

**RPL/CS/BSE/NSE/2018-19/**

**29.09.2018**

**To**

The General Manager,  
Department of Corporate Service,  
BSE Limited,  
P. J. Tower, Dalal Street, Fort,  
Mumbai-400 023  
Scrip Code: **532785**

National Stock Exchange of India Limited,  
Exchange Plaza, Plot No. C/1  
G. Block , Bandra Kurla Complex,  
Bandra (E),  
Mumbai 400051  
Trading Symbol: **RUCHIRA EQ**

**SUB: SUBMISSION OF THE APPROVED AND ADOPTED COPY OF ANNUAL REPORT IN  
THE 38<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY HELD ON FRIDAY, 28<sup>TH</sup>  
SEPTEMBER 2018 AT 11.15 AM.**

Dear Sir/Madam,

In compliance with the requirement of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we hereby submit copy of 38<sup>th</sup> Annual Report as approved and adopted by the members of the Company at their 38<sup>th</sup> Annual General Meeting of the Company held on Friday, 28<sup>th</sup> September 2018 at 11.15 AM at Hotel Black Mango, Nahan Road, Kala Amb-H.P-173030.

You are requested to please take on record the above said document for your reference and further needful.

**Thanking You,  
For Ruchira Papers Limited**



**Vishav Sethi  
Company Secretary  
FCS-9300  
Encl: As above**



RUCHIRA PAPERS LIMITED

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ADMIN. OFFICE

DELHI OFFICE

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RUCHIRA  
PAPERS

Where growth is a  
**culture**

Ruchira Papers Limited  
**Annual Report 2017-18**

#### Caution regarding forward-looking statements

This document contains statements about expected future events and financial and operating results of Ruchira Papers Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Ruchira Papers Limited Annual Report 2017-18.

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At Ruchira Papers Limited, growth is a culture.

This culture has been derived from a continuous focus on how to make the good better.

This culture has been reflected in a detailed understanding of process opportunities.

So that production may be enhanced. So that costs may be moderated, So that product quality may be improved. So that the product mix may be enriched.

Enhancing value for the Company's broad family of stakeholders.



**THINGS THAT MAKE RUCHIRA PAPERS ONE OF THE MOST PRODUCTIVE AGRO-BASED PAPER COMPANIES IN INDIA**

**1**

**Our core values**

**Honesty:** To be principled, straightforward and fair in all dealings.

**Integrity:** Maintaining the highest standards of professionalism.

**Flexibility:** Adapting ourselves to always stay a step ahead of change.

**Respect for the individual:** Giving each person room to contribute and grow.

**Respect for knowledge:** To acquire and apply leading edge expertise in all aspects of our business.

**Team performance:** The team comes first; none of us is as good as all of us.

**2**

**Background**

The Company (established 1980) is stewarded by Umesh Chander Garg, Jatinder Singh and Subhash Chander Garg. Ruchira Papers commenced operations with a manufacturing capability of 7 tons per day (TPD) of Kraft paper, which has since increased to 400 TPD of Kraft paper and Writing and Printing Paper.

**3**

**Our locations**

Ruchira Papers' manufacturing unit is situated in Kala-Amb, District Sirmaur, Himachal Pradesh. This location is 68 kms from Chandigarh and 50 kms from Ambala and Yamuna Nagar on the Chandigarh-Dehradun Highway.

**4**

**Our promoters**

The Company's promoters are hands-on with an active engagement across all the day-to-day operations. Their involvement has helped extend their passion across the organization, reflected in responsive decision-making. The promoters accounted for 61.14% of the Company's equity towards the close of FY18.

<p><b>Shri Jatinder Singh</b> Chairman &amp; Whole-Time Director</p> <p>Jatinder Singh is an engineering graduate from Punjab University and has been looking after the Company's affairs as a Whole Time Director. He has a rich knowledge about the paper sector and has been looking into the finance, administration and raw material procurement functions of the Company.</p>	<p><b>Shri Subhash Chander Garg</b> Co-Chairman &amp; Whole Time Director</p> <p>Subhash Chander Garg is a Law graduate with expertise in the field of taxation. He mainly looks after the taxation, sales and marketing functions of the Company.</p>	<p><b>Shri Umesh Chander Garg</b> Managing Director</p> <p>Umesh Chander Garg is a graduate who has been looking into the production, maintenance and technical functions of the Company. All business expansions have been carried out under his guidance.</p>
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**5**

**Our production capability**

The Company will have an estimated production of 55000 MT of writing and printing paper and 78000 MT of Kraft paper in FY 2018-19.

The Company has a 5.6 MW power co-generation plant for providing uninterrupted power to support its writing and printing paper manufacturing operations.

The Company invested in a chemical recovery plant with a 2.5MW turbine running independently coupled with a recovery steam boiler.

**6**

**Our listing**

The Company is listed and actively traded on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company enjoyed a market capitalization of ₹359.42 crore as on 31st March 2018.

**7**

**Our awards and accreditations**

- Udyog Ratna Award by Himachal Pradesh in 2005
- FSC Certificate (Forest Stewardship Council) from Rain Forest Alliance, New York, USA
- ISO 9001: 2015
- Appreciation Award from Himachal Pradesh Corrugated Box Manufacturers Association in the year 2009
- Certificate of Excellence from INC 500 in 2013

**8**

**Our numbers**



\*Net sales after discounts and excise duty.

## OUR PRODUCT BASKET

### WRITING & PRINTING AND KRAFT PAPER



**Raw materials for W&P paper** (wheat straw, bagasse, sarkanda, softwood pulp and other material) and for Kraft Paper (wheat straw, bagasse, sarkanda, indigenous and imported waste paper)

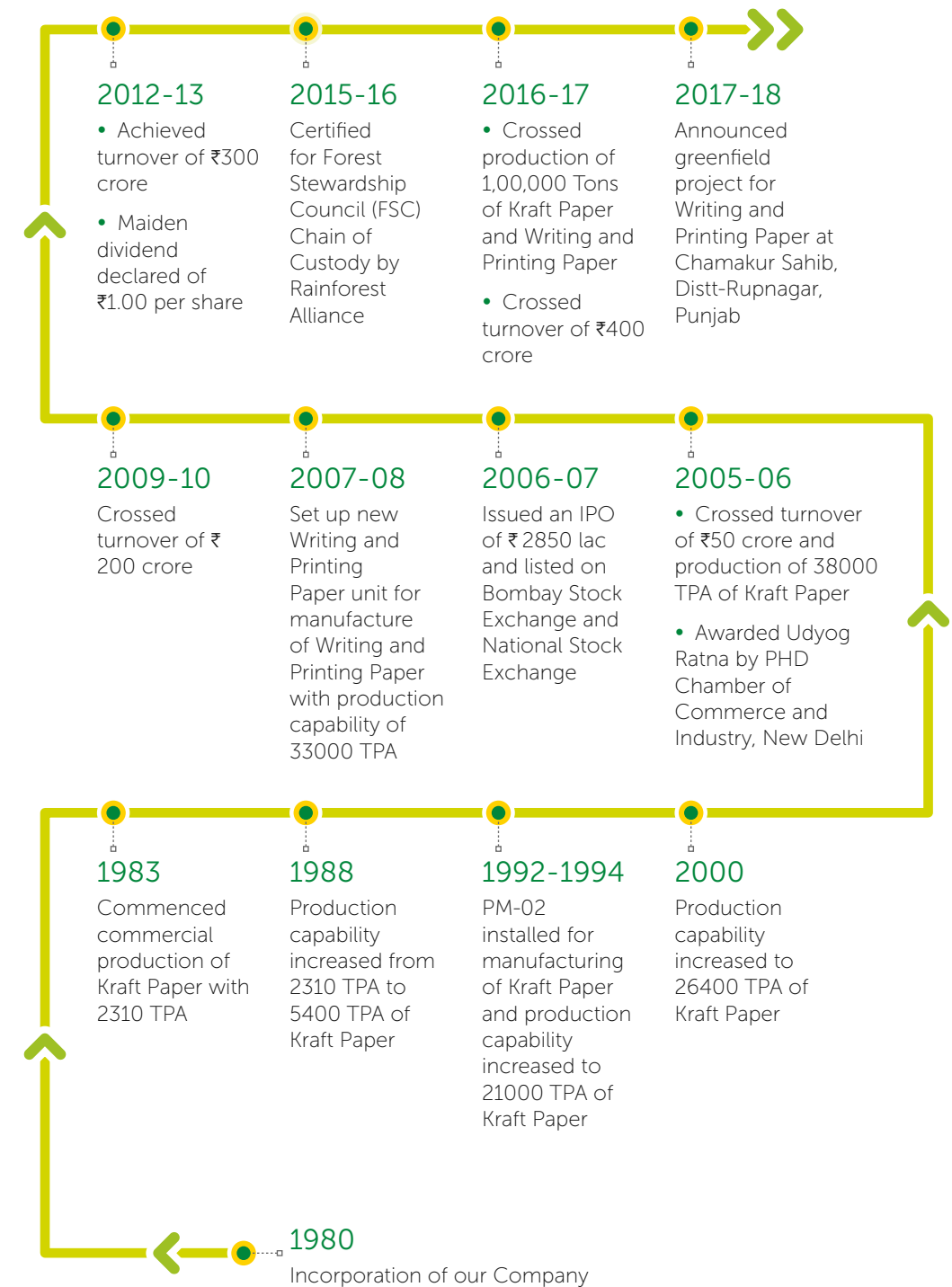


**Applications of W&P paper** (notebooks, writing and publishing material, spiral notebooks, wedding cards, shade cards, children's coloring books, colored copier paper, bill books, diary, calendar, etc.)

**Applications for Kraft Paper** (corrugated boxes/cartons and for other packaging products like textile tubes and paper core-pipes)

Brand	Variants	Colors	GSM	Brightness	Usage
<b>WRITING AND PRINTING PAPERS</b>					
Kora	White • Ruled: Hindi/Eng/Math/ Science	-	54-160 GSM	+85-86%	• Writing & Printing • Notebooks • Textbooks • Stationery • Note pads • Resisters • Base paper for thermal coating • Rolls for fax • ATM • POS & bar coding • Tray mats
Safeda	Bright White	-	54-160 GSM	+90%	• Writing & Printing • High quality Notebooks • Textbooks • Stationery • Note Pads • Registers • Children's Books • Diaries and Calenders
Tarang	Coloured	• Lemon • Mint • Rose • Sky • Ivory • Snow	70, 75, 80 GSM	+85-90%	Multipurpose copier paper for writing and printing, Executive Range
Mela	Coloured	Lemon • Mint • Rose • Sky	49-160 GSM	-	• Multipurpose colour printing • Bill books • Brochures • Leaflets • Advertising material • Spiral note books • Bill books • Hand bills • Scrapbooks • Lottery tickets
Savera	Super White	-	58-160 GSM	+92%	• Writing & printing • High Quality Notebooks • Textbooks • Stationery • Note pads • Registers
Karigar	White	-	90-160 GSM	+85%	• Writing & printing • High bulk • Drawing sheets • Cards • Notes • Labels
Gehua	Natural	-	54-160 GSM	NA	• Writing & printing • Brochures • Annual reports • Diaries • Paper Bags • Envelopes
Pahari	Coloured	• Sand • Mint • Vanilla	70-160 GSM	-	• Print & packaging • High quality envelopes • Cards • Boxes • Paper bags
<b>KRAFT PAPER</b>					
Maati	Kraft Brown	-	120-200 GSM	-	• Corrugated boxes • Paper bags • Disposable Crockery • Ream wrappers.
Multani	Coloured Kraft	-	140-200 GSM	-	• Golden Colour Kraft • Outer layer of Corrugation boxes • Paper bags • High Quality Packaging Solutions.
Khadi	• Kraft Brown (DTY/POY) • Ply Bond 350 / 400 / 450 / 500 / 600	-	180 -450 GSM	-	• Tube Grade • Paper Tube • Cores • Cones • Composit cans • Fibre Drums.

## OUR MILESTONES



WHERE GROWTH IS A CULTURE



At Ruchira Papers, we believe that in the paper manufacturing business that is capital-intensive, success is derived from the ability to grow continuously at progressively lower capital costs per tonne.

Over the years, the Company has progressively done so with the objective to enhance output on the one hand and widen margins on the other. The complement of this has helped the Company scale revenues and profits.

This commitment to grow efficiently is derived from a distinctive Ruchira Papers culture marked by various realities.

One, the Company is managed by technocrats with hands-on engagement, making it possible to arrive at business-strengthening technology solutions with speed, economy and effectiveness.

Two, a number of the Company's business-strengthening initiatives are marked by relatively low capital expenditure, widening overall profitability.

Three, the Company is generally engaged in enhancing production, making growth continuous.

The result is in the numbers: capital cost per tonne of output declined from ₹25272 in 2012-13 to ₹24702 in 2014-15 but increased to ₹30434\* in FY18.

\*The Company undertook the implementation of a modernization programme during the last quarter of FY18, the benefits of which shall be felt from Q2 of FY19.

The Company reported an Asset-Turnover ratio of around 1.4 against a prevailing standard of around 0.85 in the paper industry, generating a larger revenue and profit throughput – the essence of business sustainability.

GROWTH IN PRODUCTION AND

# cost-effectiveness

Capital cost per tonne of output  
**₹ 30,434**  
 in FY18

WHERE GROWTH IS A CULTURE



**Two**, the Company invested proactively in equipment and processes (chemical recovery system, effluent treatment plant and cogeneration unit).

**Three**, the Company's enzymatic process eliminated the use of harsh chemicals used in the conventional process, consuming less energy and less water on the one hand and promoting the use of renewable crops on the other.

The result of this forward-looking commitment has translated into a moderated consumption of water, energy and raw material resources – the ability to reduce CO2 emission and manufacture paper at around the lowest carbon footprint in India.

At Ruchira Papers, we believe that in a business where regulatory compliances are increasingly demanding and where the penalty for transgression is severe, success is derived from the ability to be a responsible corporate citizen.

Over the years, the Company has reinforced responsible growth through various initiatives.

**One**, the Company made a fundamental choice towards responsible growth through the consumption of renewable agro-based raw materials, reinforcing its positioning of 'We are committed to the earth'.

WHERE GROWTH IS A CULTURE



At Ruchira Papers, we believe that in a business that is largely dependent on resources derived from farmers, success is derived from the ability to engage in initiatives directed at community benefit.

During the last few years, the Company deepened its community engagement through a unique initiative.

Until some years ago, there was no economic use for the straw that remained after farmers had harvested their cereal crops in Haryana and Punjab. Farmers were inclined to incinerate the remaining

stalks to clear their fields in time for the next harvest. The result was increased pollution spreading across rural and urban India. This endangered lives across a large spread of North India.

The Company responded with an innovative program. It helped farmers transform the straw into a productive cash crop that would be used by us, benefiting thousands of farmers.

The result of this sensitive engagement has translated into a win-win proposition: enhanced incomes for thousands of farmers and a cleaner quality of air for all.

# GROWTH WITH responsibility

# GROWTH OF THE community

Water consumption (metre cube) per tonne of kraft paper

**12.51**

in FY18

Water consumption (metre cube) per tonne of writing/printing paper

**43.86**

in FY18



## RUCHIRA PAPERS: AT THE CUSP OF SUBSTANTIAL GROWTH

At Ruchira Papers, we have focused on sustained multi-year growth as the surest way to enhance competitiveness across market cycles.

This growth has been marked by a consistent debottlenecking and modernization of our existing facilities, making it possible to tweak equipment and processes with the objective to generate more out of less.

There are two growth initiatives that one would like to communicate to shareholders at this point. The combination of these two initiatives, is expected to create a more robust foundation and graduate the Company into the next orbit.

### Modernization and upgradation, FY18

During the last quarter of FY18, the Company undertook modernization and upgradation programme that would make it possible for the Company to enhance production on the one hand and facilitate the Company to produce value-added products on the other.

This modernization was also directed towards strengthening the overall business across various parameters.

Following the completion of the same, the Company will be able to produce value-added Kraft products and enhance production to service the growing needs of customers.

In the past, the Company manufactured natural shade kraft but following the modernization, the Company will be able to introduce coloured and re-sized versions of Kraft that will not only address a widening downstream consumer preference but also generate enhanced realizations.

The Company embarked on initiatives to graduate from the agro-plus-waste resource mix to agro-plus-waste-plus coated equivalent. Earlier, the Company's kraft mix was largely focused on the large 20 burst factor (BF) segment that was commodity in nature; through the recent programme, the Company has widened its kraft mix towards the 25-40 BF range, widening its downstream applicability and graduating the Company to only a handful of players in the niche 35-40 BF segment.

We are pleased to report that these initiatives have already been commissioned and their full impact will be visible from the second quarter of the current financial year of FY19.

### Ruchira Papers 2.0

At Ruchira Papers, we are excited about a proposal that can potentially graduate the Company into the next orbit.

During the year under review, the Company outlined a proposal to commission a greenfield 100,000 TPA capacity for writing and printing paper. When commissioned across the foreseeable future, this proposed investment can completely transform the Company's fundamentals, virtually increasing production and revenues.

The proposed investment comes at a time when the prospects of India's paper industry appear optimistic across the foreseeable future. India is not only one of the most under-consumed paper consuming nations, it is also possibly the fastest growing major paper consumer – an indication that the country is correcting years of under-penetration faster than ever.

Even as the country's broad paper and paperboards sector will continue to grow at around 7 per cent a year from a base of around 17 million tonnes per annum, we believe that the writing and printing segment will grow at a linear 35% by 2020 for a combination of reasons: enhanced incomes, increased aspirations and deeper literacy.

At Ruchira Papers, we believe that the increased capability of writing & printing papers will also broadbase the Company's operations: 57 per cent of the Company's revenues are presently derived from writing & printing paper; following the commissioning of this greenfield unit, the proportion of revenues from this segment shall increase, strengthening economies of brand and distribution.

Besides, from a point where we are using agro-based resources and now we are expected to graduate to a mix of wood and agro-based resources, broad-basing our resource dependence.

The Company decided to commission this entirely new facility 60 kms from Chandigarh. The new location will make it possible for the Company to leverage a superior access to raw material, strengthening logistical efficiencies.

At Ruchira Papers, we believe that this forward-looking investment will graduate it into next orbit

### Assurances

As we stand at this momentous cusp, we need to assure our shareholders that the more things appear to change, the more they will remain the same.

At Ruchira Papers, we will grow without compromising the integrity of the Balance Sheet or affecting our capacity to reward shareholders. We will engage in comprehensive de-risking on the one hand and explore passion-driven upsides on the other.

In doing so, we expect to strengthen revenues and margins during the current financial year, creating a foundation on which to scale our expansion that enhances long-term value in the hands of all those who own shares in our company.

*Chairman*

Ruchira Papers Limited

During the year under review, the Company outlined a proposal to commission greenfield 100,000 TPA capacity for writing and printing paper.



# Q & A

## MANAGEMENT'S OVERVIEW

**“WE REPORTED PROFITABLE GROWTH DESPITE A SHUTDOWN DURING THE BUOYANT LAST QUARTER FOR THE IMPLEMENTATION OF OUR MODERNIZATION AND UPGRADATION PROGRAMME”**

### Q: How would the management assess the performance of the Company during the year under review?

A: The management was pleased with the performance of the Company during the year under review. On the face of it, the Company reported profitable growth – revenues increased 7.31% to ₹447.60 crore in FY18 compared to ₹417.10 crore in FY17, while EBITDA increased by 15.96% to ₹74.17 crore in FY18 compared to ₹63.96 crore in FY17 and net profit in FY18 at ₹38.24 crore was 19.31% higher than ₹32.05 crore in FY17. This profitable growth was achieved despite shutdown during the buoyant last quarter to modernize and upgrade its facilities with the objective to report higher prospective throughput during the current financial year. This modernization and upgradation was necessary to sustain the growth of the Company into the current financial year and create the foundation for taking the Company from one orbit to another.

