(a) Capital advances	466.41	6657.64
(b) Security deposits	10.12	7.01
(c) Other loans & advances		
- Advances recoverable in cash or kind*	2.68	3.05
Total	479.21	6667.70

*It includes expenses which are amortised over a period of more than 12 months.

(₹ in Lacs)

15 INVENTORIES: (valued at lower of cost or net realizable value)	As at March 31,2015	As at March 31,2014
<u>Raw materials:</u>		
- Paper	9210.95	5216.38
[Goods in transit]	732.47	258.32
- Chemicals	1733.87	1285.90
[Goods in transit]	27.63	30.73
Work-in-progress	2559.54	1790.26
Finished goods	404.83	613.55
Stock in trade (In respect of goods acquired for trading)	761.46	1011.02
Stores & spares	1691.60	1412.68
[Goods in transit]	-	13.51
Loose tools	133.96	130.57
<u>Others:</u>		
Fuels & packing material	559.38	306.00
[Goods in transit]	4.42	44.02
(Above inventories taken, valued and certified by the management)		
Total	17820.11	12112.94

(₹ in Lacs)

16 TRADE RECEIVABLES: (Unsecured, considered good, unless otherwise stated)	As at March 31,2015	As at March 31,2014
Outstanding for a period exceeding 6 months from the date they are due for payment	123.81	99.63
Others	26961.82	21981.49
Total	27085.63	22081.12

(₹ in Lacs)

17 CASH AND BANK BALANCES:	As at March 31,2015	As at March 31,2014
<u>Cash and cash equivalent:</u>		
a Balance with Banks:		
- In Collection accounts	26.32	55.19
- In Current accounts	491.93	277.49
- In EEFC accounts	-	0.07
b Cash on hand	17.30	8.37
c Other bank balances:		
- In Dividend Accounts	14.98	13.44
- In Margin Money & Fixed Deposits*	5168.67	1688.54
Total	5719.20	2043.10

* Margin Money Deposits are given as margin against Letter of Credit open with bank.

(₹ in Lacs)

18 SHORT-TERM LOANS AND ADVANCES:	As at	As at
Unsecured considered good, unless otherwise stated:	March 31, 2015	March 31, 2014
Other loans and advances:		
- Advances recoverable in cash or kind	24.95	16.22
- Advances to creditors	6976.37	5267.36
- Balances with government authorities	1745.28	1961.80
- Advance tax and MAT credit entitlement	2807.42	2787.78
- Advance fringe benefit tax	0.53	0.53
- Prepaid expenses	430.32	221.83
Total	<u>11984.87</u>	<u>10255.52</u>

19 Contingent liabilities and commitments (to the extent not provided for):

(₹ in Lacs)

<u>Contingent liabilities</u>	As at	As at
	March 31, 2015	March 31, 2014
<u>Claim against company not acknowledged as debt:</u>		
- Income Tax Matters	529.44	-
Guarantees:		
- Bank Guarantee	1059.14	681.35
- Export Performance Bank Guarantee (MTM)	34030.62	-

Commitment:

Estimated amount of contracts, remaining to be executed on capital accounts and not provided for ₹ Nil Lacs net of advance (PY ₹ 563.93 Lacs).

EPBG is secured by way of First hypothecation charge on Pari passu basis over the fixed assets of the company, situated at Survey No 1423,1453, Village: Rajpur, Taluka: Kadi, Dist: Mehsana. Second charge on paripasu basis on entire current assets of the company. It is further secured by personal guarantee of Shri Ajay Goenka Chaiman and Managing Director of company, Smt Sangeeta Goenka and three promoter group companies. EPBG will be reduced over a period of 10 years in balloning installments.

(₹ in Lacs)

20 REVENUE FROM OPERATIONS:	Year ended March 31,2015	Year ended March 31,2014
<u>Sale of products</u>		
Paper sales (Including local trading)	50572.34	57927.34
Paper sales (export) (including deemed exports)	6186.03	8353.92
Paper sales (trading)	57941.59	47807.55
Bricks sales	1.43	29.92
Plastic sheet sales	3.68	19.76
<u>Sale of services</u>		
Job work	76.24	165.78
<u>Other Operating Revenue</u>		
Export incentive	168.20	439.67
Fly ash sales	1.73	17.03
Miscellaneous waste sales	311.26	288.30
	115262.50	115049.27
Less : Excise duty	1419.38	1627.95
Total	113843.12	113421.32

(₹ in Lacs)

21 OTHER INCOME:	Year ended March 31,2015	Year ended March 31,2014
Profit / (Loss) on sale of Fixed Assets	2.97	-
Foreign exchange gain (Net)	450.16	363.01
Total	453.13	363.01

(₹ in Lacs)

22 COST OF MATERIALS CONSUMED:	Year ended March 31,2015	Year ended March 31,2014
<u>Opening Stock</u>		
Papers	5474.70	3267.16
Chemicals (Coating Division)	26.22	62.90
	5500.92	3330.06
<u>Add: Purchases</u>		
Papers	24375.09	28449.33
Chemicals (Coating Division)	262.39	481.98
	30138.40	32261.37
<u>Less: Closing Stock</u>		
Papers	9943.41	5474.70
Chemicals (Coating Division)	26.06	26.22
Total	20168.93	26760.45

(` in Lacs)

23 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	Year ended March 31,2015	Year ended March 31,2014
Opening Stock		
Finished goods	613.55	292.72
Work in progress	1790.26	887.06
Stock-in-trade	1011.02	569.55
Total (A)	<u>3414.83</u>	<u>1749.33</u>
Closing Stock		
Finished goods	404.83	613.55
Work in progress	2559.54	1790.26
Stock-in-trade	761.46	1011.02
Total (B)	<u>3725.82</u>	<u>3414.83</u>
Total (A-B)	<u>(310.99)</u>	<u>(1665.50)</u>

(` in Lacs)

24 EMPLOYEE BENEFITS EXPENSE:	Year ended March 31,2015	Year ended March 31,2014
Salary and Wages	2017.46	2035.20
Contribution to Provident and other funds	105.01	91.72
Staff welfare expense	20.44	28.37
Total	<u>2142.91</u>	<u>2155.29</u>

(` in Lacs)

25 FINANCE COSTS:	Year ended March 31,2015	Year ended March 31,2014
(1) Interest expenses		
(a) Term loans	3070.57	2968.35
(b) Working capital facilities	2281.19	1767.42
(c) Others	217.29	224.58
	<u>5569.05</u>	<u>4960.35</u>
Less: Interest on Margin Money , Deposits and others*	147.55	163.33
	<u>5421.50</u>	<u>4797.02</u>
(2) Other borrowing cost	1645.15	1279.59
Total	<u>7066.65</u>	<u>6076.61</u>

*Interest expenses have been shown as net off interest received from trade parties, margin money and fixed deposits.

(` in Lacs)

26 OTHER EXPENSES:	Year ended March 31, 2015	Year ended March 31, 2014
Consumption of stores & spare parts	137.12	261.10
Consumption of chemical	3154.41	4482.70
Consumption of power & fuel	4084.37	5569.10
Consumption of packing materials	833.32	949.00
Paper pulping, cutting, packing and finishing expenses	571.63	537.99
Bricks processing charges	0.58	15.33
Plastic sheet processing charges	3.17	5.24
<u>Repairs and maintenance :</u>		
Machinery	136.74	155.00
Building	8.76	18.27
Others	35.27	56.67
	180.77	229.94
Payment to auditors	3.33	7.26
Factory expenses	205.32	156.96
Insurance	62.99	95.50
Rent expense	47.10	43.53
Rates and Taxes [includes Wealth Tax ` 0.07 lacs]	9.04	8.52
Excise duty adjustment for stocks (net)*	(8.87)	18.83
Advertisement, Stationery and Communication	52.26	58.99
Legal, Consultancy and Professional Fees	159.26	85.72
Freight & forwarding outward expense (export)	414.41	633.87
Sales outward expenses	579.99	557.37
Selling costs	431.14	608.83
Miscellaneous expenses	41.29	23.37
Donation	2.07	5.36
Travelling & conveyance	119.79	126.33
Total	11084.49	14480.84

* Excise duty adjustment for stock under expenditure represents aggregate of excise duty borne by the company and the difference between excise duty on opening and closing stock of finished goods.

(` in Lacs)

27 EXCEPTIONAL ITEMS:	Year ended March 31, 2015	Year ended March 31, 2014
Excess/(Short) provision of earlier years	33.34	-
Total	33.34	-

28 PROPOSED DIVIDEND:	2014-15	2013-14
Dividend proposed to be distributed to equity shareholders		
- Total Amount (in Lacs)	212.43	395.88
- Per Share	0.20	0.40

- 29) In case of Rainbow Papers JLT, Dubai, U.A.E. the revenue and expenses transactions at the year end reflected in Profit & Loss Account have been translated into Indian Rupees at an average of monthly exchange rate. The assets & liabilities in the Balance Sheet have been translated into Indian Rupees at the closing exchange rate at the year end. The resultant translation exchange gain/loss has been disclosed as "Foreign Currency Translation Reserve".
- 30) Based on the guiding principles given in Accounting Standard on "Segment Reporting" (AS-17) issued by the Institute of Chartered Accountants of India, the Company operates mainly in manufacturing and processing of Paper products and all other activities are incidental thereto, which have similar risk and return, accordingly, there are no separate reportable Segment as far as Primary Segment is concerned.