### Q: What were some of the achievements that proved creditable during the year under review?

A: Despite cost pressures, the Company is pleased to report that EBITDA margin strengthened to 16.57% in FY18 compared to 15.33% in FY17, an improvement of 124 bps. We believe that this improvement, despite not having the advantage of nearly one quarter of production during the year, represents a validation of our deep competencies: our

ability to moderate costs, ability to enhance output, ability to procure resources cost-effectively, ability to moderate the long-term debt on our books, ability to enrich the product mix and the ability to generate superior realizations. This holistic management translated into a superior showing, the restrictions notwithstanding.

### Q: What were some of the specific improvements that the Company reported?

A: At Ruchira Papers, our ongoing culture is one of continuous improvement. This does not necessarily mean that we invest only in large initiatives; we are engaged in dozens of concurrent mid-sized initiatives that translate into superior value.

### Q: Coming back to the modernization and upgradation programme that the Company engaged during the last quarter. What will this achieve for the Company?

A: This was in line with the Company's commitment to make moderate improvements across the range of its business. In this specific instance, the modernization will help the Company produce more – an output of around 115,000 MT in FY18 rising to an estimated 133,000 MT in 2018-19 and a projected 142,000 MT in 2019-20, translating into two straight growth years for the Company. Further, this will help in producing value-added Kraft products enjoying higher realizations.

One must also add that the modernization was carried out at a cost of ₹33.50 crore, of which a sizable ₹15.73 crore was generated from accruals and the remainder from moderately-priced debt from banks. The big message that we wish to send out is that this modernization and corresponding production growth is being facilitated by a low cost of funds that should only strengthen our competitiveness.

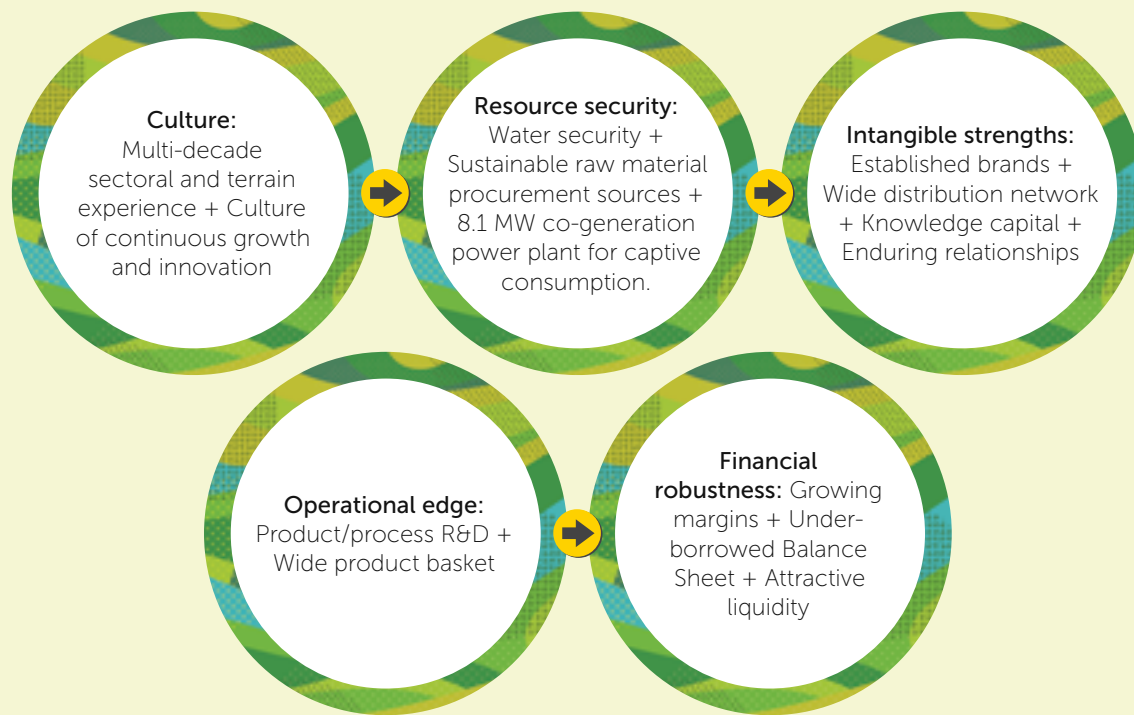
### Q: What does the Company expect to achieve during the current financial year?

A: The Company expects to report a volume-value play during the current financial year: we expect to report increased production following our modernization; we expect to manufacture as value-added Kraft products that fetch better realizations. We expect to generate benefits of our FY18 investments through the full extent of the year. We believe that the complement of these realities should empower the Company to report better revenues and profits during the current financial year.

# BUSINESS MODEL

AT RUCHIRA PAPERS, WE ENDEAVOR TO ENHANCE STAKEHOLDER VALUE THROUGH A ROBUST BUSINESS MODEL

## Business model framework



### Sectoral optimism

**Income growth:** India's paper appetite has been driven by GDP growth of >6%, making it one of the fastest-growing paper consuming countries. Even as annual global paper consumption growth is around <2%, India's paper appetite has grown at ~6% per annum across the last few years. Per capita net national income strengthened from ₹1,03,219 in FY17 to an estimated ₹1,11,782 in FY18, strengthening offtake for paper and kraft products.

**Sectoral potential:** India's share in global paper demand is growing. Domestic demand grew from 9.3 million tonnes in FY08 to 15.3 million tonnes in FY16 at a CAGR of 6.4%. Per capita paper consumption was a little over 13 kg, well below the global average of 57 kg and significantly below 200 kg in North America.

**e-commerce boom:** With the e-commerce sector estimated to grow from US\$ 38.5 billion in 2017 to US\$ 228 billion by 2030, the

country's paperboard segment is expected to correspondingly grow as well.

**Urbanization:** India's urbanization growth between 2010 and 2015 stood at 1.1%, the highest among major economies. India is expected to add >400 million people to its urban population between 2014 and 2050, a strong case for increased paper consumption (the urban Indian consumes more paper than the rural Indian).

**GST implementation:** The difference in competitiveness between unorganized and organized players has narrowed following GST implementation, strengthening prospects for compliant players.

### How Ruchira Papers is capitalizing on this opportunity

**Diversifying offerings:** The Company reinforced its sectoral presence through a presence across growing segments (writing and printing / kraft paper). This is expected to serve as adequate de-risking in the event of a decline in offtake or realizations in any specific segment.

**Locational advantage:** The Company is located in Himachal Pradesh, connected to state and national highways as well as principal product consuming markets. Himachal Pradesh is a peaceful state with a healthy business environment that facilitates uninterrupted business operations.

**Safeguarding resource security:** The Company is located at the outskirts of Haryana and Punjab, agriculturally rich States, strengthening raw material procurement. We source wheat straw material directly from farmers/through local aggregators. Bagasse is procured from local sugar mills (largest sugar mill in North India is located 50 km of our plant), while sarkanda is procured from local contractors.

**Accrual-driven growth:** The Company aggressively utilized accruals to moderate the use of

debt in a capital-intensive sector. The Company's long-term debt was ₹39.60 crore as at 31 March 2018. Gearing was an attractive 0.21 during the year under review; working capital limits sanctioned by banks remained under-drawn.

**Niche products:** The Company is enhancing the proportion of revenues from products addressing niche segments fetching higher realizations

**Distribution:** The Company enjoys enduring engagements with 45- 50 dealers and more than 25 customers, facilitating wide product distribution and a larger share of the customer's wallet.

**Environmental integrity:** The Company's eco-friendliness has been reinforced through various forward-looking investments across manufacturing facilities and proximate facilities, making it a completely compliant and responsible manufacturer.

## Outcomes

**Growth:**  
Revenues from sales stood at...  
₹ **447.60** crore  
during the year under review which was an increase of 7.31% over FY17

**Profitability:**  
Strengthened EBITDA margins to...  
**16.57** %  
during FY18 from 15.33% during FY17; ROCE strengthened from 19.61% in FY15 to 25.06% in FY18.

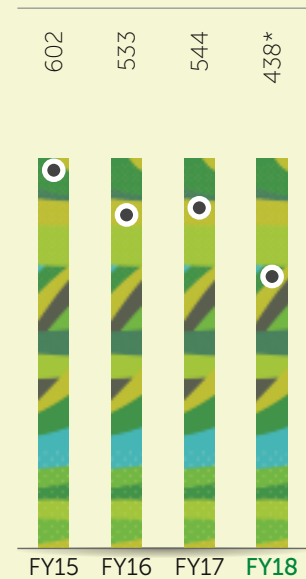
**Sustainability:**  
Net worth strengthened to...  
₹ **191.34** crore  
in FY18 from ₹152.75 crore in FY17.

# THIS IS HOW WE STRENGTHENED OUR BUSINESS IN THE LAST FEW YEARS

## VALUE-ADDITION

### Attractive production per capital

Production (in MT) per crore of capital employed (₹)

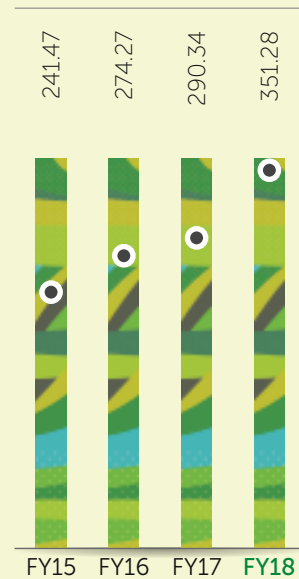


Ruchira Papers is focused on enhancing return on investment through enhanced output from every crore of financial investment.

\*Decreased due to the implementation of a modernization and upgradation programme during the last quarter of FY18, the full benefits of which will be available from 2018-19 onwards.

### Business investment commitment

Gross block\* (₹ crore)

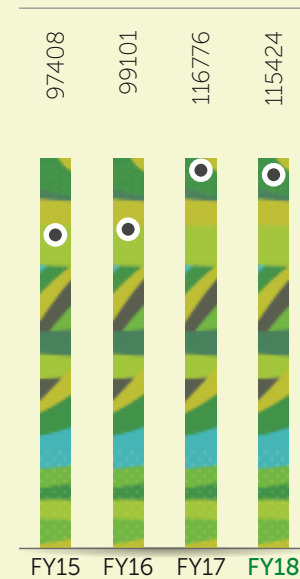


The Company invested in enhancing output across market cycles, making it opportunity-ready. These progressive investments graduated the Company into one of the largest agro-based paper manufacturers in North India.

\*Gross Block includes land of ₹24.60 crore purchased for the proposed greenfield project.

### Growing output

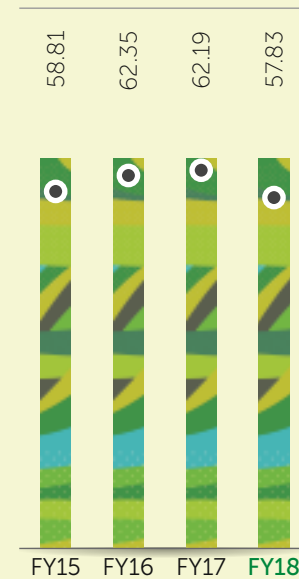
Production (tonnes)



At Ruchira Papers, upgradation and debottlenecking are ongoing, making it possible to enhance output and amortize fixed costs efficiently to address growing customer needs with timely product availability. During FY18, the Company's plant was shut for turbine overhauling and implementation of the upgradation and modernization programme, resulting in lower production compared to FY17.

### Product mix

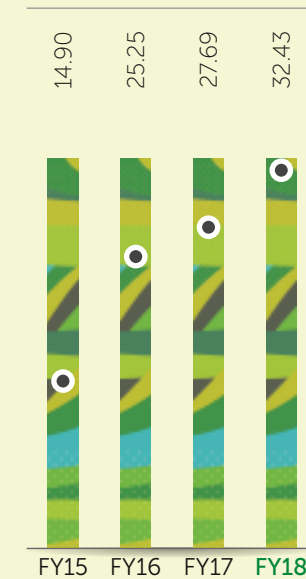
% of revenues from writing & printing paper



The Company has evolved its product mix towards writing and printing paper varieties, addressing the enhanced literacy opportunity in the country as well as a downstream need for related products – a growing brand in a widening product segment.

### Niche value-added

% of writing & printing paper revenues from coloured paper

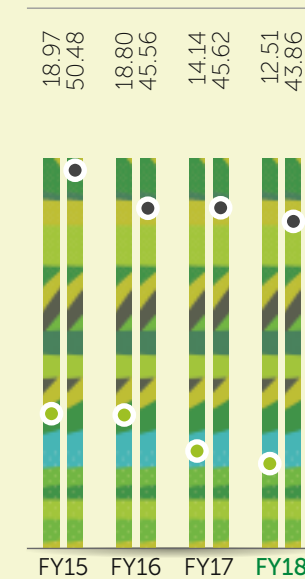


Ruchira Papers has evolved from the manufacture of commodity varieties to value-added varieties of writing and printing papers. Colored paper was introduced in 2011 and revenues from this segment have grown steadily, helping the Company generate a premium over the prevailing writing & printing paper average.

### Water-efficiency

Water consumption (metre cube) per tonne of kraft paper

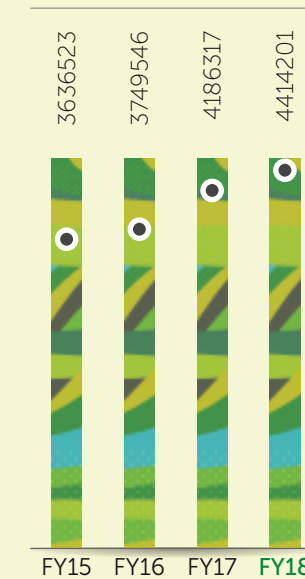
Water consumption (metre cube) per tonne of writing/printing paper



The Company has progressively invested in superior technologies, which have moderated water consumption. Ruchira Papers' proactive investment in effluents treatment (French technology), chemical recovery system and an online water monitoring system have helped reduce water consumption.

### Productivity

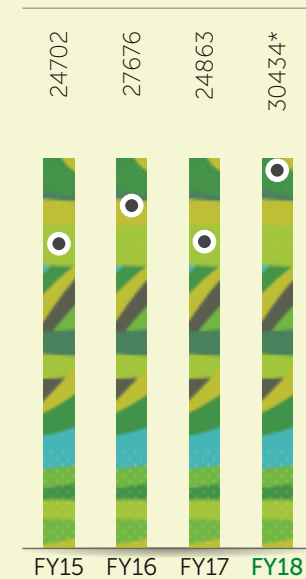
Per person productivity (in ₹) (calculated on Net Sales)



Through investments in up-skilling, multi-skilling and knowledge enhancement, the Company increased per person productivity.

### Capital cost per tonne

Capital cost per tonne (₹)



Derived from dividing gross block by total production. This indicates the competitiveness of Ruchira compared with peer companies. The preference for accrual-based investing has translated into a relatively small Balance Sheet in a capital-intensive sector.

\*The Company undertook the implementation of a modernization and upgradation programme during the last quarter of FY18, the benefits of which shall be felt from Q2 of FY19.

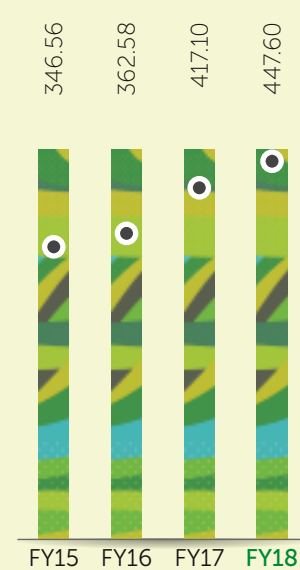


# THIS IS HOW WE HAVE GROWN OVER THE YEARS

## VALUE-ADDITION

### Revenues, FY18

Turnover (₹ crore)



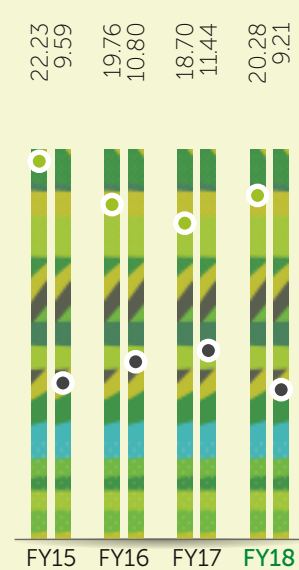
**Definition:** An increase in revenues from operations after deducting tax and excise duties.

**Why we measure:** To measure the Company's ability to comprehend demand trends and respond with prudent changes cross the entire value chain.

**Performance:** The Company's total sales reported an increase of 7.31% from ₹417.10 crore in FY17 to ₹447.60 crore in FY18.

### Working capital efficiency

- Working capital as % of capital employed
- Revenue derived from a rupee of working capital



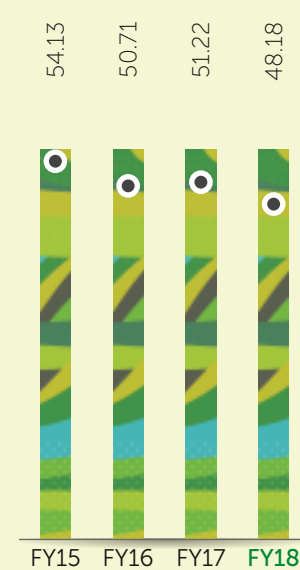
**Definition:** Working capital expressed as a percentage of capital employed.

**Why we measure:** A low percentage is an indicator of efficiency of doing business and the Company's ability to reinvest surpluses in business growth.

**Performance:** The Company monetized product superiority through attractive terms of trade, which moderated finished inventory and accelerated receivables.

### Raw material flexibility

Raw material cost as % of revenues



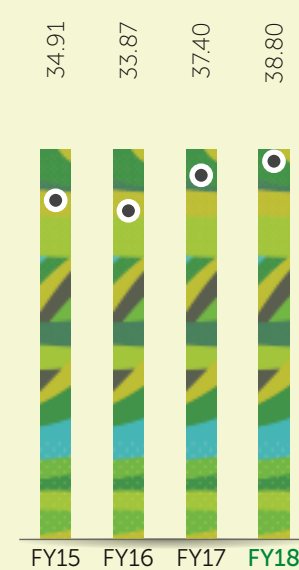
**Definition:** Raw material cost as a percentage of revenues.

**Why we measure:** This indicates the efficiency with which the Company's resource costs are covered.

**Performance:** The Company works with a mix of agro-based material (wheat straw, bagasse and sarkanda), diversifying its dependence from any one material. Bagasse is dependent on cane planting; wheat straw is available across the year, strengthening quality consistency and cost management.

### Receivables management

Receivables in terms of days of turnover equivalent



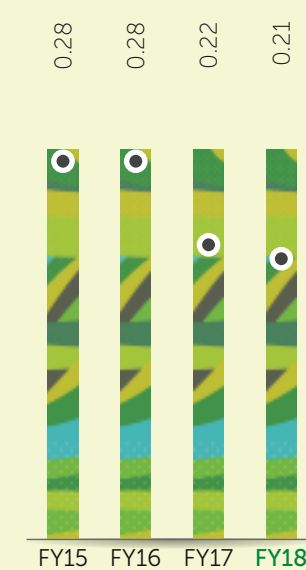
**Definition:** The division of the turnover by the total receivables at the end of the financial year multiplied by the total number of days in a year.

**Why we measure:** To assess the number of days of receivables outstanding, the lower the better.

**Performance:** The Company's receivables in terms of days increased marginally to 38.80 days in FY18 from 37.40 days in FY17.