Information about Secondary Geographical Segments::		(` in Lacs)
Particulars	2014-15	2013-14
Operating Revenue by Geographical Segment		
India	49547.30	56820.18
Outside India	64295.82	56601.14
Addition to Fixed Assets and Intangible Assets		
India	2613.31	42863.83
Outside India	-	-
Carrying amount of Fixed Assets		
India	154287.79	138298.55
Outside India	-	-

Notes:

- 1) Geographical Segments considered for disclosures are as follows :
 - Operating revenue outside India includes Paper sales (incl. deemed Export), Export incentive, Exchange Fluctuation (Net) & Foreign Subsidiary's sales.
 - Previous year's figures have been regrouped or rearrange wherever necessary.
- 2) Operating revenue comprises

		(` in Lacs)
Particulars	2014-15	2013-14
Sales	113361.94	112676.32
Other operating income	481.18	745.00

31) RELATED PARTY DISCLOSURE:

- (a) List of Related Parties and Relationships:
 - i. Concern where significant interest exists.

Name of the Concern	Nature of Relationship
Orient Newsprint Ltd	Control exists
Drupa Suppliers Pvt. Ltd	Control exists
Rainbow Industrial Park Pvt. Ltd	Control exists
Nigo Best Packs Pvt. Ltd	Control exists
Windsor Paper Pvt. Ltd	Control exists
Rainbow Infrabuild Pvt Ltd	Control exists

ii. Key Management Personnel and Relatives.

1. Shri Ajay R Goenka	Chairman & Managing Director
2. Shri Rahul J Maheswari	Executive Director (w.e.f 30.08.2011)
3. Smt. Sangeeta A Goenka	Sr. Vice President (Executive Director till 28.05.2010)
4. Smt. Niyati Agrawal	Sr. Vice President
5. Smt. Draupadidevi R Goenka	Relative

(b) Disclosure of Related Party Transactions (₹ in Lacs)

Nature of Transaction	Parties mentioned at a (i) above		Key management personnel	
	2014-15	2013-14	2014-15	2013-14
Unsecured Loan taken	2750.00	-	-	-
Office Rent Paid	-	-	9.72	9.07
Directors' Remuneration	-	-	48.00	167.75
Salary	-	-	53.26	52.96
Issue of share (on conversion)	-	204.12	-	-
Convertible Warrant issued	5870.88	-	-	-

Disclosures of material transactions with related parties during the year: (₹ in Lacs)

Sr.No.	Description	Related Parties	Amount
1	Office Rent Paid	Shri Ajay R Goenka	8.82
		Smt. Draupadidevi R Goenka	0.90
2	Directors' Remuneration	Shri Ajay R Goenka	24.00
		Shri Rahul J Maheshwari	24.00
3	Salary	Smt. Sangeeta A. Goenka	24.23
		Smt. Niyati Agrawal	29.03
4	Equity share issued on conversion of warrant	Drupa Suppliers Pvt Limited	5870.88

32) EARNINGS PER SHARE:

Particulars		31.03.2015	31.03.2014
Net profit for the year attributable to Equity Shareholders	₹ Lacs	5523.83	6210.70
Weighted average number of Equity Shares outstanding for Basic earning per shares	Numbers	106217300	98829837
Weighted average number of Equity Shares outstanding for Diluted earning per shares	Numbers	-	106077837
Basic earnings per share (face value of ₹ 2 each)	₹	5.37	6.28
Diluted earnings per share (face value of ₹ 2 each)	₹	-	5.85

33) DERIVATIVE INSTRUMENTS:

- a) The Company does not have entered into any forward contract to offset its foreign currency risks arising from the amounts denominated in currencies other than the Indian Rupee.
- b) Foreign currency exposure at the year end not hedged by derivative instruments.

	(Amt in Lacs)	
	2014-15	2013-14
Payables – USD*	591.99	47.10
Receivables - USD	41.94	12.09
Bank Balance - AED	0.11	15.83

* Includes Long Term Export Advance of 54.37mn for 10 years.

34) Previous years figures have been regrouped/ rearranged wherever necessary.

35) Additional Information, as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as subsidiary:

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in Lacs)	As % of consolidated profit or loss	Amount (₹ in Lacs)
1	2	3	4	5
Parent				
Rainbow Papers Limited	86.19	72095.33	44.25	2444.17
Subsidiaries				
Foreign				
Rainbow Papers JLT	13.81	11541.98	55.75	3079.65

As per our separate report of even date attached.

For PARY & Co
Chartered Accountants
(Firm Reg No: 007288C)

Sushil Goenka
Partner
Mem. No. 115465

Ahmedabad
May 29, 2015

For and on behalf of the Board of Directors

Ajay Goenka	DIN :00139512	Chairman & Managing Director
Rahul Maheshwari	DIN: 00289730	Executive Director
Mahendrabhai Patel	DIN: 00137602	Director
Shashikant Thakar	DIN: 02887471	Director
Kantibhai Patel	DIN: 02325787	Director
Aanal Trivedi	DIN: 06931339	Director
Pankit Shah		Chief Financial Officer
Runel Rathi		Company Secretary

Ahmedabad
May 29, 2015



STAND-ALONE
FINANCIAL
STATEMENTS

69



INDEPENDENT AUDITOR'S REPORT

To the Members of
Rainbow Papers Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of RAINBOW PAPERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Profit and Loss Statement, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 20(a) to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 4(d)(iii) to the financial statements;
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection fund

For PARY & Co
Chartered Accountants
(Firm Reg No:007288C)

Place : Ahmedabad
Date : 29th May, 2015

(Sushil Goenka)
(Partner)
Mem No:115465

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.)

- (i) In respect of its fixed assets :
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
 - (b) As explained to us, the Company has a phrased program of physical verification of its fixed assets, which in our opinion, is reasonable having regard to the size of the Company and the nature of its business. During the year the Company has physically verified some of the assets and no material discrepancies were noticed on such verification.
- (ii) In respect of its Inventories :
 - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) During the year the Company has not given any loans secured or unsecured to the companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence Clause (iii) (a) and (b) are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit and hence the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposits) Rules, 2014, with regard to the deposits accepted are not applicable to the Company. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the company. According to the information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the Cost Records with the view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
 - (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities 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 applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

- (b) The disputed Statutory dues aggregating to ₹ 487.46 /- Lacs, that have not been deposited on account of disputed statutory matters pending before appropriate authorities are as under:

Name of the statute	Nature of dues	Amt. under dispute not yet deposited As on 31 st March, 2015 ` In Lacs	Periods to which the amount relates (F.Y)	Forum where the dispute is pending
Income Tax Act, 1961	Assessment Proceedings	93.08/-	2011-12	Income Tax Appellate Tribunal
		394.38/-	2012-13	Commissioner of Income Tax (Appeals)
Total		487.46/-		

- (c) The Company has transferred amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

- (viii) The Company does not have any accumulated losses at the end of the Financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to the financial institution or banks or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans, taken by others, from banks or financial institutions.
- (xi) According to the information and explanation given to us, the term loans were applied for the purpose for which it is obtained.
- (xii) Based on the audit procedures performed and representation obtained from management we report that, no case of material fraud on or by the Company has been noticed or reported for the year under audit.

For PARY & Co
Chartered Accountants
(Firm Reg No:007288C)

Place : Ahmedabad
Date : 29th May, 2015

(Sushil Goenka)
(Partner)
Mem No:115465



BALANCE SHEET AS AT 31ST MARCH 2015

(` in Lacs)

Particulars	Note No	As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	3	2124.35	1979.39
(b) Reserves and Surplus	4	67479.31	59865.35
(c) Money received against share warrants		-	1467.72
		<u>69603.66</u>	<u>63312.46</u>
(2) Non-Current Liabilities			
(a) Long-term borrowings	5	42816.27	63247.03
(b) Deferred tax liabilities (Net)	6	2493.66	4371.55
(c) Other Long Term Liabilities	6a	45951.64	9283.65
(d) Long term provisions	7	270.22	155.37
		<u>91531.79</u>	<u>77057.60</u>
(3) Current Liabilities			
(a) Short-term borrowings	8	19503.12	14728.14
(b) Trade payables	9	12844.08	14384.17
(c) Other current liabilities	10	11450.50	12126.21
(d) Short-term provisions	11	367.57	591.95
		<u>44165.27</u>	<u>41830.47</u>
Total		<u><u>205300.72</u></u>	<u><u>182200.53</u></u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	99551.61	100877.56
(ii) Capital work-in-progress	13	54736.18	37420.99
(b) Non-current investments	14	40.90	40.90
(c) Long term loans and advances	15	479.04	6667.54
		<u>154807.73</u>	<u>145006.99</u>
(2) Current assets			
(a) Inventories	16	17076.53	11853.87
(b) Trade receivables	17	12537.37	9350.74
(c) Cash and bank balances	18	5715.61	1783.10
(d) Short-term loans and advances	19	15163.48	14205.83
		<u>50492.99</u>	<u>37193.54</u>
Total		<u><u>205300.72</u></u>	<u><u>182200.53</u></u>

The accompanying notes are an integral part of these financial statements.

1 to 37

As per our separate report of even date attached.

For and on behalf of the Board of Directors

For PARY & Co
Chartered Accountants
(Firm Reg No: 007288C)

Sushil Goenka
Partner
Mem. No. 115465

Ahmedabad
May 29, 2015

Ajay Goenka
Rahul Maheshwari
Mahendrabhai Patel
Shashikant Thakar
Kantibhai Patel
Aanal Trivedi
Pankit Shah
Runel Rathi

Ahmedabad
May 29, 2015

DIN :00139512 Chairman & Managing Director
DIN: 00289730 Executive Director
DIN: 00137602 Director
DIN: 02887471 Director
DIN: 02325787 Director
DIN: 06931339 Director
Chief Financial Officer
Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

(` in Lacs)

Particulars	Note No	For the year ended March 31, 2015	For the year ended March 31, 2014
I. Revenue from operations	21	57320.91	67241.72
Less : Excise duty		1419.38	1627.95
Revenue from operations (Net)		55901.53	65613.77
II. Other income	22	1200.49	1064.52
III. Total Revenue (I + II)		57102.02	66678.29
IV. Expenses:			
Cost of materials consumed	23	20168.93	26760.45
Purchase of stock-in-trade		12096.33	10883.88
		32265.26	37644.33
Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	173.51	(1781.93)
Employee benefit expense	25	2130.88	2143.36
Finance costs	26	7059.22	6076.49
Depreciation and amortization expense	12	3899.03	4786.62
Other expenses	27	11029.11	14435.63
IV. Total Expenses		56557.01	63304.50
V. Profit before exceptional and extraordinary items and tax (III-IV)		545.01	3373.79
VI. Exceptional items	28	33.34	-
VII. Profit before tax (V + VI)		578.35	3373.79
VIII. Tax expense:			
Current tax		109.04	707.16
Less: MAT credit entitlement		(109.04)	(707.16)
Net current tax liability		-	-
Deferred tax		(1865.82)	970.03
IX. Profit for the period (VIII-IX)		2444.17	2403.76
X. Earnings per equity share:(Face value of ` 2 per share) (Refer Note No 33)			
(1) Basic		2.37	2.43
(2) Diluted		-	2.27

The accompanying notes are an integral part of these financial statements.

1 to 37

As per our separate report of even date attached.

For PARY & Co
Chartered Accountants
(Firm Reg No: 007288C)

Sushil Goenka
Partner
Mem. No. 115465

Ahmedabad
May 29, 2015

For and on behalf of the Board of Directors

Ajay Goenka	DIN :00139512	Chairman & Managing Director
Rahul Maheshwari	DIN: 00289730	Executive Director
Mahendrabhai Patel	DIN: 00137602	Director
Shashikant Thakar	DIN: 02887471	Director
Kantibhai Patel	DIN: 02325787	Director
Aanal Trivedi	DIN: 06931339	Director
Pankit Shah		Chief Financial Officer
Runel Rathi		Company Secretary

Ahmedabad
May 29, 2015



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2015

(` in Lacs)

	31-03-2015	31-03-2014
A. Cash Flow from Operating Activities		
Net profit before extra ordinary items	545.01	3373.79
<u>Adjustment For:</u>		
Provision for wealth tax	0.07	0.11
Depreciation & amortization expenses	3899.03	4786.62
Sundry balances written off	(1.39)	3.12
Finance costs	7059.22	6076.49
Loss/(Profit) on Sale of Assets / Investment	(2.84)	(25.55)
Foreign Currency Monetary Assets Reserve	(239.55)	-
Operating profit before working capital changes	11259.55	14214.58
<u>Adjustment For:</u>		
Increase /(decrease) in trade payables	(1540.09)	4793.29
Increase /(decrease) in current liabilities and provisions	2660.87	46.19
(Increase) /decrease in inventories	(5222.66)	(4120.80)
(Increase) /decrease in trade receivables	(3186.63)	2343.06
Cash generated from operating activities	3971.04	17276.32
Direct tax paid	(19.64)	(973.44)
Cash flow before extra-ordinary items	3951.40	16302.88
Extra-ordinary Items:		
Excess provision written back	(33.34)	-
Net cash flow from operating activities	3918.06	16302.88
B. Cash flow from investing activities		
Purchase of fixed assets (including capital work in progress)	(19835.79)	(23676.12)
Sales of fixed assets	4.02	-
Movement in loans & advances	5249.73	353.36
Sale of investment	-	41.55
Interest income	147.55	163.33
Net cash flow from investing activities	(14434.51)	(23117.88)

(₹ in Lacs)

	31-03-2015	31-03-2014
C. Cash flow from financing activities		
Proceeds from long term borrowings	43651.44	24648.16
Repayment of long term borrowings	(27438.10)	(13801.61)
Short term borrowings (net)	1534.76	2499.57
Proceeds from issue/on conversion of Share Capital	5870.88	204.12
Re-payment of Loans from Related Parties	-	-
Issue/(Conversion) of share warrants	(1467.72)	(51.03)
Interest paid	(7206.77)	(6239.82)
Dividend paid (including dividend distribution tax)	(495.54)	(461.95)
Net cash flow from financing activities	14448.95	6797.44
Net change in cash & cash equivalents (a+b+c)	3932.51	(17.56)
Opening balance - cash and cash equivalent	1783.10	1800.66
Closing balance - cash and cash equivalent	5715.61	1783.10

Note:

1 CASH AND BANK BALANCES:

Balance with Banks :

- In Collection accounts	26.32	55.19
- In Current accounts	490.02	18.96
- In EEFC accounts	-	0.07
Cash on hand	15.62	6.90

Other bank balances:

- In Dividend Accounts	14.98	13.44
- In Margin Money	5168.67	1688.54
Total	5715.61	1783.10

As per our separate report of even date attached.

For PARY & Co
Chartered Accountants
(Firm Reg No: 007288C)

Sushil Goenka
Partner
Mem. No. 115465

Ahmedabad
May 29, 2015

For and on behalf of the Board of Directors

Ajay Goenka	DIN :00139512	Chairman & Managing Director
Rahul Maheshwari	DIN: 00289730	Executive Director
Mahendrabhai Patel	DIN: 00137602	Director
Shashikant Thakar	DIN: 02887471	Director
Kantibhai Patel	DIN: 02325787	Director
Aanal Trivedi	DIN: 06931339	Director
Pankit Shah		Chief Financial Officer
Runel Rathi		Company Secretary

Ahmedabad
May 29, 2015

Notes to financial statement for the year ended 31 March 2015

1 1.1 CORPORATE INFORMATION:

The company is engaged in manufacturing and marketing of paper. It uses various qualities of waste papers as its raw material for manufacturing finished paper. The company offers wide range of paper including Writing & printing paper, Newsprint paper, Duplex Board, Coated Paper, Colour Paper and Board, Crepe paper, Poster paper, Cast coated paper & fluroscnt paper.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENT:

These financial statements have been prepared to comply in all material aspects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provisions of the Companies Act 1956, read with General Circular No 15/2013 dated 13th September 2013, issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013 All Incomes and Expenditures having material bearing on the Financial Statements are recognized on accrual basis.

SIGNIFICANT ACCOUNTING POLICIES:

2 2.1 USE OF ESTIMATES:

The presentation of the Financial Statements, in conformity with the Generally Accepted Accounting policies, require the management to make estimates and assumptions that affect the reported amount of Assets and Liabilities, Revenues and Expenses and disclosure of contingent liabilities. Such estimation and assumptions are based on management's evaluation of relevant facts and circumstances as on date of Financial Statements. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

2.2 REVENUE RECOGNITION:

Sales are stated net of rebate and trade discount. It excludes Central Sales Tax and State Value Added Tax. With regard to sale of products, income is reported when practically all risks and rights connected with the ownership have been transferred to the buyers. This usually occurs upon dispatch of the goods.

Export benefits representing Custom Duty Rebate entitlement against exports made under Duty Entitlement Passbook Scheme, Focus Market Scheme, Status Holder Incentive Scheme and Duty free Import Authorization Scheme are accounted for on accrual basis.

Interest on deposits is recognized on accrual basis.

2.3 FIXED ASSETS:

Fixed Assets are stated at cost of acquisition or construction, net of accumulated depreciation, cenvat credit and adjustments arising from exchange rate variations relating to borrowings attributed to fixed assets. Cost includes incidental expenses capitalized from time to time on their due recognition, trial run expenses and interest attributable to the project till the date of commissioning.

Project under commissioning and other capital work-in-progress are carried at cost, comprising direct cost, related incidental pre-operative expenses, and attributed interest.

Advances paid towards the acquisition of Fixed Assets are included under the head Long term loans and advances shown as Capital advances.

2.4 DEPRECIATION:

The company has provided depreciation,

(1) On the additions made on or after 1.4.2009 to Plant & Machinery on "Straight Line Method" on Pro-rata basis in accordance with Section 123(2), as per useful life specified in Schedule II of the Companies Act 2013.

(2) On all other Fixed Assets on "Written Down Value Method" on pro-rata basis in accordance with the Section 123(2), as per useful life specified in Schedule II of the Companies Act 2013.

2.5 BORROWING COST:

Borrowing costs are recognized in the period to which they relate, regardless of how the funds have been utilized, except where it relates to the financing of construction or development of assets requiring a substantial period of time to prepare for their intended future use. Interest on borrowings if any is capitalized up to the date when the asset is ready for its intended use. The amount of interest capitalized for the period is determined by applying the interest rate applicable to respective borrowings.

2.6 INVESTMENTS:

Investments are classified as Non current & Current Investments. Non Current Investments are valued at cost less provision for diminution other than temporary in value, if any. Current Investments are valued at Cost or Net Realizable Value whichever is lower.

2.7 INVENTORIES:

Raw Materials, Packing Materials, Coal and Furnace Oil are valued at lower of cost or net realizable value after considering the credit of VAT and Cenvat. Stores & Spares are valued at cost. Inventories of Finished Goods and Work in Process are valued at lower of cost or net realizable value. Stock in transit and Stock lying at third party Premises are valued at cost. Cost is determined on First-in-first-out basis. The cost of Work-in-process and Finished goods includes the cost of material, labour, manufacturing and other overheads.

2.8 EXCISE DUTY AND CENVAT CREDIT:

Excise Duty payable on finished goods is accounted for on clearance of goods. CENVAT Credit on Capital Goods and inputs is accounted for on the date of actual receipt of the same, respectively.

2.9 FOREIGN CURRENCY TRANSACTIONS:

i) Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency of the transaction.

ii) Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate of the date of transaction; and non-monetary items which are carried of fair value or other similar valuation denominated in foreign currency are reported using the exchange rates that existed when the values were denominated.

iii) Exchange Difference:

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

iv) Forward Exchange Contracts not intended for trading:

The premium or discount arising of the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange difference on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

2.10 EMPLOYEES RETIREMENT BENEFITS:

(a) Short Term

Short Term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the company.