### Gearing

Debt-equity ratio



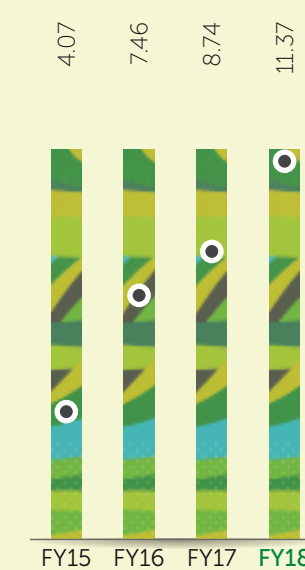
**Definition:** Debt divided by equity (net worth).

**Why we measure:** To assess the extent to which the Company is borrowed.

**Performance:** The Company's gearing (based on long-term debt) strengthened from 0.28 in FY15 to 0.21 in FY18.

### Interest cover

Interest cover (x)



**Definition:** The division of EBITDA by interest outflow.

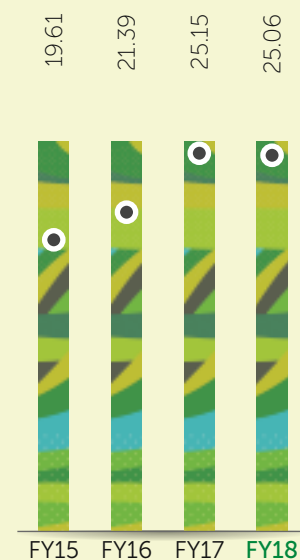
**Why we measure:** To assess the Company's financial strength and ability to pay interest/debt with ease.

**Performance:** The Company's interest cover was a comfortable 11.37x in FY18, as compared to previous year's 8.74x, a reflection of attractive gearing and opportunity for fresh borrowings without compromising stability.

# MANAGEMENT DISCUSSION AND ANALYSIS

## IMPROVED VIABILITY

**Return on capital employed (RoCE), FY18**  
(%)

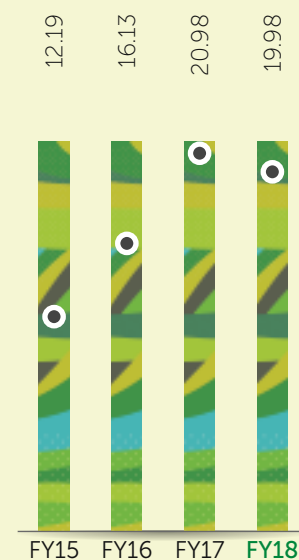


**Definition:** This ratio measures a company's profitability and the efficiency with which capital is employed in the business. It is derived from the EBIT divided by total average capital employed by the Company and the amount deployed in the business.

**Why we measure:** To assess investment effectiveness, captured as a result of all our diverse initiatives, validating the strength of the business model.

**Performance:** The Company reported an RoCE of 25.06% in FY18, which was a 545 bps increase over 19.61% in FY15. Resulting in the generation of higher value for shareholders.

**Return on net worth**  
(%)

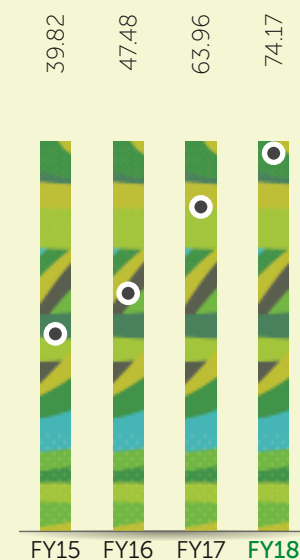


**Definition:** The financial ratio derived from the Net Profit divided by total shareholder's equity.

**Why we measure:** This is also called Return on Equity (ROE). This is a measure that calculates the profit a company generates with each rupee of shareholders' funds.

**Performance:** Our RoNW strengthened from 12.19% in FY15 to 19.98% in FY18.

**EBITDA**  
(₹ crore)

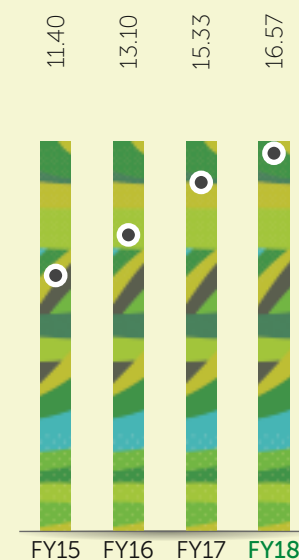


**Definition:** The earnings measured before the deduction of interest, depreciation, extraordinary items and tax.

**Why we measure:** This measures the Company's operating profitability, despite inflationary pressures and is easily comparable with the respective average and sectoral peers.

**Performance:** The Company's EBITDA reported a 15.96% increase Y-o-Y in FY18, from ₹63.96 crore in FY17.

**EBITDA margin**  
(%)



**Definition:** The measure of percentage points in operating profit before interest, depreciation, exceptional items and tax when divided by the Company's turnover.

**Why we measure:** To assess business efficiency and comprehend the earnings of a company (before accounting for business and taxes) on each rupee of sales.

**Performance:** The Company's EBITDA profit margin increased from 15.33% in FY17 to 16.57% in FY18, reporting an increase of 124 bps, derived from improved operating efficiencies.

### Global economic overview

In 2017, a decade after the global economy collapsed, a revival manifested wherein major economy expanded: ongoing Euro-zone

growth, modest growth in Japan, late revival in China and improving realities in Russia and Brazil. The result was an estimated 3.7% global economic growth in 2017, some 60 bps higher than the previous year.

It would be relevant to indicate that crude oil prices increased in 2017 from \$54.13 per barrel at year-start to a low of \$46.78 per barrel in June 2017 and year-close at \$61.02 per barrel, the highest since 2013.

### Global economic growth for 6 years

Year	2014	2015	2016	2017 (e)	2018 (f)	2019 (f)
Real GDP Growth (%)	3.5	3.2	3.1	3.7	3.9	3.0

[Source: World Economic Outlook, January 2018] e: estimated f: forecasted

A review of the various national economies is provided below:

### Outlook

Global growth forecasts for 2018 and 2019 were revised upward by 20 bps to 3.9%. (Source: WEO, IMF)

### Indian economic overview

The Indian economy reported slower growth of 6.7% in FY18. The year under review was marked by structural reforms. In addition to GST introduction, the year witnessed significant resolution of problems associated with bank non-performing assets, FDI liberalization, bank recapitalization and privatization of coal mines.

### Key government initiatives

**Bank recapitalization scheme:** The Central Government announced capital infusion of ₹2.1 lac crore in public sector banks.

**Expanding road network:** The Government of India announced a ₹6.9 lac crore investment to construct 83,677 kilometres of roads across five years.

**Improving ecosystem:** The country was ranked at the hundredth position, an improvement of 30

### FY18 Vs FY17

	FY18	FY17
GDP growth	6.7%	7.1%
GVA growth	6.4%	9.0%
Farm growth	3%	9.0%
Manufacturing growth	5.1%	9.3%
Power and gas growth	7.3%	6.5%
Per capita income growth	8.3%	9.7%

(Source: <http://pib.nic.in/newsite/PrintRelease.aspx?relid=163287>)

places in the World Bank's Ease of Doing Business 2017 report, a result of the Central Government's pro-reform agenda.

**Goods and Services Tax:** The Government of India launched GST in July 2017, with the vision of creating a unified market. Under this regime, various goods and services would be taxed as per five slabs (28%, 18%, 12%, 5% and zero tax).

**Foreign Direct Investment:** Foreign direct investment increased from approximately USD 24 billion in FY2012 to approximately USD 60 billion in FY2017, an all-time high.

**Coal mining opened for private sector:** The government opened coal mining to private sector firms for commercial use, the most ambitious sectoral reform since nationalization in 1973.

**Doubling farm incomes:** The government initiated a seven-point action plan to double farm incomes by 2022.

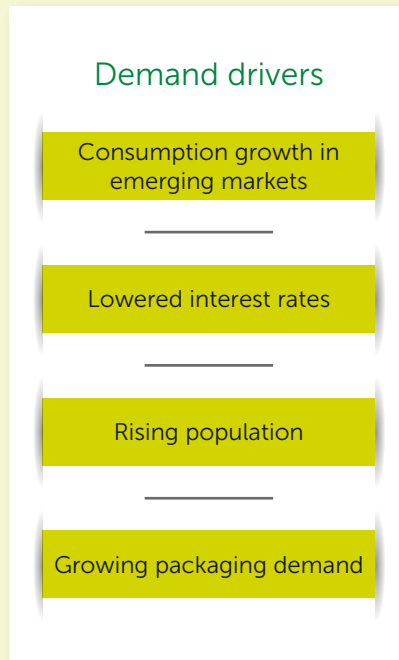
**Outlook**  
World Bank projected India's economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20. Strong private consumption and services are expected to continue to support economic activity. Private

investment is expected to revive as soon as the corporate sector adjusts to the GST.

(Source: IMF, World Bank)

### Global paper industry

The global paper and paperboards market valued at US\$482.4 billion in 2017 is expected to reach US\$523.6 billion by 2022, growing at a CAGR of 1.7%. The global paper market is fragmented with the Asia-Pacific region accounting for close to half the overall revenues in 2017 (US\$231.5 billion) and expected to grow to US\$250.2 billion by 2022. Although China is the largest market by value in the paper and paperboard segment, Brazil and India are forecast to register faster growth (CAGR of 7.1% and 6.9%, respectively).

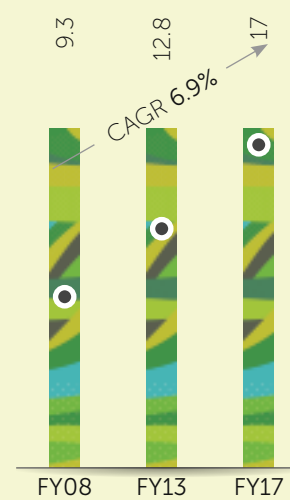


The global paper and paperboards market reported attractive growth on the back of improved literacy, economic development in key geographies, changing consumer lifestyles, growing urbanization and a rise in disposable incomes. Although paper manufacture accounted for a larger market share in 2017 (~57%), the paperboard sector is forecast to grow faster (CAGR of 2.6%) over the near-term.

#### Outlook

Growth in literacy levels, disposable incomes and organized retail are expected to drive the paper industry's growth. However, the market is facing challenges from digitization and cost-effective alternatives.

Domestic Paper Demand (in million tonnes)



Source: Industry, IPMA

### Indian paper industry

Accounting for ~3% of the global paper production, the Indian paper industry's turnover stood at ~₹50,000 crore (US\$8 billion). The industry contributed ~₹4,500 crore to the Indian exchequer, providing employment to >0.5 million people and 1.5 million people, directly and indirectly, respectively. ~ 65% of the paper manufactured in India depended on recycled fibre, 24% on wood and 11% on agro residues.

India is still an underpenetrated country because despite sustained growth over the years, the per capita consumption of paper in India is a little over 13 kg, way behind the global average of 57 kg. The domestic demand in India grew from 9.3 million tonnes in FY08 to 17 million tonnes in FY17 at a CAGR of 6.9%.

Packaging paper & board segment accounting for nearly 52% of the

total paper demand in India and is the largest segment in the industry. It grew at a CAGR of 8.3% from 4.3 million tonnes during FY08 to 8.8 million tonnes in FY17. Rising urbanization, increasing penetration of organized retail, higher growth in FMCG, pharmaceutical and processed food industries etc. are the growth drivers of the segment.

(Source: IARPMA, ASSOCHAM, Hindu Business Line, Maier Vidorno, Bloomberg, RISI, CARE)

### Industry classification

The industry is classified into four segments:

- Writing and printing paper
- Packaging Paper & Boards
- Newsprint
- Specialty papers

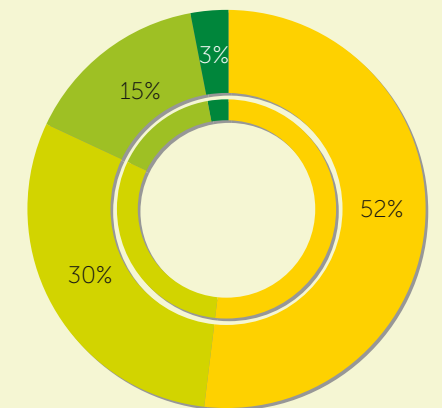
Packaging paper & board accounts for the largest segment in the industry. It grew at a CAGR of 8.3% from 4.3 million tonnes during FY08 to 8.8 million tonnes in FY17. Rising urbanization, increasing penetration of organized retail, higher growth in FMCG, pharmaceutical and processed food industries etc. are the growth drivers of the segment.

Domestic demand for P&W paper is 5 million tonnes per annum. This segment is categorized into four parts, namely Uncoated Wood-Free (UWF), Coated Wood-Free (CWF), Uncoated Mechanical (UM) and Coated Mechanical (CM). Rising literacy rate and universalization of education through legislative steps like Right to Education, governmental measures and increased spending on education are the main reasons for growth in the demand for Printing and Writing Paper.

The newsprint segment grew at a CAGR of 3.5% during FY08-17 to 2.6 million tonnes, on the back of improving literacy and increasing circulation of vernacular dailies. The prospect of newsprint segment primarily depends on its consumption by print media industry.

Specialty papers & others is the smallest segment. It is used for packaging of gift items, grocery bags, etc. and tissue papers. This segment especially tissue papers is the fastest growing segment, albeit the on a much smaller base. Its demand is derived out of a general improvement in the standard of living which allows for the substitution of paper for general packing purpose.

Indian paper industry: Segment-wise share as on FY18



Source: CARE Ratings

## STRENGTHS AND WEAKNESSES

### Strengths

- Growing need for cardboard packaging in the e-commerce sector
- Increasing purchasing power of the middle-income class in emerging markets
- Rising demand for hygiene products
- Ban of plastic variants

### Weaknesses

- High sensitivity to feedstock costs (pulp)
- High investments required to ensure steady growth

(Source: Euler Hermes)



### Import-export trends

Imports of paper and paper products rose by 11.2% from ₹11,593 crore in the April-Jan 2017 period to ₹12,893 crore for the April-Jan 2018 period. The increase in imports was primarily led by the duty-free import from ASEAN nations and Korea. Paper and paper products exports also grew by 34.5% to ₹3,481 crore for the Apr-Jan 2018 period from ₹2,589 crore for the comparable period in the previous year. (Source: CARE Ratings)

#### Trade movement

₹ in crore	Apr 16-Jan 17	Apr 17-Jan 18	% Growth
Imports	11,593	12,893	11.2
Exports	2,589	3,481	34.5
in million tonnes	Apr 16-Jan 17	Apr 17-Jan 18	% Growth
Imports	2.5	2.9	15.2
Exports	0.6	0.8	38.7

Source: Department of Commerce, IPMA, HS Code: 4801, 4802, 4803, 4804, 4805, 4808 and 4810

### Paper prices

Prices did not undertake a price hike in the beginning of 2017 due to factors such as

In the beginning of 2017, paper companies did not undertake price hikes because of factors competition from imports, stabilization in wood prices and lower power & fuel cost. Domestic prices rose marginally in FY18 primarily due to factors such as tight markets, low Chinese pulp inventories, shortage of supply coming to the market, and healthy demand.

Since mid-2017, China banned the use of mixed grade waste paper and demand for wood pulp (natural fibre) increased. Major pulp exporters such as Indonesia, Malaysia and Chile

diverted pulp to China at a higher price, leading to a rise in price of end product.

(Source: CARE Ratings)

### Growth outlook

In India, a strong economic growth has been accompanied by an equivalent growth in the paper industry. This growth was achieved on the back of multiple factors such as rising income levels, growing per capita expenditure, rapid urbanization and a larger proportion of earning population and there is still an enormous growth potential for this industry in India.

CARE Ratings expects that the overall paper demand growing at a CAGR of 6.7% to touch 20.7

million tonnes in FY20. Tight markets, low pulp inventories of paper manufacturers in China and health domestic demand would be major contributors to this growth. The waste paper prices, however, may fluctuate on account of volatility in international waste paper prices, healthy demand, and forex fluctuations.

The Chinese Government has banned the import of several varieties of waste paper (the primary raw material for finished paper). Hence, the production of finished paper is expected to be hampered in China which is expected to lead to some relief in raw material prices and improve realizations.

(Source: CARE Ratings)

### Segmentwise demand (million tonnes)

Segments	FY17	FY20P	CAGR (FY17-20P)	Share FY17	Share FY20P
P&W	5.0	5.7	4.2%	29%	27%
Packaging Paper & Board	8.8	11.4	8.9%	52%	55%
Specialty Paper & Others	0.6	0.8	12.0%	4%	4%
Newsprint	2.6	2.8	2.5%	15%	14%
<b>Total Paper Demand</b>	<b>17.0</b>	<b>20.7</b>	<b>6.7%</b>		

Source: Industry, IPMA, CARE Ratings

### GST impact

The Government of India carried out an overhaul of the indirect tax regime by launching the much-awaited GST in July 2017 to create a unified indirect tax market. Under this regime, various goods

and services are taxed as per five slabs (28%, 18%, 12%, 5% and zero tax). To reduce the short-term inflation effect of GST, the GST Council cut tax rates on more than 250 goods and services by moving them to lower tax slabs in two separate rate cuts. Following

GST implementation, India's tax net expanded: a 50% increase was recorded in unique indirect taxpayers. GST implementation has enhanced sectoral competitiveness, empowering it to address imports. (Source: Paper Mart, IMPA)

### GST RATES ON PAPER CATEGORIES

#### Nil

Judicial, non-judicial stamp papers, court fee stamps sold by government-authorized vendors and treasurers

#### 5%

Newsprint in rolls or sheets

#### 18%

- Filter blocks, slabs and plates of paper pulp
- Toilet or facial tissue papers, towels and napkins, cellulose waddings and webs (creped, crinkled, embossed, perforated, surface-coloured and surface-decorated or printed)

#### 12%

- Uncoated papers, uncoated kraft papers, greaseproof papers, glassine papers, composite papers
- Aseptic packaging papers

- Boxes, pouches, wallets and writing compendiums and blocks
- Cartons, boxes and cases of corrugated papers
- Exercise books, graph books and laboratory note books

- Paper pulp moulded trays
- Braille papers
- Paper splints for matches and asphaltic roofing sheets

(Source: Clear Tax)

### KEY METRICS

₹ **53,000** crore

Value of the total Indian paper industry:

**17** million metric tonnes

Annual Indian paper consumption

**400,000**

Number of people employed directly by the Indian paper industry

**1.5** million

Number of people employed indirectly by the Indian paper industry

**13** kilograms

India's per capita paper consumption level

**57** kilograms

Global per capita paper consumption level

**~8%**

10-year CAGR of the Indian paper industry

**3%**

Indian paper industry's share of the global market

[Source: Economic Times, Maier Vidorno]

Indian paper industry celebrated Paper Day on 1st August 2018 through the launch of an awareness campaign titled 'Paper is Green' based on the environment friendliness of paper. According to the Indian Paper Manufacturers Association (IPMA), paper is the only material which is biodegradable, renewable, recyclable and sustainable and the celebration of Paper Day offered an opportunity to spread the increased usage of paper in recent times. During the campaign, booklets were distributed educating people on the various myths and realities of paper. According to IPMA, growing and harvesting trees by Paper Industry is providing jobs for lakhs of farmers in rural areas. Currently, agro forestry initiative of Paper Industry spreads across approx. 9,00,000 hectares and around 90% of the demand for wood by the industry is sourced from industry driven agro forestry. [Source: News Vair]

### SWOT analysis

#### Strengths

- Availability of a wide variety of products
- Stable demand
- Key employment provider
- Expertise in non-wood pulping and applications
- Large and growing market

#### Weaknesses

- Capital-intensive industry
- Unorganized structure
- Uncompetitive mills
- Copious water requirement
- Low skill levels

#### Opportunities

- Immense growth potential
- Increasing focus on education to increase demand
- Availability of low-cost labour
- Growing export demand

#### Threats

- High raw material and energy costs
- Increased competition
- Rising digitization
- Growing deficit of wood fibre

### Demand drivers of India's paper sector

Rising incomes: Indian economy has witnessed rapid growth in the last decade. Correspondingly, India's per capita GDP has increased from ₹71,607 in FY12 to ₹117,406 in FY17 at a CAGR of 10.4%, paving the way for a consumption boom in the country. Henceforth, the per capita personal disposable income surged from ₹73,476 in FY12 to ₹119,296 in FY17 at a CAGR of 10.2%. The per capita private final consumption expenditure too rose from ₹40,250 in FY12 to ₹68,049 in FY17 at a CAGR of 11.1%, driving consumption levels in the country.