(b) Long Term

The Company has both defined contribution and defined benefit plans, of which some have assets in approved funds. These plans are financed by the Company in the case of defined contribution plans.

Defined Contribution Plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to Employees Provident Fund. The Company's Payments to the defined contributions plans are reported as expenses during the period in which the employee perform the services that the payment covers.

Defined Benefit Plans

Expenses for defined benefit gratuity payment plans are calculated as at the balance sheet date by independent actuaries in the manner that distributes expense over the employees working life. These commitments are

valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discounted rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on Government Bonds with a remaining term i.e. almost equivalent to the average balance working period of employees.

Other Employee Benefit

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit converts and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid.

2.11 IMPAIRMENT OF ASSETS:

The carrying value of assets of the Company's cash generating units are reviewed for impairment annually or more often if there is an indication of decline in value. If any indication of such impairment exists, the recoverable amount of those assets are estimated and impairment loss is recognized, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor. Net selling price is the estimated selling price in the ordinary course of business, less estimated cost of completion and to make the sale.

As per the assessment conducted by the Company at March 31, 2015, there were no indications that the fixed assets have suffered an impairment loss.

2.12 TAXATION:

A provision for Current Tax has been made at the current tax rate based on assessable income or on the basis of Sec. 115JB of the Income Tax Act, 1961 (Minimum Alternative Tax), whichever is higher.

Deferred Tax resulting from "timing differences that are temporary in nature" between accounting and taxable profit is accounted for, using the tax rates and laws that have been enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable or virtual certainty, as the case may be, that the asset will be realised in future.

2.13 EARNING PER SHARE:

Basic earning per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity shares outstanding during the year. Diluted earning per Share is calculated by dividing net profit attributable to equity shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

2.14 CASH FLOW STATEMENT:

The Cash Flow Statement is prepared by the "Indirect Method" set out in Accounting Standard 3 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash equivalents presented in Cash Flow Statement consist of cash on hand and demand deposits with banks.

2.15 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding long term benefits) are not discounted to its present value and are determined based on best estimated 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 liabilities are not recognized but are disclosed in the notes to the Financial Statements. A contingent asset is neither recognized nor disclosed.

(₹ in Lacs)

3 SHARE CAPITAL :

	As at March 31, 2015	As at March 31, 2014
<u>Authorised Capital:</u>		
20,00,00,000 Equity Shares of ₹ 2/- each	4000.00	3500.00
(PY 17,50,00,000 Equity Shares of ₹ 2/- each)		
<u>Issued, Subscribed & Fully Paid up Capital :</u>		
10,62,17,300 Equity shares of ₹ 2/- each fully paid	2124.35	1979.39
(PY 9,89,69,300 Equity Shares of ₹ 2/- each fully paid)		
Out of the above 5,11,77,275 of Rs. 2 each (PY 5,11,77,275 Equity Shares of ₹ 2 each) fully paid up represent Global Depository Receipts (GDRs). Outstanding GDRs for conversion into Equity Shares are 2,86,39,725 (PY 2,86,39,725)		
	2124.35	1979.39

(a) Reconciliation of number of shares :

Equity shares:	As at March 31, 2015		As at March 31, 2014	
	No of Shares	Amount in Lacs	No of Shares	Amount in Lacs
Shares outstanding at the beginning of the year	98,969,300	1979.39	98,717,300	1974.35
Add: Conversion of Convertible Warrants during the year	7,248,000	144.96	252,000	5.04
Shares outstanding at the end of the year	106,217,300	2124.35	98,969,300	1979.39

(b) Terms/rights, preferences and restrictions attached to securities:

Equity Shares:

The company has one class of equity shares having a par value of ₹ 2 each. Each share holder is eligible for one vote per share held. The dividend proposed by the board of director is subject to the approval of share holders in the ensuing Annual General meeting, except in case of interim dividend. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential dues, in proportion to their shareholding.

During the year ended 31 March 2015, the amount of per share dividend recognized for distribution to equity shareholders was ₹ 0.20.

(c) Details of share holders holding more than 5% shares in the company:

Name of share holders	As at March 31, 2015		As at March 31, 2014	
	No of Shares held	% of holding	No of Shares held	% of holding
Orient Newsprint Limited	23,377,520	22.01	23,377,520	23.62
Drupa Suppliers Pvt Limited	14,153,000	13.32	6,905,000	6.98
Devkant Sythetics (India) Pvt Ltd	7,610,449	7.16	7,617,746	7.70
Rainbow Industrial Park Pvt Ltd	6,819,000	6.42	6,819,000	6.89

(₹ in Lacs)

4 RESERVES & SURPLUS :	As at March 31,2015	As at March 31,2014
a. <u>Capital Reserve</u>	30.19	30.19
b. <u>Securities Premium</u>		
Balance as per last accounts	19839.28	19640.20
Add: Premium on Conversion of warrants	5725.92	199.08
	25565.20	19839.28
c. <u>Revaluation Reserve</u>		
Balance as per last accounts	21019.02	-
Add: Revaluation of Land	-	21019.02
	21019.02	21019.02
d. <u>Other Reserves :</u>		
i. <u>General Reserve</u>		
Balance as per last accounts	2481.87	2300.87
Less : Adjustment relating to Fixed Assets (Note 12(iii))	26.98	-
Add : Amount transferred from surplus balance in statement of Profit & Loss	-	181.00
	2454.89	2481.87
ii. <u>Forfeiture of Warrants</u>	27.43	27.43
iii. <u>Foreign Currency Monetary Item Translation Difference Account (FCMITDA)</u>	(239.55)	-
iv. <u>Surplus in Statement of Profit & Loss :</u>		
Balance as per last accounts	16467.56	14707.96
Less : Dividend Paid on 7248000 Convertible Warrants		
Dividend Paid	28.99	-
Dividend Distribution tax paid (P.Y. Nil Equity Shares)	4.93	-
	16433.64	14707.96
Profit for the year	2444.17	2403.76
Less: Appropriations		
Proposed dividend on Equity Shares for the year	212.43	395.88
Dividend distribution tax on Proposed dividend	43.25	67.28
Transfer to General Reserve	-	181.00
	18622.13	16467.56
Total	67479.31	59865.35

(` in Lacs)

5 LONG TERM BORROWINGS:	As at March 31,2015	As at March 31,2014
<u>(A) Secured :</u>		
(a) From banks:		
- Rupee term loans	33416.27	45945.65
- Vehicle loans	-	6.38
(b) From others (Financial Instituions)		
Rupee Term Loan	9400.00	8000.00
<u>(B) Unsecured:</u>		
(a) Term loan		
From Others		
- Financial institutions	-	2000.00
(b) Loans and advances from related parties	-	7295.00
Total	42816.27	63247.03

(a) Nature of security and terms of repayment for secured borrowings

Term loan :

Term Loan in Rupee Currency are secured by way of First hypothecation charge on pari passu basis over the fixed assets of the company, situated at Survey No 1423,1453 and other adjoining Survey nos. in the name of the Company and situated at Village: Rajpur, Taluka: Kadi, Dist:Mehsana. Second charge on pari passu basis on entire current assets of the company situated on the above stated properties.The loan is further secured by personal guarantee of Shri Ajay Goenka, Chaiman and Managing Director of company, Smt Sangeeta Goenka and three promoter group companies. Term Loan is carrying Rate of Interest (at present) from 13% to 13.75% p.a. repayable over a period of 7 years.

Corporate Loan from Allahabad Bank is secured by way of exclusive charge on Land at Survey no 1439/p/1, 1440/p/1 & 1441/p admeasuring 11288 sq. mts situated at Village: Rajpur, Taluka: Kadi, Dist:Mehsana together with building and fixed structures thereon . The loan is further secured by personal guarantee of Shri Ajay Goenka, Chairman and Managing Director of the company. The said Corporate Loan has been converted into EPBG during the year under consideration and same set of security is exclusively charged with Allahabad bank for the entire exposure of the said bank.

Corporate Loan from Bank of India is secured by way of exclusive charge on Land at Survey no 1524,1457-58,1483-84,1447/4/2 collectively admesuring 62524 sq. mts. situated at Village: Rajpur, Taluka: Kadi, Dist:Mehsana together with building and fixed structures thereon. The loan is further secured by personal guarantee of Shri Ajay Goenka, Chaiman and Managing Director of company, Smt. Sangeeta Goenka and three promoter group companies. The said Corporate Loan has been converted into EPBG during the year under consideration and same set of security is exclusively charged with the said bank.

Corporate Loan from IFCI Ltd is secured by exclusive charge on power division assets of the Company bearing Survey No. 1474/1, 1474/2, 1475, 1476, 1477, 1478, 1517 P1, 1517P2 (now forming part of new Survey No. 1442/1) and 1451, 1473, 1520, 1521 total admeasuring 81403 Sq. Mtrs. situated at Village Rajpur, Ta. Kadi, Dist. Mehsana and further secured by exclusive charge on Survey no. 1444 & part of 1445 admeasuring 16633 Sq. Mtrs. situated at Village Rajpur, Ta. Kadi, Dist. Mehsana, by way of pledge of 1,32,52,412 equity shares of Rainbow Papers Limited having Face Value of Rs.2 per share , being held by promoters and promoter group companies .The loan is further secured by personal guarantee of Shri Ajay Goenka, Chaiman and Managing Director of company. Term Loan is carrying Rate of Interest (at present) 14.75% p.a. and is repayable in 5 years with balloning installments quarterly.

Vehicle Loan:

Vehicle loan from banks were secured by hypothecation of vehicles and are repayable over a period of 3 years carrying rate of interest 10.32 to 11.25% p.a..Further loan is guaranted by Shri Ajay Goenka Chaiman and Managing Director of company.

Vehicle loan from financial institutions were secured by hypothecation of vehicles and are repayable over a period of 3 years carrying rate of interest 11.25 p.a.%.Further loan is guaranted by Managing Director of the company.

(₹ in Lacs)

(b) The period and amount of installments due are as under:

Financial Year	Amount	Financial Year	Amount
2016-17	6273.75	2020-21	4773.75
2017-18	8173.75	2021-22	4773.75
2018-19	9273.75	2022-23	4773.77
2019-20	4773.75		

(c) Terms of repayment for unsecured borrowings

Loan from financial institution:

The company shall repay the loan in two installments with the first installment of ₹ 10 crore payable on 31.03.2015 and second installment of ₹ 20 crore payable on 31.03.2016 which carries Rate of Interest(at present) 14.25% p.a.

The Company has pledged 11940000 Equity Shares of Rainbow Papers Limited Face Value of ₹ 2/- each, being held by one of its Promoter Group for availing Corporate Term Loan of ₹ 30 Crores.

Loans and advances from related parties:

The company had taken interest free advance from related parties which is repayable after a period of one year.

(₹ in Lacs)

6 DEFERRED TAX LIABILITIES (NET):

	As at March 31,2015	As at March 31,2014
Deferred tax liabilities		
Fixed Asset: Impact of difference between tax depreciation and depreciation charged for the financial reporting including unabsorbed depreciation	2864.88	4373.66
Gross deferred tax liability	2864.88	4373.66
Deferred tax assets		
Gratuity	64.61	3.02
Leave Encashment	33.78	(0.91)
Others	272.83	-
Gross deferred tax asset	371.22	2.11
Net deferred tax liability	2493.66	4371.55

Deferred Tax Liability calculated as above is excluding the assets pertaining to Power Generating Units, the income of which being deductible u/s 80 IA of The Income Tax Act 1961. As prescribed in ASI 3 & ASI 5 regarding application of AS 22 in situation of "Tax Holiday" period under Section 80 IA, where the timing difference arising in a year is reversed during Tax Holiday period itself, no Deferred Tax should be recognized.

(₹ in Lacs)

6(a) OTHER LONG TERM LIABILITIES:

	As at March 31,2015	As at March 31,2014
Other :		
Retention money for capital goods	654.97	1707.61
Export Advance Received*	33323.60	-
Other long-term liabilities**	11973.07	7576.04
	45951.64	9283.65

* Export Advances are secured by way of Export Performance Bank Guarantee from Indian Banks for 54.37mn \$ (PY Nil).

**Other long term liabilities are repayable after period of twelve months or more.

(₹ in Lacs)

7 LONG TERM PROVISIONS:	As at March 31,2015	As at March 31,2014
<u>Provisions for employee benefits :</u>		
Provision for gratuity	168.66	96.48
Provision for leave encashment	101.56	58.89
Total	<u>270.22</u>	<u>155.37</u>

(₹ in Lacs)

8 SHORT TERM BORROWINGS:	As at March 31,2015	As at March 31,2014
<u>(A) Secured :</u>		
Loans repayable on demand:		
From Banks:		
Cash Credit Facility		
- Rupee Loan	16534.81	11897.35
<u>(B) Unsecured :</u>		
Other Loans and advances :		
From Banks (Buyer's Credit)	2968.31	2830.79
Total	<u>19503.12</u>	<u>14728.14</u>

Nature of security provided for cash credit facility:

Cash Credit Limit is secured by way of First hypothecation charge on Pari passu basis over the current assets of the company, situated at 1423 and 1453 of Village: Rajpur, Taluka: Kadi, Dist:Mehsana. Second charge on paripasu basis on all fixed assets, situated at survey no 1423 and 1453 of Village: Rajpur, Taluka: Kadi, Dist:Mehsana .The loan is further secured by personal guarantee of Shri Ajay Goenka Chairman and Managing Director of the company.

(₹ in Lacs)

9 TRADE PAYABLES:	As at March 31,2015	As at March 31,2014
- Acceptances	8767.05	7649.22
- Due to Micro Small & Medium Enterprises	175.76	160.97
- For Goods, services & trade deposits*	3901.27	6573.98
Total	<u>12844.08</u>	<u>14384.17</u>

* Includes creditors for Expense and services amounting ₹ 1226.30 Lacs

Based on the information/documents/ parties identified by the company and to the extent information available (in past)/ gathered, information as required to be disclosed as per Micro, Small & Medium Enterprise Development Act, 2006 have been determined as follows:

	2014-15	2013-14
Principal Amount Outstanding	175.75	160.97
Interest Due	-	3.58
Amount paid to suppliers beyond respective due dates	-	-
Amount of Interest due payable	-	-
Amount of Interest accrued and remaining unpaid at the end of the year	-	3.58

Whatever information the company could identify as above were possible at the year end only, and in view of this according to the company, it could not identify payments beyond due date during the year and to make interest provisions to that extent, due to numerous transactions concluded during the year as per the agreed terms with the suppliers. However the company has made due interest provisions over the requisite year end balances.

(` in Lacs)

10 OTHER CURRENT LIABILITIES:	As at March 31,2015	As at March 31,2014
Current maturities of Non Current Liabilities*	7721.15	10623.90
Interest accrued and due on borrowings	386.00	723.48
Unclaimed dividend**	14.98	13.44
Other payables:		
- Statutory dues and unpaid expenses	919.67	564.40
- Advances from customers / others	2408.70	200.99
Total	11450.50	12126.21

* Includes of EPBG Advance to be adjusted in 12 months of ` 850.76 Lacs

** Liability towards Investor Education and Protection Fund under Section 125 of The Companies Act, 2013 (Not Due as on 31.03.2014 / 31.03.2015)

(` in Lacs)

11 SHORT TERM PROVISIONS:	As at March 31,2015	As at March 31,2014
<u>Provision for employee benefits:</u>		
Provision for bonus	62.95	75.68
Provision for gratuity	40.42	47.22
Provision for leave encashment	7.77	5.21
<u>Others:</u>		
Provision for proposed dividend on equity shares	212.43	395.88
Provision for dividend distribution tax on proposed dividend	43.25	67.28
Provision for wealth tax	0.75	0.68
Total	367.57	591.95

12. TANGIBLE FIXED ASSETS													(` In Lacs)	
	Land	Factory Building	Tubewell	Office Building	Plant & Machinery	Electrical Installation	Workshop Equipment	Laboratory Equipment	Furniture	Vehicles	Office Equipment	Computers	Air Conditioners	Total
Cost of assets														
At 1 April 2013	896.90	6581.00	34.47	476.54	71839.47	264.30	17.76	44.77	69.04	156.38	49.36	246.95	68.84	80745.79
Additions	21169.76	1075.54	-	-	20248.99	-	-	6.57	3.29	21.30	1.79	40.05	0.96	42568.26
Disposal / Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Differences	-	26.15	-	-	269.42	-	-	-	-	-	-	-	-	295.57
At 31 March 2014	22066.66	7682.69	34.47	476.54	92357.89	264.30	17.76	51.34	72.33	177.68	51.15	287.00	69.81	123609.61
Additions	-	-	-	-	2594.16	-	-	0.84	0.89	1.01	3.61	3.67	9.14	2613.31
Disposal / Adjustment	-	-	31.61	-	-	193.28	-	10.76	37.89	14.12	16.99	221.65	8.53	534.84
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2015	22066.66	7682.69	2.85	476.54	94952.04	71.02	17.76	41.42	35.33	164.57	37.76	69.02	70.42	125688.08
Depreciation														
At 1 April 2013	-	1444.01	16.75	149.12	15671.49	226.81	15.48	16.96	53.30	73.41	20.15	226.38	31.57	17945.43
Charge for the year	-	570.13	0.89	16.37	4140.42	5.22	0.35	4.48	3.25	24.29	4.21	11.72	5.30	4786.62
Disposal / Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2014	-	2014.14	17.63	165.49	19811.91	232.03	15.83	21.44	56.56	97.71	24.36	238.10	36.87	22732.05
Charge for the year	-	610.53	1.02	44.20	3121.97	17.68	0.40	8.88	5.85	30.83	15.72	27.79	14.15	3899.03
Disposal / Adjustment	-	-	17.46	-	-	180.30	-	9.71	36.16	12.65	14.14	216.77	7.42	494.61
At 31 March 2015	-	2624.67	1.19	209.69	22933.88	69.40	16.23	20.61	26.25	115.88	25.94	49.12	43.61	26136.47
At 31 March 2014	22066.66	5668.55	16.83	311.04	72545.98	32.28	1.94	29.90	15.77	79.98	26.79	48.91	32.93	100877.56
At 31 March 2015	22066.66	5058.02	1.66	266.85	72018.16	1.62	1.53	20.81	9.08	48.69	11.82	19.90	26.82	99551.61
Deferral/capitalization of exchange differences:														
The company had opted to follow the option granted by notification no 225(E) dated March 31, 2009 issued by the Ministry of Corporate Affairs relating to limited relaxation in the provision of "Accounting Standard-11" in respect of Foreign Exchange differences on foreign currency loans:														
(i) Exchange differences relating to long-term monetary items, arising during the year, in so far as they relate to the acquisition of a depreciable asset are added to / deducted from the cost of the asset and depreciated over the balance life of the asset.														
(ii) In other cases such differences are accumulated in a "Foreign Currency Monetary Item Translation Difference Account" and amortized to the Profit and Loss account over the balance life of the long-term monetary item, however the period of amortization does not extend beyond; March 31, 2020 [extended by notification no GSR 913(E) dated 29 th December 2011].														
Accordingly, Rs. Nil Lacs has been added (PY Rs. 295.57 was added) to the cost of the fixed assets.														
(iii) Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II. Accordingly the unamortised carrying value is being depreciated / amortised over the revised/remaining useful lives. The written down value of Fixed Assets whose lives have expired as at 1st April 2014 have been adjusted net of tax, in the opening balance of General Reserve amounting to ` 26.98 Lacs.														