[Source: CARE]

Downstream demand: Continuous demand from FMCG, electronics, services sector, pharmaceuticals and ready-to-eat foods are driving use of paper, paperboards and packaging

materials. Despite initiatives being taken towards going paperless driven by technology, paper serves as the most reliable option for banks, insurance companies and hospitals.

[Source: IBEF]

Improving literacy: India intends to improve literacy rate from 70% levels to 90%, and thus this 20% growth is expected to accelerate demand for writing and printing paper.

[Source: Economic Times]

Chinese ban: The ban imposed by the Chinese Government on import of several varieties of waste paper, the primary raw material for finished paper, is expected to hamper the production of finished paper in China. This, in turn, would lead to some relaxation in raw material prices and improve realizations.

[Source: CARE]

### Finance review

#### Sales and other income

Revenue during the year stood at ₹447.60 crore, increasing by 7.31% compared to ₹417.10 crore in FY17

#### Interest and finance costs

Net interest and finance costs decreased by 2.5% during the year due lower finance cost

#### Profit before tax

The Company registered a profit before tax of ₹58.31 crore compared to ₹46.44 crore in the previous year

#### Profit after tax

The Company registered a profit after tax of ₹38.24 crore compared to ₹32.05 crore in the previous year

### Key ratios

Particulars	FY18	FY17
EBITDA/Turnover	0.17	0.15
EBITDA/Net interest	9.62	8.07
Debt-equity ratio	0.21	0.22
Return on equity (%)	19.98	20.98
Book value per share (₹)	85.33	68.12
Earnings per share (₹)	17.05	14.29

## RISK MANAGEMENT

AT RUCHIRA PAPERS, RISK MANAGEMENT ENTAILS IDENTIFYING, ASSESSING AND MANAGING EXISTING AND POTENTIAL RISKS. THE MANAGEMENT BALANCES BUSINESS RISKS AND OPPORTUNITIES TO ANALYZE POTENTIALLY NEGATIVE OR POSITIVE OUTCOMES.

### Business risk

Competition as well as supply-demand imbalances could affect the Company's bottomline.

#### Mitigation

Paper manufacturing is a capital-intensive business marked by high entry barriers. The Company's strong marketing and distribution network generated consistent product demand even during challenging phases. Exports helped maintain margins.

### Input risk

Unavailability of raw material fibre can compel the Company to incur higher raw material costs.

#### Mitigation

The Company sources raw materials locally or from the neighbouring state of Punjab and Haryana, which has abundant resources. Hence it does face much of a risk when it comes to accessing raw materials.

### Manpower risk

A dearth of talented personnel can affect growth.

#### Mitigation

The Company evaluates personnel competence through periodic surveys and other assessments. Structured programmes were conducted to train employees. An annual succession planning process helps minimize attrition.

### Environmental risk

The paper industry can potentially affect the environment by destroying forest cover.

#### Mitigation

The Company's primary raw materials include agriculture residue (bagasse), wheat straw and other long-fibres like softwood, indigenous waste paper, among others, which do not involve the cutting of trees.

### Market risk

The customer's demand for paper products, which determines prices, is influenced by offtake, economic sentiment and inventories.

#### Mitigation

The Company monitors demand, prices, preferences, supply-demand dynamics and raw material prices to create a protective moat.

### Human resource

Ruchira Papers believes that its competitive advantage lies within its people. The Company's people bring to the stage a multi-sectoral experience, technological experience and domain knowledge. The Company's HR culture is rooted in its ability to subvert age-old norms in a bid to enhance competitiveness. The Company always takes decisions in alignment with the professional and personal goals of employees, achieving an ideal work-life balance and enhancing pride of association.

### Internal control systems and their adequacy

The Company's internal audit function has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

## ENVIRONMENT MANAGEMENT

Environmental issues are major areas of concern for the survival of any pulp and paper business. Plant installations and greenfield expansions need to be based on strong environment friendly technologies, especially in today's market where awareness

of environment conservation is increasing.

At Ruchira Papers, environmental initiatives are not just taken for conforming with compliance norms but to enhance self-worth and credibility. The Company

is committed towards society and seeks to do its bit towards conservation. Since its inception in 1980, Ruchira Papers has followed all the guidelines and regulations related to environment conservation.

### Our effluent treatment plant

The Company possesses a state-of-the-art ETP based upon activated sludge process, adopted internationally, consisting of an equalization tank, primary clarifier, aeration and secondary clarifier.





# Corporate Information

## BOARD OF DIRECTORS (as on 31.03.2018)

### Chairman & Whole Time Director

Jatinder Singh

### Co-Chairman & Whole Time Director

Subhash Chander Garg

### Managing Director

Umesh Chander Garg

### CFO & Executive Director

Vipin Gupta

### Independent Directors

Dalbir Singh

Surinder Gupta

Swatantar Kumar Dewan

Avtar Singh

Smt. Suhasini Yadav

### Company Secretary

Vishav Sethi

### Registered Office & Works

Trilokpur Road, Kala Amb,

Distt. Sirmour

Himachal Pradesh-173030

### Statutory Auditors

Subhash Sajal & Associates

Chartered Accountants

1766, New Christian Colony,

Near Civil Hospital, Jagadhri,

Haryana-135003

## SENIOR EXECUTIVES

Parveen Garg-Senior Vice-President (CSR)

Deepan Garg VP (Technical)

Jagdeep Singh VP (Operations)

Daljeet Singh VP (Commercial)

Lucky Garg VP (Marketing)

Ruchica G Kumar VP (Marketing)

Atul Garg VP (Administration)

Radhika Garg VP (Marketing-NR)

### Bankers

Punjab National Bank

Oriental Bank of Commerce

### Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd

44, Community Centre, 2nd Floor,

Naraina Industrial Area, Phase-I

near PVR Naraina, New Delhi-110028

### Company's Website

[www.ruchirapapers.com](http://www.ruchirapapers.com)

### Corporate Identification Number

L21012HP1980PLC004336

## Manufacturing paper with the lowest carbon footprint

- The Company established a conventional chemical recovery plant in 2008 to recycle black liquor
- Recycling black liquor helped recover caustic soda for captive use in the cooking process.
- Back water from the paper mills is recycled and reused.
- Agricultural wastes such as upla, pith, leaf cutting and rice husk are used as fuel in the mill boilers, generating steam (conserving natural resources).

## Measures to reduce water consumption and effluent load

The Company changed the format in which filtrates are sent for bleaching

- The continuous digester system was installed to cook raw materials with minimal energy wastage.
- The polluted condensate from the recovery plant was used to wash unbleached pulp to reduce water consumption and effluents.
- Any spillage of black liquor was collected and recirculated in the system.

## TRANSFORMATION STORY

### Moderating water use

The Company focused on water consumption



A back water saving mechanism in mills helped conserve water used in the pulp mill and stock preparation



The underflow sludge (containing fiber from the mills) was re-used



Old showers in the paper manufacturing units were replaced with new H.P. Showers and low pressure showers to reduce water consumption



Condensate from the paper machine was re-circulated in the boiler house for steam generation

**Result: These measures helped Ruchira reduce water consumption by 40% - between 2012-13 and FY18**

# Directors' Report

We are delighted to present report of directors on our business and operations for the year ended 31st March, 2018.

## FINANCIAL RESULTS:

The Company's financial performance for the year ended 31st March 2018 is summarized below:

S. No	Particulars	₹ in Lakhs	
		2017-18	2016-17
I	Revenue from Operations (Net of Excise Duty)	44760.15	41710.38
II	Other Income	375.19	100.28
III	Total Revenue (I+II)	45135.34	41810.66
IV	Expenses		
	Cost of materials consumed	27227.80	26744.68
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1.86)	(270.41)
	Employee benefits expense	4018.72	3320.58
	Finance Cost	771.69	791.78
	Depreciation and amortisation expense	1196.54	1059.41
	Other expenses :		
	i) Manufacturing Expenses	5162.41	4670.68
	ii) Selling, Distribution and Establishment exp.	935.72	849.17
	Total expenses	39311.02	37165.89
V	Profit before exceptional and extraordinary items and tax (III-IV)	5824.32	4644.77
VI	Exceptional items	(6.65)	1.20
VII	Profits before extraordinary items and tax (V-VI)	5830.97	4643.57
VIII	Extraordinary items (Net of Tax Expense)	--	--
IX	Profits Before Tax	5830.97	4643.57
X	Tax Expenses		
	1) Current Tax	1747.74	1258.48
	2) Deferred Tax	281.57	135.54
XI	Net Profit for the period	3801.66	3249.55
XII	Other Comprehensive income/(loss)		
	Items that will not be reclassified to profit or (loss)		
	Re-measurement of net defined benefits plans	33.81	(68.30)
	Income tax related to these items	11.70	(23.64)
	Total comprehensive income	3823.77	3204.89
	Paid-up equity share capital	2242.18	2242.18
	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	16892.32	13032.96
	Earnings per equity share of ₹10/- each		
	Basic	17.05	14.29
	Diluted	16.86	14.29

## OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE AND OPERATIONS

For the financial year ended 31st March 2018, Company's turnover has registered a growth of 7.31% and the turnover achieved is ₹44760.15 Lakh against turnover of ₹41710.38 Lakh for F.Y 2016-17. The Profit before Tax (PBT) for the current year is ₹5830.97 Lakh as against ₹4643.57 Lakh in previous year. The Profit after Tax for the current year is ₹3823.77 Lakh as against ₹3204.89 Lakh in the previous year- a growth of 19.31%.

## INDIAN ACCOUNTING STANDARDS (IND AS)

The Company has adopted Ind AS with effect from 1st April 2017 with a transition date of 1st April 2016. Accordingly, results for the year ended 31st March 2018 have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 and other GAAP in India. Previous periods figures have been restated as per Ind AS to make them comparable.

## DIVIDEND

Based on the Company's performance, The Board of Directors are pleased to recommend a dividend of ₹2.25/- per equity share for the financial year ended 31st March 2018 (Previous year- ₹2.25/- per share). The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

The dividend will be paid to members whose names appear in the Register of Members as on close of business hours on Friday, 21st September 2018; in respect of shares held in dematerialized form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) limited, as beneficial owners as on that date.

## TRANSFER TO RESERVES:

The Company do not propose to transfer any amount to the General Reserve out of the amount available for appropriations.

## EXPANSION:

During the year, the Company Undertook modernization and up gradation programme that has facilitated the company to enhance production on the one side and to produce value added products on the other side. Following the completion of the above modernization, the company will be able to produce value added products in Kraft Unit and production shall also be increased, servicing the growing needs of customers

During the year under review, the company outlined a proposal to commission Greenfield project of 100,000 TPA capacity for writing and printing paper. When commissioned across the foreseeable future, this proposed investment can completely transform the company's fundamentals, virtually increasing production and revenues.

## CREDIT RATING:

During the year, Credit Rating of the Company has been kept at CARE BBB+ (under credit watch with negative implications).

## CHANGES IN THE NATURE OF BUSINESS, IF ANY:

There was no change in the nature of business of the Company during the financial year ended 31st March 2018.

## SHARE CAPITAL AND LISTING OF SHARES:

During the year under review, the following changes were made in capital structure of the Company:

The Company has allotted 18,30,000 share warrants convertible into equity shares of ₹10/- each at ₹140.50 per warrants on dated 31st May 2017 on preferential basis to promoters and promoters group. These warrants are convertible into equity shares with in 18 months from the date of allotment. An amount equivalent to 25% of the issue price has been received by the company and balance shall be receivable at the time of conversion.

There is no change in paid up capital of the company during the year.

During the year under review, the Company has not issued shares with differential voting rights and sweat equity shares.

The equity shares of the Company are listed at "Bombay Stock Exchange (BSE)" and "National Stock Exchange of India (NSE)"

### DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Board of Directors consists of 9 Directors, out of which 4 are Executive Director and 5 are Independent Directors including 1 Woman Director.

Mr. Subhash Chander Garg retiring by rotation and being eligible, offered himself for re-appointment at the ensuing Annual General Meeting.

The Independent Directors of your company hold office up to 24th September 2019 and are not liable to retire by rotation.

All Independent Directors have given declarations that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with schedules and rules issued as well as Regulation 16(1)(b) of Listing Regulations.

### ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS:

In terms of applicable provisions of the Companies Act, 2013 read with Rules framed there under and provisions of Listing Regulations and on the recommendation of Nomination and Remuneration Committee, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director carried out on an annual basis. Accordingly, the annual performance of the Board, its committees and each Director was carried out for the Financial Year 2017-18.

Criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/ support to management outside Board/ Committee Meetings. In addition, the Chairman is also evaluated on key aspects

of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Criteria for evaluation of the Committees of the Board include mandate and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, agenda, discussion and dissent; recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and management.

### PUBLIC DEPOSITS:

The Company has not accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force) and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of Balance Sheet.

### SUBSIDIARIES:

The Company has no Subsidiary as on 31st March 2018.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis forms an integral part of this report and gives details of the overall industry structure, economic developments, performance and state of affairs of your company, risk management systems and other material developments during the Financial Year 2017-18.

### CORPORATE GOVERNANCE:

Your Company continues to be committed to good Corporate Governance aligned with good practices. A separate report on Corporate Governance along with Auditors' Certificate on compliance with the Corporate Governance as stipulated in Regulation 34 of the Listing Regulations forms an integral part of this Annual Report.

### HUMAN RESOURCE MANAGEMENT:

Our Employees are most valuable assets of the Company. We encourage innovation, meritocracy and the pursuit of excellence. We have setup a scalable recruitment and

human resources management process, which enables us to attract and retain employees. Cordial employee relations were maintained throughout the year in the Company. The directors express their appreciation for the contribution made by employees to operations of the Company during the year.

### CORPORATE SOCIAL RESPONSIBILITY:

Your Company has constituted an independent Corporate Social Responsibility Committee pursuant to section 135 of the Companies Act, 2013.

### COMPANY'S PHILOSOPHY:

The Company's CSR philosophy is based on the belief that a successful business can develop only by creating a prosperous society around. Reaching out to deprived communities is part of the Company's vision and its CSR initiatives aim at supplementing government endeavours to help the citizens in the vicinity to achieve better living standards and good quality of life. The Company has been engaging with civil society, public at large through dissemination of its CSR initiatives.

The Company would also undertake other need based initiatives in compliance with Schedule VII of the Act.

### CORPORATE SOCIAL RESPONSIBILITY POLICY:

The Company has adopted a Corporate Social Responsibility Policy as required under section 135 of the Companies Act, 2013 for the activities covered under Schedule VII of the Act. The CSR Policy may be accessed on the Company's website at the link: <http://www.ruchirapapers.com/investors.html>.

The Annual Report on CSR activities is annexed herewith marked as Annexure I.

### RISK MANAGEMENT:

Risk management comprises all the organizational rules and actions for early identification of risks in the course of doing business and the management of such risks.

This robust Risk Management framework seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

The Heads of various departments are responsible with respect to the process of identifying key risks associated with the business. There are no risks which in the opinion of the Board threaten the existence of your Company.

The Company has adopted a Risk Management Policy pursuant to Section 134 of the Act.

### INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

### EMPLOYEE STOCK OPTION SCHEME:

At present, the Company is not having any Employee Stock Option Scheme.

### INSURANCE:

The assets of Company are adequately insured against loss of fire, riot, earthquake, flood etc. and other risks which are considered necessary by the Management.

### AUDITOR'S AND AUDITOR'S REPORT:

M/s Subhash Sajal & Associates, Chartered Accountant were firstly appointed as Statutory Auditors of the company by members at their 33rd annual general meeting held on 11th September 2013 to hold office till the conclusion of 34th Annual General Meeting in accordance with erstwhile provisions of Companies Act, 1956.

With the notification of Companies Act, 2013, as per section 139(1), the auditor shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting. Accordingly the members of the company at their 34th annual general meeting held on 25th September 2014 re-appointed M/S Subhash Sajal & Associates, Chartered Accountant as Statutory Auditors of the company to hold office till 38th annual general meeting for their first term.(includes one year under the erstwhile provisions of Companies Act,1956).

As per section 139(2) an audit firms can act as Statutory Auditors for two terms of five consecutive years. Since M/S Subhash Sajal & Associates are completing their first term in the ensuing AGM, the Board of Director on the recommendation of Audit Committee recommended their re-appointment as Statutory Auditors of the Company for the second term of five consecutive years, to hold office from the conclusion of 38th annual general meeting till the conclusion of 43rd annual general meeting.



M/s. Subhash Sajal & Associates, Chartered Accountants, have consented to the said re-appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be re-appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

### AUDITOR'S REPORT:

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. The Auditor's Report for the financial year ended 31st March 2018 does not contain any qualification, reservation or adverse remark.

### COST-AUDITOR'S:

The Board of Directors of your Company, on the recommendations made by the Audit Committee at its meeting held on 18th May 2018 has approved the re-appointment of M/s Sanjay Kumar Garg & Associates, Cost Accountants as Cost Auditors of the Company for the financial year 2018-19. The remuneration proposed to be paid to the Cost Auditor, subject to your ratification at the ensuing Annual General Meeting is ₹70,000 (Seventy Thousand Only) excluding taxes and out of pocket expenses, if any. The appointment of the Cost Auditor has been intimated to the Central Govt.

The Cost Audit Report for the Financial Year 2016-17 was filed by the Cost Auditors with the Ministry of Corporate Affairs, Govt. of India. Whereas Cost Audit Report for the Financial Year 2017-18 will be submitted by Cost-Auditors with Ministry of Corporate Affairs in due course.

### SECRETARIAL AUDITOR:

The Board has appointed M/s. R.K. Bhalla & Associates, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31st, 2018 is annexed herewith marked as Annexure II to this report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### INVESTOR EDUCATION AND PROTECTION FUND:

During the year, the Company was not required to transfer any amount to the Investor Education and Protection Fund.

Pursuant to provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying as on 21.09.2017 (date of last Annual General Meeting) on website of the Company, as also with Ministry of Corporate Affairs.

### DISCLOSURES:

#### CSR Committee

The CSR Committee comprises Mr. Surinder Gupta (Chairman), Mr. Umesh Chander Garg, Mr. Subhash Chander Garg, Mr. Jatinder Singh and Mr. Vipin Gupta as members.

#### Audit Committee

The Audit Committee comprises Mr. Dalbir Singh (Chairman), Mr. Surinder Gupta, Mr. Avtar Singh and Mr. Jatinder Singh as other members. All the recommendations made by the Audit Committee were accepted by the Board.

#### Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises Mr. Dalbir Singh (Chairman), Mr. Surinder Gupta and Mr. Avtar Singh as other members.

The Company's Policy relating to appointment of Directors, payment of Managerial Remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished as Annexure III and forms part of this Report.