13 CAPITAL WORK IN PROGRESS COMPRISES:	(` in Lacs)	
	As at March 31,2015	As at March 31,2014
Building and Plant & Machinery, Pre operative expenses (Pending Allocation)	54,736.18	37,420.99
TOTAL	54,736.18	37,420.99

- Cost of Fixed Assets and pre-operative expenses, being technical matter, are capitalized or allocated to Capital work in progress on the basis of data certified by technical person & the management.
- Borrowing cost includes interest and other bank charges including the exchange difference arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs which are directly related to the acquisition & construction of a qualifying asset.
- Advances to Project suppliers are shown under Long term loans & advances included in Capital advances.

14 NON CURRENT INVESTMENT:	(` in Lacs)	
	As at March 31,2015	As at March 31,2014

Trade investments

Investment in equity instruments

Unquoted

Investment in wholly owned subsidiaries:

a) 300 Equity Shares [March 31, 2014: 300] Face Value of AED 1000 each in Rainbow Papers JLT (At cost)	40.90	40.90
Total	40.90	40.90

Aggregate amount of unquoted investment of ` 40,90,470/-

15 LONG-TERM LOANS & ADVANCES: (Unsecured, considered good, unless otherwise stated)	(` in Lacs)	
	As at March 31,2015	As at March 31,2014
(a) Capital advances	466.41	6657.64
(b) Security deposits	9.95	6.85
(c) Other loans & advances		
- Advances recoverable in cash or kind*	2.68	3.05
Total	479.04	6667.54

*It includes expenses which are amortised over a period of more than 12 months.

(` in Lacs)

16 INVENTORIES: (valued at lower of cost or net realizable value)	As at March 31,2015	As at March 31,2014
<u>Raw materials:</u>		
- Paper	9210.95	5216.38
[Goods in transit]	732.47	258.32
- Chemicals	1733.87	1285.90
[Goods in transit]	27.63	30.73
Work-in-progress	2559.54	1790.26
Finished goods	404.83	613.55
Stock in trade (In respect of goods acquired for trading)	17.88	751.95
Stores & spares	1691.60	1412.68
[Goods in transit]	-	13.51
Loose tools	133.96	130.57
<u>Others :</u>		
Fuels & packing material	559.38	306.00
[Goods in transit]	4.42	44.02
(Above inventories taken, valued and certified by the management)		
Total	17076.53	11853.87

(` in Lacs)

17 TRADE RECEIVABLES: (Unsecured, considered good, unless otherwise stated)	As at March 31,2015	As at March 31,2014
Outstanding for a period exceeding Six months from the date they are due for payment	123.81	99.63
Others	12413.56	9251.11
Total	12537.37	9350.74

(` in Lacs)

18 CASH AND BANK BALANCES:	As at March 31,2015	As at March 31,2014
<u>Cash and cash equivalent :</u>		
a Balance with Banks :		
- In Collection accounts	26.32	55.19
- In Current accounts	490.02	18.96
- In EEFC accounts	-	0.07
b Cash on hand	15.62	6.90
c <u>Other bank balances:</u>		
- In Dividend Accounts	14.98	13.44
- In Margin Money & Fixed Deposits*	5168.67	1688.54
Total	5715.61	1783.10

* Margin Money Deposits are given as margin against Letter of Credit open with bank.

(` in Lacs)

19 SHORT-TERM LOANS AND ADVANCES:

	As at March 31,2015	As at March 31,2014
Unsecured considered good, unless otherwise stated:		
Loans and advances to related parties:		
- Loans to subsidiaries*	7038.08	6024.17
Other loans and advances:		
- Advances recoverable in cash or kind	24.95	16.22
- Advances to creditors	3116.90	3193.50
- Balances with government authorities	1745.28	1961.80
- Advance tax and mat credit entitlement	2807.42	2787.78
- Advance fringe benefit tax	0.53	0.53
- Prepaid expenses	430.32	221.83
Total	15163.48	14205.83

Disclosure under Clause 32 of Listing Agreement

(` in Lacs)

	Outstanding as at March 31,2015	Maximum Balance outstanding during the year ended March 31,2015
*Subsidiary Company		
Rainbow Papers JLT	7038.08	7038.08

(Previous Year outstanding in Rainbow Papers JLT ` 6024.17 Lacs)

20 CONTINGENT LIABILITIES AND COMMITMENTS (to the extent not provided for):

(` in Lacs)

<u>Contingent liabilities</u>	As at March 31,2015	As at March 31,2014
a <u>Claim against company not acknowledged as debt:</u>		
- Income Tax Matters	529.44	-
b Guarantees:		
- Bank Guarantee	1059.14	681.35
- Export Performance Bank Guarantee (MTM)	34030.62	-

Commitment:

Estimated amount of contracts, remaining to be executed on capital accounts and not provided for ` Nil net of advance (PY ` 563.93 Lacs).

EPBG is secured by way of First hypothecation charge on Pari passu basis over the fixed assets of the company, situated at Survey No 1423,1453, Village: Rajpur, Taluka: Kadi, Dist:Mehsana. Second charge on paripasu basis on entire current assets of the company. It is further secured by personal guarantee of Shri Ajay Goenka Chaiman and Managing Director of company, Smt Sangeeta Goenka and three promoter group companies. EPBG will be reduced over a period of 10 years in balloning installments.

(` in Lacs)

21 REVENUE FROM OPERATIONS:	Year ended March 31, 2015	Year ended March 31, 2014
<u>Sale of products</u>		
Paper sales (Including local trading)	50572.34	57927.34
Paper sales (export) (including deemed exports)	6186.03	8353.92
Bricks sales	1.43	29.92
Plastic sheet sales	3.68	19.76
<u>Sale of services</u>		
Job work	76.24	165.78
<u>Other Operating Revenue</u>		
Export incentive	168.20	439.67
Fly ash sales	1.73	17.03
Miscellaneous waste sales	311.26	288.30
	57320.91	67241.72
Less : Excise duty	1419.38	1627.95
Total	55901.53	65613.77

(` in Lacs)

22 OTHER INCOME:	Year ended March 31, 2015	Year ended March 31, 2014
Interest income from foreign subsidiary	747.35	675.91
Profit / (Loss) on sale of Investment	-	25.60
Profit / (Loss) on sale of Fixed Assets	2.97	-
Foreign exchange gain (Net)	450.17	363.01
Total	1200.49	1064.52

(` in Lacs)

23 COST OF MATERIALS CONSUMED:	Year ended March 31, 2015	Year ended March 31, 2014
<u>Opening Stock</u>		
Papers	5474.70	3267.16
Chemicals (Coating Division)	26.22	62.90
	5500.92	3330.06
<u>Add : Purchases</u>		
Papers	24375.09	28449.33
Chemicals (Coating Division)	262.39	481.98
	30138.40	32261.37
<u>Less : Closing Stock</u>		
Papers	9943.41	5474.70
Chemicals (Coating Division)	26.06	26.22
Total	20168.93	26760.45

(` in Lacs)

24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE	Year ended March 31, 2015	Year ended March 31, 2014
Opening Stock		
Finished goods	613.55	292.72
Work in progress	1790.26	887.06
Stock-in-trade	751.95	194.05
Total (A)	<u>3155.76</u>	<u>1373.83</u>
Closing Stock		
Finished goods	404.83	613.55
Work in progress	2559.54	1790.26
Stock-in-trade	17.88	751.95
Total (B)	<u>2982.25</u>	<u>3155.76</u>
Total (A-B)	<u>173.51</u>	<u>(1781.93)</u>

(` in Lacs)

25 EMPLOYEE BENEFITS EXPENSE:	Year ended March 31, 2015	Year ended March 31, 2014
Salary and Wages	2005.43	2023.27
Contribution to Provident and other funds	105.01	91.72
Staff welfare expense	20.44	28.37
Total	<u>2130.88</u>	<u>2143.36</u>

Defined Contribution Plan

Contribution to defined contribution plan, recognised as expense for the year are as under: (` in Lacs)

Particulars	2014-15	2013-14
Employer's Contribution to Provident Fund	28.76	23.34
Employer's Contribution to Pension Scheme	62.76	51.82
Employer's Contribution to Provident Fund (For Key Personnel)	0.20	0.11
Employer's Contribution to Pension Scheme (For Key Personnel)	0.46	0.26

Defined Benefit Plan

The Company has adopted Accounting Standard 15 (AS-15) (Revised) "Employee Benefits" which is mandatory from accounting periods starting from Dec 7, 2006. Accordingly, the Company has provided for gratuity and leave encashment based on actuarial valuation done as per Projected Unit Credit Method.