#### Whistle Blower Policy/Vigil Mechanism

The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the code of conduct. The reportable matters may be disclosed to the Vigilance and Ethics Officer, who operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on Company's website at the link <http://www.ruchirapapers.com/investors.html>

### Meetings of the Board

Five meetings of the Board of Directors were held during the year. For further details, please refer to report on Corporate Governance of this Annual Report.

Further a separate meeting of the Independent Directors of the Company was also held on 13th March 2018, whereat the prescribed items enumerated under Schedule IV to the Companies Act, 2013 and regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were discussed.

### Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

A statement giving details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is set out herewith as Annexure IV to this Report.

### Extract of Annual Return

The details forming part of the extract of the Annual Return as on 31st March 2018 in form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, are set out herewith as Annexure V to this Report.

### Secretarial Standards of ICSI

The Company is in compliance with the Secretarial Standards i.e SS-1, SS-2 issued by the Institute of Company Secretaries of India and approved by the Central Government.

### RELATED PARTY TRANSACTIONS:

All Related Party Transactions that were entered into during the year were on an arm's length basis and were in compliance with applicable provisions of the Act and the Listing Regulations. During the year under review, the Board of Directors at their meeting held on 12.02.2018, pursuant to recommendation of Audit Committee, accorded its approval for increase in maximum aggregate value of material related party transactions and to enter fresh agreement with related parties. The same was further approved by Shareholders' of the company through Postal Ballot on dated 22.03.2018. The approval was granted with the condition that transaction(s) shall be done at arm's length basis.

A statement of all Related Party Transactions is placed before the Audit Committee for its review on quarterly basis, specifying the nature, value and terms and

conditions of the transactions. The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2 in Annexure VI and were at arm's length price.

The details of the related party transactions as per IND AS 24 are set out in Note- 28 to the Financial Statements forming part of this report.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the Link: <http://www.ruchirapapers.com/investors.html>.

### DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULAR OF EMPLOYEES:

Number of Employees as on March 31, 2018 was 1014.

The remuneration paid to the Directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations (Including any statutory modification(s) or re-enactment(s) for the time being in force).

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, in respect of the Directors/employees of the Company is set out in Annexure-VII to this report.

### GENERAL:

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

- Details relating particulars of Loans given, Investment made, Guarantee given and Securities provided.
- No significant or material orders were passed by the Regulators or Courts of Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## DIRECTORS' RESPONSIBILITY STATEMENT:

The Statement of the Directors' Responsibility on Annual Accounts of the Company referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 shall state

- that in preparation of annual accounts, the applicable accounting standards and Schedule III of the Companies Act, 2013 had been followed along with proper explanation relating to material departures (if any);
- that directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of profits and loss of the Company for that period;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding assets of the Company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared Annual Accounts on a going concern basis;

- that the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### APPRECIATION:

Your Directors wish to express their grateful appreciation for the cooperation and continued support received from Bankers, Financial Institutions, Government agencies, Shareholders, Vendors, Customers and Society at large. Your directors also take on record, their appreciation for contribution and hard work of Executives, Employees and Workers.

For and on behalf of the Board

Date: 31st July 2018  
Place: Kala-Amb

**Jatinder Singh**  
(Chairman & W.T.D)

## Annexure-I to Directors' Report

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2017-18

### 1. Brief outline of Company's CSR Policy:

As a responsible business, Ruchira Papers takes pride in being socially inclined and focuses on sustained and effective Corporate Social Responsibility Projects. Today we define Corporate Social Responsibility as the way a Company balances its economic, social and environmental objectives while addressing stakeholder expectations and enhancing shareholders value. Our employees are also encouraged to volunteer their time and skills and enjoy the experience of giving back to the communities in which they work.

The Company has identified the projects in a participatory manner, in consultation with the interested communities and in consonance with Schedule VII of the Companies Act, 2013. Arising from this, the focus areas that have emerged are the Rural and Infrastructure Development, Providing quality education, Health care, Sustainable livelihood and Environment Sustainability. All of our projects of CSR to be carried by the Ruchira Papers Limited or through the Trust/Society in accordance with the Act and Rules.

Web Link: <http://www.ruchirapapers.com/investors.html>

### 2. Composition of CSR Committee:

Name of the Member	Designation
Surinder Gupta	Chairman
Subhash Chander Garg	Member
Umesh Chander Garg	Member
Jatinder Singh	Member
Vipin Gupta	Member

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

The average net profit as per Section 198 for the purpose of CSR of three financial years preceding the reporting financial year i.e 2016-17, 2015-16, 2014-15 is ₹3265.53 Lakh.

### 4. Prescribed CSR Expenditure (being Two percent of the amount as in item 3 above)

The Company is required to spend ₹65.31 Lakh.

### 5. Details of CSR spend for the Financial Year:

- Total amount spent for the financial year: ₹45.78 Lakh
- Amount unspent if any: ₹19.53 Lakh

c) Manner in which the amount spent during the financial year is detailed below:

S. No	Projects/Activities	Sector in which the project is covered	Locations	Amount outlay (Budget) project or programme wise (₹)	Amount spent on the project or programme (Direct expenditure) (₹)	Cumulative expenditure upto reporting period (₹)	Amount Spent: Direct or through implementing agency (*)
01.	Activities relating to promotion of education viz construction/repairing/maintenance of School infrastructure, Distribution of Sweaters, Shoes, Notebooks, Pen pencils etc. Education related to traffic rules on roads.	Promotion of Education	Himachal Pradesh and Haryana	15,00,000	10,36,635	10,36,635	Through Implementing Agency
02	Construction of culverts, RCC Roads, Pivor Blocks and Electricity charges for LED lights installed on Rural Roads.	Rural Development Projects	Himachal Pradesh and Haryana	20,00,000	16,34,740	16,34,740	Direct & Through Implementing Agency
03	Installation of Dustbins at various places at villages etc.	Environment sustainability and Sanitation	Himachal Pradesh	5,00,000	4,53,798	4,53,798	Through Implementing Agency
04	Medical Camp and other facilities for Promoting Health Care.	Promoting health Care	Haryana	14,00,000	14,00,000	14,00,000	Direct & Through Implementing Agency
05	Installation of Water Cooler at Village Rampur Jattan, Kala Amb	Making available safe drinking water	Himachal Pradesh	1,00,000	52,755	52,755	Through Implementing Agency
		<b>Total</b>			<b>45,77,928</b>	<b>45,77,928</b>	

(\*) Implementing agency- Ruchira Charitable Trust

## 6. Reasons for failure to spend the required amount:

The Company is committed to focus on inclusive growth and improve lives by contributing towards communities around which it operates. The dedicated commitment towards inclusive growth is manifested through the Company's CSR initiatives undertaken around the manufacturing facilities during the financial year 2017-18. During the year, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013. The CSR activities are scalable with few new initiatives that may be considered in future and moving forward the Company will endeavour to spend the complete amount on CSR activities in accordance with the statutory requirements. For this reason, during the year, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013.

## 7. Responsibility Statement:

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

**Umesh Chander Garga**

Managing Director

**Surinder Gupta**

Chairman-CSR Committee

## Annexure-II to Directors' Report

### Secretarial Audit Report

For the financial year ended on 31st March, 2018

(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)

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2018**, 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 **Ruchira Papers Limited** for the financial year ended on **31st March, 2018** according to the provisions of:

- The Companies Act, 2013 (the Act) and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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;
- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the year)
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the year)
- 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;
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) OTHER APPLICABLE ACTS,

- Factories Act, 1948 and Rules made there under
- Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and Rules made there under,
- Employees' State Insurance Act, 1948, and rules made thereunder,
- Payment of Wages Act, 1936, and rules made there under,
- Air (Prevention & Control of Pollution ) Act, 1981
- Water (Prevention & Control of Pollution ) Act, 1974
- Minimum Wages Act, 1948
- Payment of Bonus Act, 1965
- Industrial Employment (Standing Orders) Act, 1946

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

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



Exchange read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above

I further report that:

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

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

All decisions of the board and committee meetings were taken with the requisite majority and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure

compliance with applicable laws, rules, regulations and guidelines.

Further, I report that during the audit period the Company has issued and allotted 18,30,000 Share Warrants convertible into equity shares to the promoters/ promoters group on preferential basis at a price of ₹140.50/- per warrant during the year. These warrants are convertible into equivalent number of Equity Shares with in a period of 18 months from the date of allotment i.e 31st May, 2017 as per terms and conditions approved by Shareholders of the Company.

For **R.K.Bhalla & Associates**  
*Company Secretaries*

Place: Yamuna Nagar  
Date: 1st May 2018

**Rajinder Kumar Bhalla**  
*(Proprietor)*

**ACS No: 10525**  
**CP No: 7360**

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

## ANNEXURE A'

To,  
The Members,  
Ruchira Papers Limited  
Tirlokpur Road, Kala Amb  
Himachal Pradesh-173030

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 **R.K.Bhalla & Associates**  
*Company Secretaries*

Place: Yamuna Nagar  
Date: 1st May 2018

**Rajinder Kumar Bhalla**  
*(Proprietor)*  
ACS No: 10525  
CP No: 7360

## Annexure-III to Directors' Report

### Nomination and Remuneration Policy of Ruchira Papers Limited

#### Introduction

In terms of the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 (earlier old listing agreement) the Company has formulated "Nomination and Remuneration Policy." This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company. This policy shall supersede the earlier "Nomination and Remuneration Policy" as approved by the Board of Directors on 28th May 2014.

#### I. Definitions

1. "Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
2. "Board" means Board of Directors of the Company.
3. "Company" means Ruchira Papers Limited.
4. "Directors" mean Directors of the Company.
5. "Committee" means Nomination and Remuneration committee of the Company as constituted or re-constituted by the Board, from time to time.
6. "Key Managerial Personnel" means
  - i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole Time Director;
  - ii. Chief Financial Officer;
  - iii. Company Secretary; and
  - iv. Such other officer as may be prescribed.
7. "Senior Management" means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
8. "Independent Director" is as provided under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

#### II. Objectives

The Key Objectives are:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
3. Formulation of criteria for evaluation of Independent Director and the Board.
4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
5. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
6. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
8. To develop a succession plan for the Board and to regularly review the plan.
9. To assist the Board in fulfilling responsibilities.
10. To implement and monitor policies and processes regarding principles of corporate governance.

#### III. Constitution of Nomination and Remuneration Committee

The Board of Directors of the Company constituted the committee known as the "Nomination and Remuneration Committee" consisting of three non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an Independent Director.

#### IV. Policy for appointment and removal of Director, KMP and senior Management

##### 1. Appointment Criteria and Qualification

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board of his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- d) A whole-time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However they can be appointed as Director in any Company with the permission of the Board of Directors of the Company.

##### 2. Term/Tenure

###### a) Managing Director/ Whole Time Director

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

###### b) Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the

Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Every Independent Director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change, give a declaration that he meets the criteria of independence.

###### c) Evaluation

The Committee shall carry out evaluation of performance of every Director including Independent Director, KMP and Senior Management Personnel at regular interval (yearly). Based on the evaluation performance report of the board, it shall be determined whether to extend or continue the term of appointment of the independent Directors

###### d) Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**e) Retirement**

The Directors, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**V. Policy for Remuneration to Directors/ KMP/ Senior Management Personnel**

**1. Remuneration to Managing Director/ Whole Time/ Executive / KMP and Senior Management Personnel**

The Remuneration/ Compensation/ Commission etc. to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

**2. Remuneration to Non –Executive/ Independent Director**

The Non-Executive Independent Director may receive remuneration/ compensation/ commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

**VI. Policy Review**

This policy is framed based on the provisions of the Companies Act, 2013 read with rules made there under and the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Earlier Clause 49 of the Listing Agreement).

This policy shall be reviewed by Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes in the policy shall be approved by the Board of Directors.

**Annexure-IV to Directors’ Report**

**Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.**

**A) CONSERVATION OF ENERGY**

i) Energy conservation is continued to be an important thrust area for the Company and is continuously monitored. The steps taken or impact of conservation of energy were:

1. 1.6 MW Steam Turbine in Recovery Plant is replaced with 2.5 MW having better heat rate and better ratio of electric power generation as turbine input steam reduced from 12.5Ton/MW to 11.5Ton/MW.
2. VFD is provided at Paper Machine HD tower pump and vacuum seal pit pump for automatic control of water level indicator during production of different GSM paper. This automation will control RPM and ensure running of motor and pump as per process requirement, resulted less consumption of energy.
3. In Pulp Mill, new aqua separator installed in place of screw press, which resulted into reduction of consumption of energy from 75 KW to 22 KW with increased raw material dryness by 1% at feed conveyor.
4. Paper machine backwater system modified and energy efficient pump installed with reduced head to maintain same flow with usage of less pumping power from 45KW, 2960rpm to 37KW, 1470 rpm, resulted less consumption of energy.
5. Two no. Air Handling Unit (AHU) installed in pulp mill to replace five Air Conditioners of 2 tons each.
6. In Plant all the Conventional/CFL Lighting replaced with Energy Efficient LED Lights.

ii) The steps taken by the Company for utilizing alternate source of energy:

The Company is generating steam from Chemical Recovery Boiler, wherein Black Liquor Solids are fired to generate the steam and the same is confirmed as Renewable Biomass Source by Ministry of New & Renewable Energy, Govt. of India.

Total Energy Consumption per unit of production of paper for the year 2017-18 is given in table below.

Power and Fuel Consumption:

Particulars	2017-18	2016-17
1. Electricity		
a) Purchased		
Units (KVAH)	32573610	27943332
Total Amount (₹)	191516933	166744650
Rate per Unit (₹)	5.88	5.97
b) Own Generation		
i) Through Diesel generator		
Total Units generated	Nil	Nil
Units per litre of diesel	Nil	Nil
Cost per unit generated (₹)	Nil	Nil
ii) Through Steam Turbine		
Units	51546100	55585523
Units per Ltr. Of fuel oil/ gas	Nil	Nil
Cost / units	Nil	Nil
2. Coal (specify quality and where used)		
Quantity (ton)- Used in Boiler	41045.668	47057.992
Total Cost (₹ Lakhs)	3594.07	3578.12
Average Rate (PMT)	8756	7604



Particulars	2017-18	2016-17
3. Used in Boiler		
Furnace Oil :-		
Quantity (K.ltrs)	297.643	245.500
Total amount(₹Lakhs)	85.25	64.08
Average Rate (₹/K.ltrs)	28643.85	26103.45
4. Others: Used in Boiler		
a) Rice Husk (M.T.)	42527.255	41199.500
Cost (₹Lakhs)	1598.73	1322.25
b) Boiler Fuel-Misc(M.T)	22071.635	22456.338
Cost (in Lakhs)	378.58	394.46
c) Lime Stone (M.T)	386.143	653.000
Cost (In Lakhs)	3.64	5.55
Total Fuel Cost (in Lakhs)(2+3+4)	5660.27	5364.46

#### Consumption per Unit of Production

Particulars	2017-18	2016-17
a. Liner Kraft Paper		
Production (M.T.)	67999	66426
Electricity (in Units) per Ton of production	400	392
Furnace oil	Nil	Nil
Coal (specify)	Nil	Nil
Others (specify)	Nil	Nil
b. Writing & Printing Paper		
Production (M.T.)	47425	50351
Electricity (in Units) per Ton of production	1200	1141
Furnace oil	Nil	Nil
Coal (specify)	Nil	Nil
Others (specify)	Nil	Nil

## B) TECHNOLOGY ABSORPTION

#### Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company.	None
2. Benefits derived as a result of the above R&D.	None
3. Future plan of action.	None
4. Expenditure on R&D	
a) Capital	Nil
b) Recurring	Nil
c) Total	Nil
d) Total R&D expenditure as a percentage of total turnover.	Nil

#### Technology absorption ,adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation.	Nil
2. Benefits derived as a result of the above efforts, e.g. product improvement , cost reduction, product development, import substitution, etc.	Nil
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	Nil
(a) Technology imported.	Nil
(b) Year of import.	Nil
(c) Has technology been fully absorbed?	Nil
(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	Nil

## C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans.

Total Foreign Exchange used and earned:

Particulars	2017-18	2016-17
Foreign Exchange earned	513.50	395.88
Foreign Exchange Used	1630.70	1528.46

(₹ in Lakhs)

## Annexure-V to Directors' Report

### Form MGT-9

#### Extract of Annual Return

As on the financial year ended on 31st March 2018

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

## I. REGISTRATION & OTHER DETAILS:

CIN	L21012HP1980PLC004336
Registration Date	08th DECEMBER 1980
Name of the Company	RUCHIRA PAPERS LIMITED
Category/Sub-category of the Company	PUBLIC LIMITED COMPANY/LIMITED BY SHARES
Address of the Registered office & contact details	TIRLOKPUR ROAD, KALA AMB, HP-173030 PH: +91-8053800897, E-MAIL- CS@RUCHIRAPAPERS.COM WEBSITE: WWW.RUCHIRAPAPERS.COM
Whether listed Company	YES
Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PVT. LTD, 44, COMMUNITY CENTRE, 2ND FLOOR, NARAINA INDUSTRIAL AREA, PHASE-I, NEAR PVR NARAINA, NEW DELHI-110028 PH: 011-41410592, E-MAIL- BHARATB@LINKINTIME.CO.IN

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Paper & Paper Products	170	99.60%

### III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	N.A	N.A	N.A	N.A	N.A

### IV. SHAREHOLDING PATTERN: (Equity Share Capital Breakup as % to total Equity)

#### i) Category Wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	13708278	0	13708278	61.14	13708278	0	13708278	61.14	0.00
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL:(A) (1)	13708278	0	13708278	61.14	13708278	0	13708278	61.14	0.00
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other...	0	0	0	0.00	0	0	0	0.00	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)	13708278	0	13708278	61.14	13708278	0	13708278	61.14	0.00
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	22000	0	22000	0.10	0.10
b) Foreign Portfolio Investor	253703	0	253703	1.13	155050	0	155050	0.69	(0.44)
c) Banks/FI	23813	0	23813	0.11	15464	0	15464	0.07	(0.04)
d) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
f) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
g) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
h) FIIS	0	0	0	0.00	0	0	0	0.00	0.00
i) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
j) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	277516	0	277516	1.24	192514	0	192514	0.86	(0.38)
(2) Non Institutions									
a) Bodies corporate									
i) Indian	685961	0	685961	3.06	772495	0	772495	3.45	0.39
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto ₹1 Lakh	4319598	162	4319760	19.27	4560172	162	4560334	20.34	1.07
ii) Individuals shareholders holding nominal share capital in excess of ₹1 Lakh	2588897	0	2588897	11.55	2335506	0	2335506	10.42	(1.13)
c) Others (specify)									
Clearing Member	126932	0	126932	0.56	97103	0	97103	0.43	(0.13)
Directors/Relatives	18742	0	18742	0.08	20742	0	20742	0.09	0.01
Independent Directors	500	0	500	0.00	500	0	500	0.00	0.00
Non Resident Indians	417787	0	417787	1.86	428557	0	428557	1.91	0.05
Hindu Undivided Family	277381	0	277381	1.24	305775	0	305775	1.36	0.12
Trusts	50	0	50	0.00	0	0	0	0	0.00
SUB TOTAL (B)(2):	8435848	162	8436010	37.62	8520850	162	8521012	38.00	0.38
Total Public Shareholding (B)= (B) (1)+(B)(2)	8713364	162	8713526	38.86	8713364	162	8713526	38.86	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	22421642	162	22421804	100.00	22421642	162	22421804	100.00	