(` in Lacs)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2014-15	2013-14	2014-15	2013-14
I. Reconciliation of opening and closing balance of Defined Benefit Obligation				
Opening defined benefit obligation	164.75	153.77	64.10	67.13
Excess / Short provision	-	-	-	-
Service cost	30.33	27.80	14.74	13.50
Interest cost	14.65	11.70	5.60	4.84
Actuarial (Gain) / Loss	27.19	(5.05)	38.87	(4.58)
Benefits paid	(10.80)	(23.48)	(13.97)	(16.79)
Closing defined benefit obligation	<u>226.11</u>	<u>164.74</u>	<u>109.33</u>	<u>64.10</u>

II. Reconciliation of opening and closing balance of fair value of plan assets

(` in Lacs)

	Gratuity (Funded)	
	2014-15	2013-14
Opening fair value of plan assets	21.04	19.43
Expected return	3.68	1.78
Actuarial Gain / (Loss)	(1.61)	(0.87)
Employer contribution	7.19	20.13
Benefits paid	(13.27)	(19.43)
Closing fair value of plan assets	17.03	21.04

III. Reconciliation of fair value of assets and obligation

(` in Lacs)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2014-15	2013-14	2014-15	2013-14
Fair value of plan assets	17.03	21.04	0.00	0.00
Present value of obligation	226.11	164.74	109.33	64.10
Amount recognised in balance sheet	209.08	143.70	109.33	64.10

IV. Expense recognised during the year

(under the head "Employee benefit expense" of Notes '25')

(` in Lacs)

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2014-15	2013-14	2014-15	2013-14
Service cost	30.33	27.80	14.74	13.50
Interest cost	14.65	11.70	5.60	4.84
Expected return on plan assets	(3.68)	(1.78)	0.00	0.00
Actuarial (Gain) / Loss	28.80	(4.18)	38.87	(4.58)
Net cost included in 'Employee Benefit Expense'	70.10	33.54	59.20	13.76

V. Investment Details

% invested

	2014-15 (%)	2013-14 (%)
	Public sector securities	0%
Special deposit schemes	0%	0%
State Govt. securities	0%	0%
FDR with banks	33%	0%
Balance with banks	67%	0%
Total	100%	100%

VI. Actuarial Assumptions

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2014-15	2013-14	2014-15	2013-14
Mortality Table(LIC)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)	2006-08 (Ultimate)
Discount rate (per annum)	7.70%	9.10%	7.70%	9.10%
Expected rate of return on plan assets (per annum)	9.00%	9.00%	-	-
Rate of escalation in salary (per annum)	6.00%	6.00%	6.00%	6.00%

VII. Amount for the current and previous four periods are as follows:-

	31.03.2015 ` in lacs	31.03.2014 ` in lacs	31.03.2013 ` in lacs	31.03.2012 ` in lacs	31.03.2011 ` in lacs
<u>Gratuity(Funded)</u>					
Defined Benefit obligation	226.11	164.74	153.77	115.08	65.09
Plan asset	17.03	21.04	19.42	16.44	17.31
Surplus/(deficit)	(209.08)	(143.70)	(134.35)	(98.64)	(47.78)
Experience adjustment on plan liability	6.48	12.14	1.77	27.18	0.00
Experience adjustment on plan assets	1.61	0.87	(1.44)	1.47	0.00
<u>Leave Encashment (Unfunded)</u>					
Defined benefit obligation	109.33	64.10	67.13	52.03	27.31
Experience adjustment on plan liability	15.33	(1.87)	4.97	8.80	0.00

VIII. Expected Employer's contribution for the next financial year

On the basis of previous year's trend, company is expecting to contribute the same amount as in 2015-16 to the defined contribution plan.

For the defined benefit plan company is not liable to contribute any amount for leave encashment as the plan is unfunded. However, for the gratuity which is funded, company is expecting to contribute such amount which can mitigate its future liability.

The estimate of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

	(` in Lacs)	
26 FINANCE COSTS:	Year ended March 31,2015	Year ended March 31,2014
(1) Interest expenses		
(a) Term loans	3070.57	2968.35
(b) Working capital facilities	2281.19	1767.42
(c) Others	212.26	226.30
	5564.02	4962.07
Less: Interest on Margin Money , Deposits and others*	147.55	163.32
	5416.47	4798.75
(2) Other borrowing cost	1642.75	1277.75
Total	7059.22	6076.49

*Interest expenses have been shown as net off interest received from trade parties, margin money and fixed deposits.

	(` in Lacs)	
27 OTHER EXPENSES:	Year ended March 31,2015	Year ended March 31,2014
Consumption of stores & spare parts	137.12	261.10
Consumption of chemical	3154.41	4482.70
Consumption of power & fuel	4084.37	5569.10
Consumption of packing materials	833.32	949.00
Paper pulping, cutting, packing and finishing expenses	571.63	537.99
Bricks processing charges	0.58	15.33
Plastic sheet processing charges	3.17	5.24
<u>Repairs and maintenance :</u>		
Machinery	136.74	155.00
Building	8.76	18.27
Others	35.27	56.67
	180.77	229.94
Payment to auditors#	3.33	7.26
Factory expenses	205.32	156.96
Insurance	62.99	95.50
Rent expense	25.70	22.29
Rates and Taxes [includes Wealth Tax ` 0.07 lacs]	(8.87)	18.83
Advertisement, Stationery and Communication	50.40	57.82
Legal, Consultancy and Professional Fees	159.26	85.72
Freight & forwarding outward expense (export)	414.41	633.87
Sales outward expenses	579.99	557.37
Selling costs	431.14	608.30
Miscellaneous expenses	19.80	21.07
Donation	2.07	5.36
Travelling & conveyance	109.16	106.36
Total	11029.11	14435.63

* Excise duty adjustment for stock under expenditure represents aggregate of excise duty borne by the company and the difference between excise duty on opening and closing stock of finished goods.

		(` in Lacs)	
# Payment to auditors	March 31,2015	March 31,2014	
As auditor:			
Statutory auditor	3.00	5.00	
Tax auditor	-	-	
For taxation matters	-	0.40	
For company law matters	-	0.50	
For other services	0.33	1.36	
Total	3.33	7.26	

	(` in Lacs)	
28 EXCEPTIONAL ITEMS:	Year ended March 31,2015	Year ended March 31,2014
Excess/(Short) provision of earlier years	33.34	-
Total	33.34	-

	Year ended March 31,2015	Year ended March 31,2014
29 PROPOSED DIVIDEND:		
Dividend proposed to be distributed to equity shareholders		-
Total Amount (in Lacs)	212.43	395.88
- Per Share	0.20	0.40

- 30) Balances of Unsecured Loans, Creditors, Debtors, Loans & Advances and other parties are subject to their confirmations and reconciliation, due adjustment, if necessary, will be made on receipt thereof. However, the management does not expect any material difference affecting the current years' financial statements.
- 31) Based on the guiding principles given in Accounting Standard on "Segment Reporting" (AS-17) issued by the Institute of Chartered Accountants of India, the Company operates mainly in manufacturing and processing of Paper products and all other activities are incidental thereto, which have similar risk and return, accordingly, there are no separate reportable Segment as far as Primary Segment is concerned.

Information about Secondary Geographical Segments:: (₹ in Lacs)

Particulars	2014-13	2013-14
Operating Revenue by Geographical Segment		
India	49547.30	56820.18
Outside India	6354.22	8793.59
Addition to Fixed Assets and Intangible Assets		
India	2613.31	42863.82
Outside India	-	-
Carrying amount of Fixed Assets		
India	154287.79	138298.55
Outside India	-	-

Notes:

- 1) Geographical Segments considered for disclosures are as follows :
 - Operating revenue outside India includes Paper sales (incl. deemed Export) and Export incentive.
 - Previous year's figures have been regrouped or rearrange wherever necessary.
- 2) Operating revenue comprises

Particulars	2014-15	2013-14
Sales	55420.34	64868.77
Other operating income	481.18	745.00

32) **RELATED PARTY DISCLOSURE:**

(a) List of Related Parties and Relationships:

i. Concern where significant interest exists.

Name of the Concern	Nature of Relationship
Orient Newsprint Ltd	Control exists
Drupa Suppliers Pvt. Ltd	Control exists
Rainbow Industrial Park Pvt. Ltd	Control exists
Rainbow Infrabuild Pvt. Ltd	Control exists
Rainbow Paper JLT	Control exists (Subsidiary Company)
Nigo Best Packs Pvt. Ltd	Control exists
Windsor Paper Pvt. Ltd	Control exists

ii. Key Management Personnel and Relatives.

1. Shri Ajay R Goenka	Chairman & Managing Director
2. Shri Rahul J Maheswari	Executive Director (w.e.f 30.08.2011)
3. Smt. Sangeeta A Goenka	Sr. Vice President (Executive Director till 28.05.2010)
4. Smt. Niyati Agrawal	Sr. Vice President
5. Smt. Draupadidevi R Goenka	Relative

(b) Disclosure of Related Party Transactions (₹ in Lacs)

Nature of Transaction	Parties mentioned at a (i) above		Key management personnel	
	2014-15	2013-14	2014-15	2013-14
Unsecured Loan taken	2750.00	-	-	-
Office Rent Paid	-	-	9.72	9.07
Directors' Remuneration	-	-	48.00	167.93
Salary	-	-	53.26	52.96
Interest income from subsidiaries	747.35	675.91	-	-
Issue of share (on conversion)	5870.88	204.12	-	-

Disclosures of material transactions with related parties during the year:

(₹ in Lacs)			
Sr.No.	Description	Related Parties	Amount
1	Office Rent Paid	Shri Ajay R Goenka	8.82
		Smt. Draupadidevi R Goenka	0.90
2	Directors' Remuneration	Shri Ajay R Goenka	24.00
		Shri Rahul J Maheshwari	24.00
3	Salary	Smt. Sangeeta A. Goenka	24.23
		Smt. Niyati Agrawal	29.03
4	Interest Income from subsidiaries	Rainbow Paper JLT	747.35
5	Equity share issued on conversion of warrant	Drupa Suppliers Pvt Limited	5870.88

33) EARNINGS PER SHARE:

Particulars		31.03.2015	31.03.2014
Net profit for the year attributable to Equity Shareholders	₹ Lacs	2444.18	2403.76
Weighted average number of Equity Shares outstanding for Basic earning per shares	Numbers	106217300	98829837
Weighted average number of Equity Shares outstanding for Diluted earning per shares	Numbers	-	106077837
Basic earnings per share (face value of ₹ 2 each)	₹	2.37	2.43
Diluted earnings per share (face value of ₹ 2 each)	₹	-	2.27

34) DERIVATIVE INSTRUMENTS:

- The Company has not entered into any forward contract to offset its foreign currency risks arising from the amounts denominated in currencies other than the Indian Rupee.
- Foreign currency exposure at the year end not hedged by derivative instruments.