#### ii) Shareholding of Promoters & Promoters group

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Jatinder Singh	2359090	10.52	0	2359090	10.52	0	0.00
2	Umesh Chander Garg	1268855	5.66	0	1268855	5.66	0	0.00
3	Charanjeet Kaur	1167934	5.21	0	1167934	5.21	0	0.00
4	Subhash Chander Garg	848170	3.78	0	848170	3.78	0	0.00
5	Shashi Garg	833409	3.72	0	833409	3.72	0	0.00
6	Praveen Garg	614505	2.74	0	614505	2.74	0	0.00
7	Radhika Garg	646841	2.88	0	646841	2.88	0	0.00
8	Vaishali Jhaveri	609520	2.72	0	609520	2.72	0	0.00
9	Deepan Garg	657959	2.94	0	657959	2.94	0	0.00
10	Ruchica G Kumar	604504	2.70	0	604504	2.70	0	0.00
11	Shaloo Gupta	604501	2.70	0	604501	2.70	0	0.00
12	Atul Garg	495113	2.21	0	495113	2.21	0	0.00
13	Daljeet Singh Mandhan	259793	1.16	0	259793	1.16	0	0.00
14	Jagdeep Singh	236835	1.06	0	236835	1.06	0	0.00
15	Lucky Garg	421901	1.88	0	421901	1.88	0	0.00
16	Shelly Garg	30000	0.13	0	30000	0.13	0	0.00
17	Umesh Chander Garg(Huf)	848569	3.78	0	848569	3.78	0	0.00
18	Subhash Chander Garg(Huf)	638625	2.85	0	638625	2.85	0	0.00
19	Jatinder Singh(Huf)	545654	2.43	0	545654	2.43	0	0.00
20	Ankita Garg	16500	0.07	0	16500	0.07	0	0.00
	Total	13708278	61.14	0	13708278	61.14	0	0.00

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

Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
At the beginning of the year	13708278	61.14	13708278	61.14
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change during the year			
At the end of the year			13708278	61.14

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
1	DOLLY KHANNA	394649	1.7601			394649	1.7601
	Buy			02 Jun 2017	3000	397649	1.7735
	Buy			23 Jun 2017	2000	399649	1.7824
	Buy			07 Jul 2017	3115	402764	1.7963
	Buy			28 Jul 2017	1910	404674	1.8048
	Transfer			04 Aug 2017	(2750)	401924	1.7926
	Buy			11 Aug 2017	3215	405139	1.8069
	Transfer			22 Sep 2017	(9883)	395256	1.7628
	Transfer			29 Sep 2017	(14135)	381121	1.6998
	Transfer			06 Oct 2017	(14855)	366266	1.6335
	Transfer			13 Oct 2017	(3045)	363221	1.6199
	Transfer			20 Oct 2017	(3300)	359921	1.6052
	Transfer			27 Oct 2017	(2305)	357616	1.5949
	Buy			10 Nov 2017	800	358416	1.5985
	Buy			01 Dec 2017	2200	360616	1.6083
	Buy			15 Dec 2017	11512	372128	1.6597
	Buy			22 Dec 2017	3000	375128	1.6731
	Transfer			16 Mar 2018	(2000)	373128	1.6641
	AT THE END OF THE YEAR					373128	1.6641
2	R PATTABIRAMAN	186640	0.8324			186640	0.8324
	Buy			07 Apr 2017	4931	191571	0.8544
	Buy			26 May 2017	8660	200231	0.8930
	Transfer			07 Jul 2017	(45330)	154901	0.6908
	Transfer			14 Jul 2017	(13089)	141812	0.6325
	Transfer			21 Jul 2017	(43211)	98601	0.4398
	Transfer			28 Jul 2017	(42357)	56244	0.2508
	Transfer			04 Aug 2017	(19744)	36500	0.1628
	Buy			11 Aug 2017	29465	65965	0.2942
	Buy			18 Aug 2017	36500	102465	0.4570
	Buy			01 Sep 2017	25944	128409	0.5727
	Buy			08 Sep 2017	31591	160000	0.7136
	Buy			29 Sep 2017	6000	166000	0.7404
	Buy			20 Oct 2017	13801	179801	0.8019
	AT THE END OF THE YEAR					179801	0.8019
3	RAVINDER SINGH	134167	0.5984			134167	0.5984
	Transfer			29 Sep 2017	(7)	134160	0.5983
	AT THE END OF THE YEAR					134160	0.5983
4	INDIA MAX INVESTMENT FUND LIMITED	170716	0.7614			170716	0.7614

Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	Transfer			07 Apr 2017	(14000)	156716	0.6989
	Transfer			15 Dec 2017	(26716)	130000	0.5798
	AT THE END OF THE YEAR					130000	0.5798
5	ANGEL BROKING PRIVATE LIMITED	27784	0.1239			27784	0.1239
	Buy			07 Apr 2017	8994	36778	0.1640
	Transfer			14 Apr 2017	(13562)	23216	0.1035
	Buy			21 Apr 2017	14	23230	0.1036
	Buy			28 Apr 2017	2296	25526	0.1138
	Buy			05 May 2017	402	25928	0.1156
	Transfer			12 May 2017	(4760)	21168	0.0944
	Buy			19 May 2017	445	21613	0.0964
	Buy			26 May 2017	3845	25458	0.1135
	Buy			02 Jun 2017	5752	31210	0.1392
	Transfer			09 Jun 2017	(3572)	27638	0.1233
	Buy			16 Jun 2017	3249	30887	0.1378
	Transfer			23 Jun 2017	(1853)	29034	0.1295
	Transfer			30 Jun 2017	(1280)	27754	0.1238
	Transfer			07 Jul 2017	(2012)	25742	0.1148
	Buy			14 Jul 2017	1372	27114	0.1209
	Buy			21 Jul 2017	201	27315	0.1218
	Transfer			28 Jul 2017	(2999)	24316	0.1084
	Buy			04 Aug 2017	13897	38213	0.1704
	Transfer			11 Aug 2017	(9734)	28479	0.1270
	Buy			18 Aug 2017	1991	30470	0.1359
	Transfer			25 Aug 2017	(937)	29533	0.1317
	Buy			01 Sep 2017	3018	32551	0.1452
	Buy			08 Sep 2017	8890	41441	0.1848
	Transfer			15 Sep 2017	(11424)	30017	0.1339
	Transfer			22 Sep 2017	(5259)	24758	0.1104
	Transfer			29 Sep 2017	(1275)	23483	0.1047
	Buy			06 Oct 2017	5505	28988	0.1293
	Transfer			13 Oct 2017	(1144)	27844	0.1242
	Transfer			20 Oct 2017	(38)	27806	0.1240
	Buy			27 Oct 2017	1673	29479	0.1315
	Buy			03 Nov 2017	3082	32561	0.1452
	Buy			10 Nov 2017	16807	49368	0.2202
	Transfer			17 Nov 2017	(3886)	45482	0.2028
	Buy			24 Nov 2017	11614	57096	0.2546
	Transfer			01 Dec 2017	(5212)	51884	0.2314
	Buy			08 Dec 2017	75	51959	0.2317
	Buy			15 Dec 2017	29468	81427	0.3632
	Buy			22 Dec 2017	7743	89170	0.3977
	Buy			29 Dec 2017	10677	99847	0.4453
	Transfer			30 Dec 2017	(5)	99842	0.4453
	Buy			05 Jan 2018	5242	105084	0.4687
	Buy			12 Jan 2018	35438	140522	0.6267
	Buy			19 Jan 2018	40192	180714	0.8060
	Transfer			26 Jan 2018	(1909)	178805	0.7975
	Buy			02 Feb 2018	11265	190070	0.8477
	Transfer			09 Feb 2018	(12548)	177522	0.7917
	Transfer			16 Feb 2018	(7790)	169732	0.7570
	Transfer			23 Feb 2018	(1073)	168659	0.7522
	Transfer			02 Mar 2018	(10176)	158483	0.7068



Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of Shares Held	% of Total Shares of the Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of the Company
	Transfer			09 Mar 2018	4524	153959	0.6866
	Transfer			16 Mar 2018	7738	146221	0.6521
	Transfer			23 Mar 2018	6911	139310	0.6213
	Transfer			31 Mar 2018	12261	127049	0.5666
	AT THE END OF THE YEAR					127049	0.5666
6	DEVIKA ANAND	97599	0.4353			97599	0.4353
	AT THE END OF THE YEAR					97599	0.4353
7	DHARMENDAR KUMAR	90200	0.4023			90200	0.4023
	Buy			07 Apr 2017	500	90700	0.4045
	AT THE END OF THE YEAR					90700	0.4045
8	ALPESH ANANTRAI DOSHI	70000	0.3122			70000	0.3122
	AT THE END OF THE YEAR					70000	0.3122
9	P P ZIBI JOSE	0	0.0000			0	0.0000
	Buy			15 Sep 2017	5477	5477	0.0244
	Buy			22 Sep 2017	7490	12967	0.0578
	Buy			03 Nov 2017	619	13586	0.0606
	Buy			10 Nov 2017	534	14120	0.0630
	Buy			17 Nov 2017	7211	21331	0.0951
	Buy			19 Jan 2018	37113	58444	0.2607
	Buy			16 Feb 2018	5000	63444	0.2830
	AT THE END OF THE YEAR					63444	0.2830
10	JANAK MATHURADAS	61386	0.2738			61386	0.2738
	AT THE END OF THE YEAR					61386	0.2738
11	BIPUL BARMAN	86097	0.3840			86097	0.3840
	Transfer			21 Jul 2017	2000	84097	0.3751
	Transfer			17 Nov 2017	63	84034	0.3748
	Transfer			15 Dec 2017	84034	0	0.0000
	Buy			23 Mar 2018	33572	33572	0.1497
	AT THE END OF THE YEAR					33572	0.1497
12	K NARESH KUMAR	87000	0.3880			87000	0.3880
	Transfer			07 Apr 2017	10000	77000	0.3434
	Transfer			13 Oct 2017	25500	51500	0.2297
	Transfer			20 Oct 2017	13000	38500	0.1717
	Transfer			27 Oct 2017	21500	17000	0.0758
	Transfer			10 Nov 2017	17000	0	0.0000
	AT THE END OF THE YEAR					0	0.0000
13	MALLIKA RAVI	82000	0.3657			82000	0.3657
	Transfer			03 Nov 2017	23408	58592	0.2613
	Transfer			10 Nov 2017	48592	10000	0.0446
	Transfer			01 Dec 2017	10000	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

Note: 1. Paid up Share Capital of the Company (Face Value ₹10.00) at the end of the year is 22421804 Shares.  
2. The details of holding has been clubbed based on PAN.  
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

#### v) Shareholding of Directors & Key Managerial Personnel

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	Jatinder Singh, Chairman & Whole Time Director				
	At the beginning of the year- 01.04.2017	2359090	10.52	2359090	10.52
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	0	0		
	At the end of the year-31.03.2018			2359090	10.52
2	Subhash Chander Garg, Co- Chairman & Whole Time Director				
	At the beginning of the year- 01.04.2017	848170	3.78	848170	3.78
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	0	0		
	At the end of the year-31.03.2018			848170	3.78
3	Umesh Chander Garg, Managing Director				
	At the beginning of the year- 01.04.2017	1268855	5.66	1268855	5.66
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	0	0		
	At the end of the year-31.03.2018			1268855	5.66
4	Vipin Gupta- CFO & Executive Director				
	At the beginning of the year- 01.04.2017	18742	0.08	18742	0.08
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	0	0	2000	0.01
	At the end of the year-31.03.2018			20742	0.09
5	Dalbir Singh, Independent Director				
	At the beginning of the year- 01.04.2017	100	0.00	100	0.00
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	0	0.00		
	At the end of the year-31.03.2018			100	0.00
6	Surinder Gupta, Independent Director				
	At the beginning of the year- 01.04.2017	100	0.00	100	0.00
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	0	0.00		
	At the end of the year-31.03.2018			100	0.00
7	S.K.Dewan, Independent Director				
	At the beginning of the year- 01.04.2017	100	0.00	100	0.00
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	0	0.00		
	At the end of the year-31.03.2018			100	0.00

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
8	Avtar Singh, Independent Director				
	At the beginning of the year- 01.04.2017	100	0.00	100	0.00
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	0	0.00		
	At the end of the year-31.03.2018			100	0.00
9	Mrs.Suhasini Yadav, Independent Director				
	At the beginning of the year- 01.04.2017	100	0.00	100	0.00
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	0	0		
	At the end of the year-31.03.2018			100	0.00
10	Vishav Sethi, Company Secretary				
	At the beginning of the year- 01.04.2017	0	0.00	0	0.00
	Date wise increase/decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc)	0	0.00		
	At the end of the year-31.03.2018			0	0.00

## V. INDEBTNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	659562749	43030000	0	702592749
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	659562749	43030000	0	702592749
Change in Indebtedness during the financial year				
Additions	255544760	25750000	0	281294760
Reduction	(101833139)	0	0	(101833139)
Net Change	153711621	25750000	0	179461621
Indebtedness at the end of the financial year				
i) Principal Amount	813274370	68780000	0	882054370
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	813274370	68780000	0	882054370

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount
		Subhash Chander Garg	Jatinder Singh	Umesh Chander Garg	Vipin Gupta	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	176.00	176.00	176.00	36.20	564.20
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	35.20	35.20	35.20	5.43	111.03
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00	0.00	0.00
2	Stock option	0.00	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00	0.00	0.00
	as % of profit others (specify)	0.00	0.00	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (A)	211.20	211.20	211.20	41.63	675.23
	Ceiling as per the Act	10% of Net profit for all Executive Directors- Managing & Whole Time Directors; 5% of Net profit to any one Managing or Whole Time Director				

### B. Remuneration to other directors:

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Name of the Directors					Total Amount
		Dalbir Singh	Surinder Gupta	S. K. Dewan	Avtar Singh	Mrs. Suhasini Yadav	
1	Independent Directors						
	(a) Fee for attending board committee meetings	1.20	1.20	1.20	1.20	1.20	6.00
	(b) Commission	0	0	0	0	0	0
	(c) Others, please specify	0	0	0	0	0	0
	Total (1)	1.20	1.20	1.20	1.20	1.20	6.00
2	Other Non Executive Directors						0
	(a) Fee for attending board committee meetings	0	0	0	0	0	0
	(b) Commission	0	0	0	0	0	0
	(c) Others, please specify.	0	0	0	0	0	0
	Total (2)	0	0	0	0	0	0
	Total (B)=(1+2)	1.20	1.20	1.20	1.20	1.20	6.00
	Ceiling as per the Act.	1% of Net Profits of the Company for all Non-Executive Directors excluding the Sitting fees					

### C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO & Executive Director	Company Secretary	
		Vipin Gupta	VishavSethi	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	36.20	9.48	45.68
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	5.43	1.42	6.85
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0.00
2	Stock option	0	0	0.00
3	Sweat Equity	0	0	0.00
4	Commission	0	0	0.00
	as % of profit	0	0	0.00
	others (specify)	0	0	0.00
5	Others, please specify	0	0	0.00
	Total (C)	41.63	10.90	52.53

### 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					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

### Annexure-VI to Directors' Report

#### Form AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS LENGTH TRANSACTIONS UNDER THIRD PROVISIO THERETO.

Sl. No.	Particulars														
1	<p>Details of Contracts or arrangements or transactions not at arm's length basis.</p> <p>Name (s) of the related party and nature of ownership</p> <p>Nature of Contracts/ arrangements/ transaction</p> <p>Duration of the Contracts/ arrangements/ transactions</p> <p>Salient terms of the Contracts or arrangements or transactions including the value if any</p> <p>Justification for entering into such contracts or arrangements or transactions</p> <p>Date(s) of approval by the Board</p> <p>Amount paid as advances, if any</p> <p>Date on which the special resolution was passed in the general meeting as required under first proviso to section 188.</p>														
2	<p>Details of material contracts or arrangement or transactions at arm's length basis</p> <table border="1"> <thead> <tr> <th>Name (s) of the related party and nature of ownership</th> <th>M/S Jasmer Pack Limited</th> <th>M/S Jasmer Packers</th> <th>M/S Ruchira Printing &amp; Packaging</th> <th>M/S Ruchira Packaging Products P Ltd</th> <th>M/S Well Pack Industries</th> <th>M/S York Cellulose Private Limited</th> </tr> </thead> <tbody> <tr> <td>Nature of Relationship</td> <td>Enterprises of Relatives of KMP</td> <td>Enterprises of Relatives of KMP</td> <td>Enterprises of Relatives of KMP</td> <td>Enterprises of Relatives of KMP</td> <td>Enterprises of Relatives of KMP</td> <td>Enterprises of Relatives of KMP</td> </tr> </tbody> </table>	Name (s) of the related party and nature of ownership	M/S Jasmer Pack Limited	M/S Jasmer Packers	M/S Ruchira Printing & Packaging	M/S Ruchira Packaging Products P Ltd	M/S Well Pack Industries	M/S York Cellulose Private Limited	Nature of Relationship	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP
Name (s) of the related party and nature of ownership	M/S Jasmer Pack Limited	M/S Jasmer Packers	M/S Ruchira Printing & Packaging	M/S Ruchira Packaging Products P Ltd	M/S Well Pack Industries	M/S York Cellulose Private Limited									
Nature of Relationship	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP	Enterprises of Relatives of KMP									



Sl. No.	Particulars						
	Nature of Contracts/ arrangements/ transaction	Sale of Finished Goods and Purchase of Raw Material	Sale of Finished Goods and Purchase of Raw Material	Sale of Finished Goods and Purchase of Raw Material & Packing Material	Sale of Finished Goods and Purchase of Raw Material & Packing Material	Sale of Finished Goods and Purchase of Raw Material & Packing Material	Sale of Finished Goods and Purchase of Raw Material
	Duration of the Contracts/ arrangements/ transactions	On Going subject to renewal as per contractual terms.	On Going subject to renewal as per contractual terms.	On Going subject to renewal as per contractual terms.	On Going subject to renewal as per contractual terms.	On Going subject to renewal as per contractual terms.	On Going subject to renewal as per contractual terms.
	Silent terms of the Contracts or arrangements or transactions including the value if any	Sale of Finished Goods up to ₹75.00 Crore per Annum. Purchase of Raw Material up to ₹7.50 Crore Per Annum	Sale of Finished Goods up to ₹20.00 Crore per Annum. Purchase of Raw Material up to ₹7.50 Crore Per Annum	Sale of Finished Goods up to ₹7.50. Crore per Annum. Purchase of Raw Material & Packing Material up to ₹5.00 Crore Per Annum	Sale of Finished Goods up to ₹30.00 Crore per Annum. Purchase of Raw Material & Packing Material up to ₹5.00 Crore Per Annum	Sale of Finished Goods up to ₹15.00 Crore per Annum. Purchase of Raw Material & Packing Material up to ₹5.00 Crore Per Annum	Sale of Finished Goods up to ₹1.00 Crore per Annum. Purchase of Raw Material up to ₹1.00 Crore Per Annum
	Date(s) of approval by the Board	04.08.2014, 12.02.2018	04.08.2014, 12.02.2018	04.08.2014, 12.02.2018	04.08.2014, 12.02.2018	04.08.2014, 12.02.2018	12.02.2018
	amount paid as advances, if any	N.A	N.A	N.A	N.A	N.A	N.A
	Date of Shareholders Resolution Passed if any.	25.09.2014 22.03.2018	25.09.2014 22.03.2018	25.09.2014 22.03.2018	25.09.2014 22.03.2018	25.09.2014 22.03.2018	22.03.2018
3	Details of material contracts or arrangement or transactions at arm's length basis						
	Name (s) of the related party and nature of ownership	Jasmer Foods Private Limited	Mrs. Parveen Garg	Mr. Deepan Garg	Mr. Daljeet Singh	Mr. Jagdeep Singh	Mr. Lucky Garg
	Nature of Relationship	Enterprises in Which KMP holding Directorship	Relative holding office or place of profit	Relative holding office or place of profit	Relative holding office or place of profit	Relative holding office or place of profit	Relative holding office or place of profit
	Nature of Contracts/ arrangements/ transaction	Sale of finished goods and Purchase of Raw material/ Fuel	Sr. Vice President- CSR	Vice President- Technical	Vice President- Commercial	Vice President- Operations	Vice President- Marketing
	Duration of the Contracts/ arrangements/ transactions	On Going subject to renewal as per contractual terms.	Remuneration Paid	Remuneration Paid	Remuneration Paid	Remuneration Paid	Remuneration Paid
	salient terms of the Contracts or arrangements or transactions including the value if any	Sale of finished goods up to ₹1.00 Crore per annum and Purchase of Paper/Fuel up to ₹1.00 Crore per annum	Relative holding office or place of profit at a gross monthly remuneration of ₹4,60,000.00	Relative holding office or place of profit at a gross monthly remuneration of ₹4,60,000.00	Relative holding office or place of profit at a gross monthly remuneration of ₹4,60,000.00	Relative holding office or place of profit at a gross monthly remuneration of ₹4,60,000.00	Relative holding office or place of profit at a gross monthly remuneration of ₹4,60,000.00
	Date(s) of approval by the Board	12.02.2018	22.05.2017	22.05.2017	22.05.2017	22.05.2017	22.05.2017