	(Amt in Lacs)	
	2014-15	2013-14
Payables – USD*	591.99	47.10
Receivables - USD	41.94	12.09

* Includes Long Term Export Advance of 54.37mn for 10 years.

35) INFORMATION REGARDING STOCK:

a) Consumption of Raw Materials:

(₹ in Lacs)		
Product	2014-15 Amount	2013-14 Amount
Base & Waste Papers	19906.37	26241.79
Chemicals (Coating Division)	262.56	518.66
TOTAL	20168.93	26760.45

b) Work in Progress:

(₹ in Lacs)		
Product	2014-15 Amount	2013-14 Amount
Paper & others	2537.42	1755.23
Chemicals (Coating Division)	22.12	35.03
TOTAL	2559.54	1790.26

c) Sales, Opening and Closing Stock of Finished Goods:

(₹ in Lacs)						
Product	Sales		Opening Stock		Closing Stock	
	2014-15 Amount	2013-14 Amount	2014-15 Amount	2013-14 Amount	2014-15 Amount	2013-14 Amount
Papers	55354.57	64653.30	613.55	292.72	404.83	613.55

d) Details of Goods Traded:

(₹ in Lacs)		
Goods Purchased	2014-15 Amount	2013-14 Amount
Paper	12096.33	10883.88

e) Value of imports calculated on C.I.F. basis during the financial year in respect of:

(₹ in Lacs)		
	2014-15	2013-14
(i) Raw Materials	11787.32	10856.74
(ii) Components – spare parts	4.51	1.17
(iii) Chemical	406.00	293.37
(iv) Capital Goods	253.17	110.79

f) Expenditure in foreign currency during the financial year:

(₹ in Lacs)		
	2014-15	2013-14
(i) Technical Know how / Professional Fees / Consultancy Fees	190.89	1.70
(ii) Interest on FCNR Loan	-	46.86
(iii) Foreign Traveling Exp	2.90	3.22

g) Value of Raw Materials, Stores, Chemical & Spares consumed during the year:

	(` in Lacs)			
	Amount		% of total consumption	
	2014-15	2013-14	2014-15	2013-14
Raw Materials:				
i) Imported	11508.38	11447.60	57%	43%
ii) Indigenous	8660.55	15312.85	43%	57%
Total	20168.93	26760.45	100%	100%
Stores, Spares & Chemical:				
i) Imported	428.44	317.69	15%	7%
ii) Indigenous	2863.09	4426.11	85%	93%
Total	3291.53	4743.80	100%	100%

	(` in Lacs)	
	2014-15	2013-14
h) Earning in Foreign Exchange:		
- Export of goods on F.O.B. basis	4994.58	6747.31
- Interest on Deposits	-	-
i) The amount remitted during the year in foreign currency for dividend (*)	133.13	127.83
- Number of non-resident shareholders	15	15
- Number of shares held by them	33283760	31959572

(*) The Company has not remitted any amount in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividends have been made by/on behalf of non-resident shareholders. The particulars of dividends payable to non-resident shareholders which were declared during the year, are given.

36. Section 135 of Companies Act 2013 and Rules made thereunder the company falls within the definition of companies which are required to spend on CSR activities, the financial details as sort by the Companies Act 2013 are as under :

Particulars	Amount (in Lacs)
Average Net Profit of the Company for last three financial years	3907.62
Prescribed CSR expenditure (2% of the Avg Net Profit as computed above)	78.15
Total amount unspent during financial year	78.15

37. Previous years figures have been regrouped/ rearranged wherever necessary.

As per our separate report of even date attached.

For PARY & Co
Chartered Accountants
(Firm Reg No: 007288C)

Sushil Goenka
Partner
Mem. No. 115465

Ahmedabad
May 29, 2015

For and on behalf of the Board of Directors

Ajay Goenka	DIN :00139512	Chairman & Managing Director
Rahul Maheshwari	DIN: 00289730	Executive Director
Mahendrabhai Patel	DIN: 00137602	Director
Shashikant Thakar	DIN: 02887471	Director
Kantibhai Patel	DIN: 02325787	Director
Aanal Trivedi	DIN: 06931339	Director
Pankit Shah		Chief Financial Officer
Runel Rathi		Company Secretary

Ahmedabad
May 29, 2015

STATEMENT PURSUANT TO SECTION 129(3) OF THE COMPANIES ACT, 2013 RELATING TO SUBSIDIARY COMPANIES

Sr. No.	Name of Subsidiary Company	Country	Reporting Currency	Capital Reserves	Total Assets	Total Liabilities	Investment other than Investment in Subsidiary	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	(Amt. In Lacs)	
												Proposed Dividend	Taxation
1	Rainbow Papers JLT, Dubai	U.A.E	AED	3.00	1126.56	1126.56	-	3470.04	183.29	-	183.29	-	-

Ajay Goenka
Chairman/Managing Director

Rahul Maheshwari
Executive Director

Mahendrabhai Patel
Director

Place : Ahmedabad
Date : 29th May, 2015

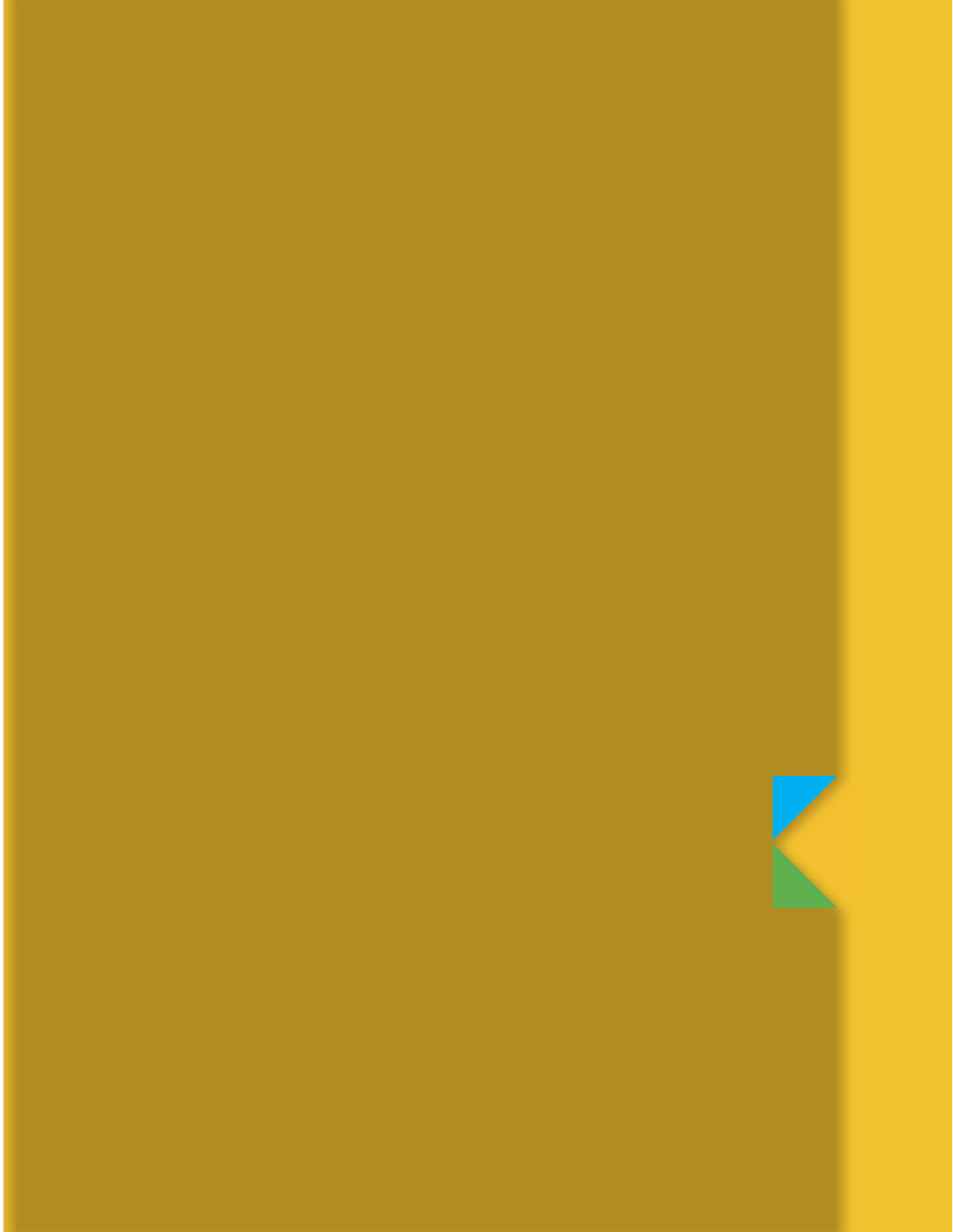
Shashikant Thakar
Director

Kanitibhai Patel
Director

Pankit Shah
Chief Financial Officer

Aanal Trivedi
Director

Runel Rathi
Company Secretary






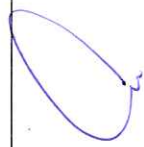



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12th August, 2015

TO WHOMSOEVER IT MAY CONCERN
FORM - 'A'

1.	Name of the Company:	<i>Rainbow Papers Limited</i>
2.	Annual Financial Statements for the year ended:	31 st March 2015
3.	Type of Audit Observations:	Un-qualified
4.	Frequency of Observations:	N.A.
5.	Signed by:	
	- Shri Ajay Goenka CEO/Managing Director	
	- Shri Pankit Shah CFO	
	- Mr. Sushil Goenka - Partner P A R Y & Co., Chartered Accountants	
	- Shri Shashikant Thakar Chairman, Audit Committee	



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