Sl. No.	Particulars						
	amount paid as advances, if any	N.A	N.A	N.A	N.A	N.A	N.A
	Date of Shareholders Resolution Passed if any.	22.03.2018	21.09.2017	21.09.2017	21.09.2017	21.09.2017	21.09.2017
4	Details of material contracts or arrangement or transactions at arm's length basis						
	Name (s) of the related party and nature of ownership	Mr. Atul Garg	Mrs. Ruchica G Kumar	Ms. Radhika Garg			
	Nature of Relationship	Relative holding office or place of profit	Relative holding office or place of profit	Relative holding office or place of profit			
	Nature of Contracts/ arrangements/ transaction	Vice President- Administration	Vice President- Marketing	Vice President- Marketing-NR			
	Duration of the Contracts/ arrangements/ transactions	Remuneration Paid	Remuneration Paid	Remuneration Paid			
	Salient terms of the Contracts or arrangements or transactions including the value if any	Relative holding office or place of profit at a gross monthly remuneration of ₹4,60,000.00	Relative holding office or place of profit at a gross monthly remuneration of ₹4,60,000.00	Relative holding office or place of profit at a gross monthly remuneration of ₹4,60,000.00			
	Date(s) of approval by the Board	22.05.2017	22.05.2017	22.05.2017			
	amount paid as advances, if any	N.A	N.A	N.A			
	Date of Shareholders Resolution Passed if any.	21.09.2017	21.09.2017	21.09.2017			

## Annexure-VII to Directors' Report

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year	S. No	Name of Director(s)	Ratio of Remuneration of Each Director to the Median Remuneration
		01.	Subhash Chander Garg	134.19
02.	Jatinder Singh	134.19		
03.	Umesh Chander Garg	134.19		
04.	Vipin Gupta	26.45		
05.	Dalbir Singh	0.76		
06.	Surinder Gupta	0.76		
07.	Swantantar Kumar Dewan	0.76		
08.	Avtar Singh	0.76		
09.	Smt. Suhasini Yadav	0.76		

ii	Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year.	S. No	Name of KMP	Increase (in %)
		01.	Subhash Chander Garg	Whole Time Director
02.	Jatinder Singh	Whole Time Director	93.41	
03.	Umesh Chander Garg	Managing Director	93.41	
04.	Vipin Gupta	CFO & Executive Director	19.08	
05.	Dalbir Singh	Independent Director	60	
06.	Surinder Gupta	Independent Director	60	
07.	Swantantar Kumar Dewan	Independent Director	60	
08.	Avtar Singh	Independent Director	60	
09.	Smt. Suhasini Yadav	Independent Director	60	
10.	Vishav Sethi	Company Secretary	17.91	

iii	Percentage increase in the median remuneration of employees in the financial year.	7.08 %
iv	Number of permanent employees on the rolls of the Company as on 31st March 2018.	1014 Employees
v	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average increase in remuneration of Managerial Personnel- 103.45% Average Increase in remuneration of employees other than the Managerial Personnel: 10.47%  The increment given is based on the potential, experience as also their performance and contribution to the Company's progress over a period of time and also benchmarked against a comparable basket of relevant companies in India.
vi	Key Parameters for any variable component of remuneration availed by the directors	The key parameters for the variable components of remuneration to the Directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Nomination and Remuneration Policy.

vii	Affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company, formulated pursuant to the provisions of section 178 of the Companies Act, 2013.
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Notes:

- The Remuneration of Independent Directors is sitting fees paid to them for the financial year 2017-18.
- Median remuneration of the company for all its employees is ₹157389.00 for the F.Y 2017-18.
- The median remuneration of those employees has been taken who has worked for the whole F.Y 2017-18.

### Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- List of Top Ten Employees of the Company in terms of remuneration drawn during the F.Y 2017-18 other than Directors.

S. No	Name	Designation	Education & Experience	Age. (Yrs)	Experience	%age of Equity Shares	Remuneration Paid (₹) p.a.	Previous Employment & Designation	Whether Relative of Director or not.
1	Mrs. Parveen Garg	Sr. Vice President-CSR	Graduation,	71	25	2.74	52,61,250	Nil	Related to Mr. Subhash Chander Garg
2	Deepan Garg	VP-Technical	B.Tech	43	19	2.93	52,61,250	Nil	Related to Mr. Umesh Chander Garg
3	Lucky Garg	VP-Marketing	Master of Business Administration	39	15	1.88	52,61,250	Nil	Related to Mr. Umesh Chander Garg
4	Atul Garg	VP-Administration	Master of Business Administration	42	18	2.21	52,61,250	Nil	Related to Mr. Umesh Chander Garg
5	Jagdeep Singh	VP-Operations	B.Tech	33	10	1.06	52,61,250	Nil	Related to Mr. Jatinder Singh
6	Daljeet Singh Mandhan	VP-Commercial	Post Graduation	31	9	1.16	52,61,250	Nil	Related to Mr. Jatinder Singh
7	Mrs. Radhika Garg	VP-Marketing (NR)	Beachelor in Law, Post Graduation	37	12	2.88	52,61,250	Nil	Related to Mr. Subhash Chander Garg
8	Mrs. Ruchica G Kumar	VP-Marketing	Post Graduation	47	18	2.70	52,61,250	G. M (Global electronics (P) Limited)	Related to Mr. Subhash Chander Garg
9	Sethu Raman Balu	Sr. General Manager	NCTVT	58	38	0.00	34,01,700	Head-Operations Dhanlaxmi Paper Mills Private Limited	Nil
10	Sushil Kumar Patidar	General Manager	M.SC	59	38	0.00	28,98,000	Head- Mohit Paper Mills Ltd.	Nil

- List of Employees of the Company (other than directors) employed throughout the F.Y 2017-18 and were paid remuneration not less than Rupees One Crore and Two Lakhs per annum: Nil
- Employees employed for the part of the year (other than Directors) and were paid remuneration during the F.Y 2017-18 at a rate which in aggregate was not less than ₹8.50 Lakh Per Month: Nil
- None of the employee was in receipt of remuneration in excess of that drawn by the Managing Director.

# Report on Corporate Governance

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is essentially a system by which Companies are governed and controlled by the management under the direction and supervision of the Board in the best interest of all stakeholders. It is not mere compliance of laws, rules and regulations, but also the application of best management practices and adherence to the highest ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility. Above all, it is a way of life, rather than merely a legal compulsion.

Your Company's philosophy on the Code of Governance is based on the belief that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to last. Good Corporate Governance is indispensable to resilient and vibrant capital markets and is, therefore, an important instrument of investor protection. Your Company lays great emphasis on a corporate culture of conscience, integrity, fairness, transparency, accountability and responsibility for efficient and ethical conduct of its business.

The Company has adopted a Code of Conduct for its employees including the Managing Director and Whole Time Directors. The Board of Directors is at the core of our Corporate Governance practice and oversees how the management serves and protects long-term interest of all our stakeholders. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance. It is well recognized that an effective Board is a pre-requisite for strong and effective corporate governance. Our Board exercises its fiduciary responsibilities in widest sense of the term.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

## 1. BOARD OF DIRECTORS

In terms of Company's Corporate Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibilities of supervision, control and direction.

### a. Size & Composition of Board of Directors:

The Board has an optimum combination of Executive and Non-Executive Directors. More than 50% of the Directors are Non-Executive Independent Directors. The Company has Three Whole Time Executive Directors and one Managing Director to look after finance, projects, commercial, technical and personnel affairs of the Company. The total number of Directors of the Company is 9(Nine) as on 31st March, 2018 consisting of 4 Executive Directors and 5 Independent Directors. None of the Independent Directors is responsible for the day to day affairs of the Company. The Board periodically evaluates need for change in its composition and size.

None of the Directors on the Board is Member of more than ten committees or Chairman of more than five Committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on 31st March 2018 have been made by the Directors.

The Composition of the Board is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013.

Every Independent Director, at the first meeting of Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he meets the criteria of independence as provided under law.

### Evaluation of Board Effectiveness:

In terms of applicable provisions of the Companies Act, 2013 read with Rules framed there under and provisions of Listing Regulations and on the recommendation of Nomination and Remuneration Committee, the Board of Directors has put in place a process to formally evaluate the effectiveness of the Board, its Committees along with performance evaluation of each Director carried out on an annual basis. Accordingly, the annual performance of the Board, its committees and each Director was carried out for the Financial Year 2017-18.

Criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, especially experience relevant to the Company, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity, independence and guidance/ support to management outside Board/ Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman.

Criteria for evaluation of the Committees of the Board include mandate and composition; effectiveness of the Committee; structure of the Committee; regularity and frequency of meetings, agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and management.

### Familiarization programmes for Board Members:

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The details of such familiarisation programmes for Independent Directors are posted on the website of the Company and can be accessed at <http://www.ruchirapapers.com/investors.html>.

### Meetings of Independent Directors:

One meeting of Independent Directors was held during the year on 13th March 2018. All the Independent Directors were present at the meeting.

### b. Board Meetings:

The Board meets at regular intervals to discuss and decide on business strategies/policies and review financial performance of the Company.

The notice of each Board Meeting is given in writing to every Director. The Agenda along with relevant notes and other material information are sent in advance separately to each Director. This ensures timely and informed decisions by the Board. The Minutes of Board Meetings are also circulated in advance to all Directors and confirmed at subsequent Meeting. The Board reviews the performance of the Company vis-à-vis budgets/targets.

Five Board Meetings were held during the year on the dates specified below and gap of two Board Meetings did not exceed 120 days.

Date of Board Meeting	Board Strength	No. of Directors Present
22nd May 2017	09(Nine)	08(Eight)
08th August 2017	09(Nine)	09(Nine)
21st September 2017	09(Nine)	09(Nine)
09th November 2017	09(Nine)	09(Nine)
12th February 2018	09(Nine)	09(Nine)



**c. Attendance record of Directors at Board Meetings and Annual General Meeting and number of other Directorships\*/Committee Memberships\*\*/ Chairmanships\*\* thereof during the Financial Year.**

Name of Directors	Category of Directors	Attendance in Board meeting during the F.Y 2017-18		Attendance at Last AGM	No. of other Directorship*	Membership of other Committee**	Relationship Inter-se Directors
		Held	Attended				
Jatinder Singh DIN 01594919	Chairman & Whole Time Director Executive & Promoter	5	5	Yes	Nil	Nil	-
Subhash Chander Garg DIN 01593104	Co-Chairman & Whole Time Director Executive & Promoter	5	4	Yes	Nil	Nil	Related to Umesh Chander Garg
Umesh Chander Garg DIN 01593400	Managing Director Executive & Promoter	5	5	Yes	Nil	Nil	Related to Subhash Chander Garg
Vipin Gupta DIN 05107366	CFO & Executive Director Executive & Professional	5	5	Yes	Nil	Nil	-
Dalbir Singh DIN 01538540	Non-Executive Independent	5	5	Yes	Nil	Nil	-
Surinder Gupta DIN 01108489	Non-Executive Independent	5	5	Yes	Nil	Nil	-
Avtar Singh DIN 01605978	Non-Executive Independent	5	5	Yes	Nil	Nil	-
S. K. Dewan DIN 00427404	Non-Executive Independent	5	5	Yes	2	Nil	-
Mrs. Suhasini Yadav DIN 06925910	Non-Executive Independent	5	5	Yes	Nil	Nil	-

\*Exclude directorship in Ruchira Papers Limited. Also excludes directorship in Private Companies, Foreign Companies, Companies Incorporated under Section 8 of the Companies Act, 2013 and alternate directorship.

\*\* For the purpose of considering the limit of Committee Memberships and Chairmanships of a Director, Audit Committee and Stakeholders Relationship Committee of Public Companies have been considered. Also exclude the membership & chairmanships of committees in Ruchira Papers Limited.

**2. COMMITTEES OF THE BOARD**

**A. AUDIT COMMITTEE:**

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. Members of the Audit Committee possess financial/accounting expertise/exposure. The Primary objective of Committee is to monitor and provide effective supervision of Management's financial reporting process to ensure accurate and timely disclosures, with highest level of transparency, integrity and quality of financial reporting. All possible measures has been taken by Committee to ensure the independence and objectivity of the independent auditors. The Audit Committee invites such of the executives, as it considers appropriate, representatives of Statutory Auditors and representatives of the Internal Auditors to be present at its meetings. The Company Secretary acts as the secretary to the Audit Committee. The composition of the Audit Committee as on 31st March, 2018 is as follows:

Sr. No.	Names of Members	Designation	Category of Director	Audit Committee Meetings	
				Held	Attended
1	Dalbir Singh	Chairman	Independent, Non-Executive	4	4
2	Surinder Gupta	Member	Independent, Non-Executive	4	4
3	Avtar Singh	Member	Independent, Non-Executive	4	4
4	Jatinder Singh	Member	Non-Independent, Executive	4	4

Keeping in view the provisions of section 177 of the Companies Act, 2013 and matters specified under Regulation 18 of the Listing Regulations, terms of reference, inter alia, includes the following:

- To recommend the appointment of the statutory auditors, internal auditors and cost auditors and to review their performance.
- To review reports of the internal auditors and decide about the scope of work.
- To review the financial statements and to seek clarifications etc. from the Statutory/ Internal Auditors.
- To review the adequacy of internal control system.
- To review with the management the annual/half-yearly/quarterly financial statement.
- To review the transactions entered with related parties.
- Perform other activities consistent with the Company's Memorandum and Articles, the Companies Act, 2013 and other Governing Laws and referred by the Board of Directors.
- Generally, all items listed in Part C of Schedule II to the Listing Regulations and in Section 177 of the Act and any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee met four times during the year on 22.05.2017, 08.08.2017, 09.11.2017 and 12.02.2018. The Chairman of the Audit Committee was present at the last AGM held on 21st September 2017. The Audit Committee has been given the powers prescribed under Regulation 18(2)(c) of the Listing Regulations.

**B. NOMINATION & REMUNERATION COMMITTEE:**

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 & Regulation 19 of the Listing Regulations.

**Terms of reference inter alia includes the following:**

- To nominate the appointment of director, recommend/ review the remuneration package of Executive Directors and their relatives based on performance and keeping in view applicable provisions of the Companies Act, 2013.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To devise a policy on Board diversity.
- To perform such other functions as may be necessary or appropriate for the performance of its duties that the Board may decide from time to time.

**The Composition of committee is as follows:**

Sr. No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	Dalbir Singh	Chairman	Independent, Non-Executive	01	01
2	Surinder Gupta	Member	Independent, Non-Executive	01	01
3	Avtar Singh	Member	Independent, Non-Executive	01	01

The Nomination & Remuneration Committee met on 22nd May 2017. The Chairman of the Nomination and Remuneration Committee was present at the last AGM held on 21st September 2017.

Remuneration Policy: The Nomination and Remuneration Committee has adopted a charter which, inter alia, deals with the manner of selection of Board of Directors and their remuneration. The detailed policy in this regard can be accessed at <http://www.ruchirapapers.com/investors.html>.

**Non-Executive/Independent Directors' remuneration:**

The Non-Executive Directors are paid sitting fees for each meeting of the Board of Directors attended by them of such sum as may be approved by the Board of Directors with in the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. As at 31st March 2018 the Company was paying sitting fees of ₹20,000/- per meeting to Non-Executive Directors. Other than sitting fees, no other remuneration has paid to Non-Executive Directors for the year 2017-18. The Non-Executive Independent Director's do not have any material pecuniary relationship or transaction with the Company.

**Executive Directors' Remuneration:**

The appointment and payment of remuneration to Executive Directors including Managing and Whole Time Directors is governed by recommendation of Nomination & Remuneration Committee. The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high calibre talent.

Presently Company does not have a scheme for grant of stock options or performance linked incentives for its directors.

**The details of Remuneration of directors for the financial year ended 31st March, 2018 are as follows:**

Name	Category of Directors (As at 31st March 2018)	Salary including allowances (₹)	Sitting fees (₹)	Total (₹)
Jatinder Singh	Chairman & Whole Time Director Executive & Promoter	21120000	-	21120000
Subhash Chander Garg	Co-Chairman & Whole Time Director Executive & Promoter	21120000	-	21120000
Umesh Chander Garg	Managing Director Executive & Promoter	21120000	-	21120000
Vipin Gupta	CFO & Executive Director Executive & Professional	4163000	-	4163000
Dalbir Singh	Non-Executive Independent	-	120000	120000
Surinder Gupta	Non-Executive Independent	-	120000	120000
Avtar Singh	Non-Executive Independent	-	120000	120000
S.K.Dewan	Non-Executive Independent	-	120000	120000
Mrs. Suhasini Yadav	Non-Executive Independent	-	120000	120000

**Review of Performance and Compensation to Senior Management:**

The Nomination and Remuneration Committee reviews the performance of the senior management of the Company. The Committee ensures that the remuneration to the Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

**C. STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The Committee oversees Redressal of shareholders and investors grievances, like transfer of shares, non-receipt of Annual Report, dividends and approves transmission, issue of duplicate shares and other related matters.

The Secretarial Department of the Company and Registrar & Share Transfer Agent i.e Link Intime India Private Limited attends all grievances of the shareholders directly or through SEBI (SCORE), Stock Exchange etc. Further continuous efforts are made to ensure that grievances are expeditiously redressed to the complete satisfaction of the investors.

The Committee's constitution and terms of reference are in compliance with provisions of Section 178 of the Companies Act, 2013 & Regulation 20 of the Listing Regulations.

**The Composition of committee is as follows:**

Sr. No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	S.K. Dewan	Chairman	Independent, Non-Executive	04	04
2	Jatinder Singh	Member	Non-Independent, Executive	04	04
3	Subhash Chander Garg	Member	Non-Independent, Executive	04	03

The Company Secretary acts as the Secretary and Compliance Officer of the Committee.

The Committee met four times during the year on 22.05.2017, 08.08.2017, 09.11.2017 and 12.02.2018.

Number of Complaints received and resolved during the year: 22 (Twenty Two)

There was no complaint pending at beginning and at close of the year.

**D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring and implementation of "Corporate Social Responsibility Policy". The other responsibilities include the recommendation of amount of expenditure to be incurred on CSR activities, monitoring the implementation of framework of the CSR policy and other like matters.

**Terms of Reference of the Committee, inter alia, includes the following:**

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with the provisions of the Companies, Act, 2013 and rules made there under.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the implementation of the CSR policy of the Company from time to time.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

**The Composition of committee is as follows:**

Sr. No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	Surinder Gupta	Chairman	Independent, Non-Executive	05	05
2	Jatinder Singh	Member	Non-Independent, Executive	05	05
3	Subhash Chander Garg	Member	Non-Independent, Executive	05	04
4.	Umesh Chander Garg	Member	Non-Independent, Executive	05	05
5.	Vipin Gupta	Member	Non-Independent, Executive	05	05

The Committee met five times during the year on 22.05.2017, 08.08.2017, 21.09.2017, 09.11.2017 and 12.02.2018.

The details of the CSR initiatives of the Company forms part of the CSR section in the Annual Report.

## E. ALLOTMENT COMMITTEE

The Allotment Committee has been constituted to specifically look into the allotment of Securities as and when required within the limits approved by the Shareholders etc. The Composition of the Allotment Committee is as follows:

Sr. No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	Avtar Singh	Chairman	Independent Non-Executive	01	01
2	Mrs. Suhasini Yadav	Member	Independent Non-Executive	01	01
3	Jatinder Singh	Member	Non-Independent Executive	01	01
4	Vipin Gupta	Member	Non-Independent Executive	01	01

The Company Secretary acts as the Secretary of the Committee.

The Committee met once during the year on 31.05.2017.

## F. PROJECT COMMITTEE

The Project Committee has been constituted specifically to look into the project related activities for the proposed Green Field Project at Chamkaur Sahib, Punjab.

The composition of committee is as follows:

Sr. No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	Umesh Chander Garg	Chairman	Non-Independent, Executive	06	06
2	Jatinder Singh	Member	Non-Independent, Executive	06	06
3	Deepan Garg	Member	Vice President-Technical	06	06
4	Jagdeep Singh	Member	Vice President- Operations	06	06

The Committee has been met six times during the year on 21.09.2017, 11.10.2017, 11.11.2017, 04.12.2017, 31.01.2018, 20.03.2018.

The Company Secretary acts as the Secretary of the Committee.

## DISCLOSURES:

### 3. RELATED PARTY TRANSACTIONS:

All Related Party Transactions that were entered into during the year were on an arm's length basis and were in compliance with applicable provisions of the Act and the Listing Regulations. During the year under review, the Board of Directors at their meeting held on 12.02.2018, pursuant to recommendation of Audit Committee, accorded its approval for increase in maximum aggregate value of material related party transactions and to enter fresh agreement with related parties. The same was further approved by Shareholders' of the company through Postal Ballot on dated 22.03.2018. The approval was granted with the condition that transaction(s) shall be done at arm's length basis.

A statement of all Related Party Transactions is placed before the Audit Committee for its review on quarterly basis, specifying the nature, value and terms and conditions of the transactions. The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2 in Annexure VI of Directors' Report and were at arm's length price.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the Link: <http://www.ruchirapapers.com/investors.html>.

### 4. WHISTLE BLOWER POLICY/VIGIL MECHANISM:

The Company has a Vigil Mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the code of conduct. The reportable matters may be disclosed to the Vigilance officer which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of

the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

## 5. MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed report on the Management's discussion and analysis is provided in the Management's Discussion and Analysis section of the Annual Report.

## 6. DISCLOSURE REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS:

Mr. Subhsh Chander Garg, retiring by rotation and being eligible, offered himself for re-appointment at the ensuing Annual General Meeting.

## 7. Other Disclosures:

There was no non-compliance during last three years by the Company on any matter relating to the Capital Market and any requirement of Corporate Governance Report. There were no penalties, strictures passed by stock exchanges/ SEBI or any Statutory authority.

There is no pecuniary or business relationship between the Independent Directors and the Company, except for the sitting fees payable to them for the Board Meeting(s) attended. A declaration to this effect is also submitted by all the Independent Directors at the beginning of each financial year.

The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 17(8) read with Part B of Schedule II to the Listing Regulations pertaining to CEO/ CFO certification for the Financial Year ended 31st March, 2018.

The Company does not have any non-listed Subsidiary Companies in terms of Regulation 16 of the Listing Regulations.

Compliance status with mandatory and non mandatory requirements pursuant to the provisions of Listing Regulations:-

Mandatory Requirements: The Company has complied with all the mandatory requirements pursuant to the provisions of Listing Regulations.

### Non-Mandatory Requirements adopted by the Company:

- Mr. Jatinder Singh an Executive Director, was Chairman of the Company as at 31st March 2018 and more than 50% of the Board comprises of Non-Executive and Independent directors.
- Presently, half yearly financial performance is not being sent to any shareholder.
- The Company is having separate posts of Chairperson and Managing Director
- The Internal Auditor directly reports to the Audit Committee.
- The financial statements of the Company are with unmodified audit opinion.

## 8. MEANS OF COMMUNICATION:

- The quarterly and the half yearly results, published in the format prescribed by the Listing Regulations read with the Circular issued there under, are approved and taken on record by the Board of Directors of the Company within 45 days of the close of the relevant quarter. The approved results are forthwith uploaded on the designated portals of the Stock Exchanges where the Company's shares are listed, viz. NSE Electronic Application Processing System (NEAPS) of the National Stock Exchange of India Ltd. (NSE) and BSE Online Portal of BSE Ltd. (BSE). The results are also published within 48 hours in Economic Times/Financial Express (English) and Jansatta(Hindi) and also displayed on the Company's website, [www.ruchirapapers.com](http://www.ruchirapapers.com).
- The Company publishes the audited annual results within the stipulated period of sixty days from the close of the financial year as required by the Listing Regulations. The annual audited results are also uploaded on NEAPS and Listing Centre, Online Portal of NSE and BSE respectively, published in the newspapers and displayed on the Company's website.
- Official news releases and presentations made to institutional investors and analysts are uploaded on NEAPS and Listing Centre, Online Portal of NSE and BSE respectively and posted on the Company's website.



- iv) The "Investor" and "Financial" section of the website of the Company gives information relating to financial results, annual reports, shareholding pattern and presentations made to analysts and at Annual General Meetings.
- v) The quarterly Shareholding Pattern and Corporate Governance Report of the Company are filed with NSE through NEAPS and with BSE through BSE Online Portal. The Shareholding Pattern is also displayed on the Company's website under the "Investor" section.
- vi) Material events or information, as detailed in Regulation 30 of the Listing Regulations, are disclosed to the Stock Exchanges by filing them with NSE through NEAPS and with BSE through BSE Online Portal.
- vii) The Company sends reminder to shareholders who have not claimed their dividends. Circulars are also sent periodically to shareholders urging them to opt for the electronic mode for receiving dividends.

## 9. GENERAL BODY MEETINGS:

Details of last three Annual General Meetings of the Company are given hereunder:

Year	Date	Time	Venue	No. of Special Resolution(s) set out at the AGM
2015	25.09.2015	11.30 A.M	Hotel Black Mango, Nahan Road, Kala-Amb, Distt. Sirmour. (H.P.)-173030	04
2016	30.09.2016	11.15 A.M	Hotel Black Mango, Nahan Road, Kala-Amb, Distt. Sirmour. (H.P.)-173030	01
2017	21.09.2017	11.15 A.M	Hotel Black Mango, Nahan Road, Kala-Amb, Distt. Sirmour. (H.P.)-173030	04

No Extraordinary General Meeting of the Members was held during the year 2017-18.

No Special Resolution is proposed to be passed through Postal Ballot at the ensuing Annual General Meeting.

Details of resolutions passed by way of postal ballot during the year 2017-18 along with voting pattern are as follow:

S.No	Particular	Date of Passing Resolution	Number of Valid Votes polled	Votes cast in favour of the resolution	Votes cast against the resolution
01.	Special Resolution for issuance of 18,30,000 Share Warrants convertible into equity shares to promoter/ promoter group on preferential basis	11.04.2017	851407	848902 (99.71%)	2505 (0.29%)
02.	Ordinary Resolution for increase in maximum aggregate value of material related party transaction(s).	22.03.2018	595328	516097 (86.69%)	79231 (13.31%)

The Board had appointed Mr. Sanjay Kumar Garg, Practising Cost Accountant as Scrutinizer to conduct the Postal Ballot process in a transparent manner.

## 10. SHAREHOLDERS INFORMATION

### A. General Shareholder Information:

Annual General Meeting (Date, time and venue)	Friday, 28th September 2018, at 11.15 A.M. at Hotel Black Mango, Nahan Road, Kala Amb, Distt. Sirmour (H.P.)-173030.
Financial Year	01st April to 31st March.
Dividend Payment Date	The dividend, if declared shall be paid/credited on or after Tuesday, 09th October 2018.
Book Closure date	22nd September 2018 to 28th September 2018 (Both days inclusive)

Details of the Dividend Declared and Paid by the Company for the Last Five Years.	<table border="1"> <thead> <tr> <th>Year(s)</th> <th>Percentage (%)</th> <th>In ₹ Per Share (FV-₹10)</th> <th>Dividend Amount (₹ In Crores)</th> </tr> </thead> <tbody> <tr> <td>2012-13</td> <td>10%</td> <td>1.00</td> <td>2.42</td> </tr> <tr> <td>2013-14</td> <td>12%</td> <td>1.20</td> <td>2.69</td> </tr> <tr> <td>2014-15</td> <td>13%</td> <td>1.30</td> <td>2.91</td> </tr> <tr> <td>2015-16</td> <td>15%</td> <td>1.50</td> <td>3.36</td> </tr> <tr> <td>2016-17</td> <td>22.5%</td> <td>2.25</td> <td>5.04</td> </tr> </tbody> </table>	Year(s)	Percentage (%)	In ₹ Per Share (FV-₹10)	Dividend Amount (₹ In Crores)	2012-13	10%	1.00	2.42	2013-14	12%	1.20	2.69	2014-15	13%	1.30	2.91	2015-16	15%	1.50	3.36	2016-17	22.5%	2.25	5.04
Year(s)	Percentage (%)	In ₹ Per Share (FV-₹10)	Dividend Amount (₹ In Crores)																						
2012-13	10%	1.00	2.42																						
2013-14	12%	1.20	2.69																						
2014-15	13%	1.30	2.91																						
2015-16	15%	1.50	3.36																						
2016-17	22.5%	2.25	5.04																						
Listing on Stock Exchanges	The Company's Equity Shares are currently listed with the BSE Limited and the National Stock Exchange of India Limited under Stock Codes "532785" and "RUCHIRA" respectively. The Company has paid the requisite fees to stock exchanges for the financial year 2018-19.																								
ISIN Number for NSDL and CDSL	Equity: INE803H01014 Share Warrants convertible into equity shares: INE803H13019																								
Corporate Identification Number	L21012HP1980PLC004336																								
Registrar & Share Transfer Agents	Link Intime India Pvt Limited. Mumbai Office: C-13, Pannalal Silk Mills compound, LBS Road, Bhandup (W) Mumbai-440078. Tel: 022-25963838, Email:mumbai@linktime.co.in Delhi Office: 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-1, Near PVR Naraina, New Delhi-110028. Email: delhi@linkintime.co.in																								
Share Transfer System	99.99% of the equity shares of the Company are in electronic form. Transfer of these shares are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with the Company's Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Limited. The Share Transfers are processed and certificates normally returned within 14 days from the receipt, if the documents are clear in all respects.																								
National Electronic Clearing System (NECS) for dividend.	The remittance of dividend through Electronic Clearing System has been moved to National Electronic Clearing System (NECS) platform through core banking system effective 1st October, 2009. Accordingly, dividend will be credited to the shareholders' bank account through NECS where complete core banking details are available with the Company. In the event any branch of a bank has not migrated to core banking system, or where core banking account is not furnished by the shareholder to the Depository/ Company as the case may be, your Company will print details available in its records on the dividend warrants to be issued to the shareholders. (a) For shares held in physical form: Investors who would like to avail NECS facility and are holding shares in physical form may send in their NECS Mandate Form, duly filled in to the M/s. Link Intime India Private Limited. The NECS Mandate instruction should be under the signature of the shareholder(s) as per the specimen signature lodged with your Company. (b) For shares in electronic/ dematerialized form: Investors holding shares in dematerialized or electronic form may check the details on record with the concerned Depository Participant (DP). Pursuant to the Depository Regulations, your Company is obliged to pay dividend on dematerialized shares as per the details furnished by the concerned DP. The Company or the Registrar & Transfer Agent cannot make any change in such records received from the Depository.																								
Address for Correspondence	Ruchira Papers Limited, Trilokpur Road, Kala Amb, Distt. Sirmour (Himachal Pradesh) -173030. Tel.No: 08053800897 Email:info@ruchirapapers.com, cs@ruchirapapers.com, investor@ruchirapapers.com																								
Plant Location	Trilokpur Road, Kala Amb, Distt. Sirmour (Himachal Pradesh) -173030																								

**B. Market Price Data: Monthly High/low during each month of 2017-18 on both Stock exchanges, Mumbai.**

Months	Share prices of the Company for the period 2017-18			
	NSE		BSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2017	182.00	157.95	182.20	153.00
May 2017	174.30	151.80	173.80	152.00
June 2017	166.60	151.00	167.55	151.00
July 2017	161.90	150.00	162.00	150.00
August 2017	165.00	140.00	165.20	140.00
September 2017	179.50	154.25	178.50	155.00
October 2017	189.90	153.95	189.50	154.15
November 2017	183.95	150.00	184.50	151.00
December 2017	206.90	162.00	206.90	162.00
January 2018	217.80	179.10	219.80	179.50
February 2018	204.00	157.50	203.70	160.00
March 2018	191.00	154.10	190.35	153.30

**C. Share Price Performance in comparison to broad based indices- BSE Sensex and NSE Nifty as on March 31st, 2018.**

F.Y 2017-18	BSE (% Change)		NSE (% Change)	
	Ruchira	Sensex	Ruchira	Nifty
F.Y 2017-18	3.63%	10.86%	1.23%	9.69%

**D. Distribution of equity shareholding as on 31st March, 2018.**

Shareholding of Shares	Shareholders		Shares	
	Number	% of Total Shareholders	No. of Shares	% of Total Shares
Up to 500	14408	86.84	1826757	8.15
501 - 1000	1082	6.52	869366	3.88
1001 - 2000	532	3.21	809820	3.61
2001 - 3000	174	1.05	446878	1.99
3001 - 4000	78	0.47	276930	1.24
4001 - 5000	76	0.46	361206	1.61
5001 - 10000	109	0.66	789163	3.52
10001 & Above	131	0.79	17041684	76.00
TOTAL	16590	100.00	22421804	100.00

**E. Categories of equity shareholders as on 31st March, 2018**

Categories	Number of Shares	%
Promoter and Promoter Group	13708278	61.14
Director and Director's Relative	20742	0.10
Independent Directors	500	0.00
Mutual Funds/UTI	22000	0.10
Financial Institutions/Banks	15464	0.06
Foreign Portfolio Investors	155050	0.69
Bodies Corporate	772495	3.45
Non Resident Indians	428557	1.91
Clearing Members	97103	0.43
Indian Public	6895840	30.76
HUF	305775	1.36
TOTAL	22421804	100

**F. Top Ten Equity Shareholders of the Company as on 31st March 2018:**

Sr. No.	Name of the Shareholder	Number of Equity Shares held	Percentage of holding
01.	Jatinder Singh	2359090	10.52
02.	Umesh Chander Garg	1268855	5.66
03.	Charanjeet Kaur	1167934	5.21
04.	Umesh Chander Garg (HUF)	848569	3.78
05.	Subhash Chander Garg	848170	3.78
06.	Shashi Garg	833409	3.72
07.	Deepan Garg	657959	2.94
08.	Radhika Garg	646841	2.88
09.	Subhash Chander Garg (HUF)	638625	2.85
10.	Parveen Garg	614505	2.74

**G. Shares held by Independent Directors as on 31st March, 2018.**

S. No	Name	No. of Shares
1.	Dalbir Singh	100
2.	Surinder Gupta	100
3.	Avtar Singh	100
4.	S.K.Dewan	100
5.	Mrs. Suhasini Yadav	100

**H. Dematerialization of Shares:**

The shares of the Company can be held in dematerialized form with NSDL and CDSL. As on 31st March, 2018, a total of 22421642 Equity shares of the Company which form 99.99 % of the share capital, stand dematerialized. The Company through its Registrar and Share Transfer Agents provides the facility of simultaneous transfer and dematerialization of shares. The Company's equity shares are regularly traded on NSE and BSE, in dematerialized form.

**I. Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their impact on Equity:**

DEMAT ISIN: Convertible Warrants: INE803H13019

The Company has allotted 18,30,000 convertible share warrants ("Warrants") at ₹140.50/- (Rupees One Hundred Forty and Fifty Paise only) per Warrant for an aggregate consideration of ₹ 25,71,15,000 (Rupees Twenty Five Crores Seventy One Lakh and Fifteen Thousand only) and entitling the Warrant holder(s), being promoter and promoter group entities, to convert the Warrants into equivalent numbers of Equity Shares in one or more tranches within eighteen months from the date of allotment of Warrants (i.e. 31st May 2017) in accordance with provisions of Chapter VII of the SEBI ICDR Regulations or subject to other applicable laws and regulations as may be prevailing at the time of allotment of Warrants / conversion of Warrants into Equity Shares. The paid up capital of the company shall increase to the extent of warrants allotted after conversion of the same into equity.

During the financial year 2017-18, the Company has not issued Global Depository Receipts or American Depository Receipts.

**J. Reconciliation of Share Capital:**

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with Depositories (i.e. with the NSDL and CDSL) and in physical form, tallying with the admitted, issued/paid-up capital and listed capital. This audit is carried out every quarter and the Report thereon is submitted to the Stock Exchange and is placed before the Board of Directors for their noting.

**K. Dividend Policy:**

Dividends, other than interim dividend(s), are to be declared at the Annual General Meetings 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 includes, 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. The Board of Directors may also from time to time pay interim dividend(s) to shareholders.

#### L. Company's Policy on Prohibition of Insider Trading:

The Company has also formulated a Policy for prohibition of Insider Trading to deter the insider trading in the securities of the Company based on the unpublished price sensitive information. The policy envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The full text of the policy is available on the website of the Company <http://www.ruchirapapers.com/investors.html>.

#### M. Equity shares in the suspense account:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1st, 2017	02	615
Shareholders who approached the Company for transfer of shares from suspense account during the year	Nil	Nil
Shareholders to whom shares were transferred from the suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31st, 2018	02	615

The voting rights on the shares outstanding in the suspense account as on 31st March 2018 shall remain frozen till the rightful owner of such shares claims the shares.

#### N. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Section 124 and other applicable provisions, if any, of the Companies Act, 2013, all unclaimed/unpaid dividend, application money, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company shall be transferred to the Investor Education and Protection Fund.

During the Year, the Company was not required to transfer any amount to the Investor Education and Protection Fund.

The following table contains the information relating to outstanding dividend account as on 31st March 2018 and the dates by which it can be claimed by the shareholders.

Financial Year	Dividend Per Share	Date of Declaration	Last date for Claiming the unpaid dividend
2012-13	₹1.00	March 22, 2013	March 21, 2020
2013-14	₹1.20	September 25, 2014	September 24, 2021
2014-15	₹1.30	September 25, 2015	September 24, 2022
2015-16	₹1.50	September 30, 2016	September 29, 2023
2016-17	₹ 2.25	September 21, 2017	September 20, 2024

#### Declaration of Compliance with the Code of Conduct.

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with Code of Conduct for Board Members and Senior Management Personnel in respect of the Financial Year ended 31st March 2018.

Place: Kala Amb  
Date: 18th May 2018

Umesh Chander Garg  
Managing Director

#### Auditor's Certificate on Corporate Governance

To,  
The Members  
Ruchira Papers Limited

We, Subhash Sajal & Associates, Chartered Accountants, the Statutory Auditors of the Company have examined the compliance of conditions of Corporate Governance by the Company, for the year ended 31st March 2018, as stipulated in Regulation 17 to 27 and Clause (b) to (i) of Regulation 46(2) and para C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with the Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the company in accordance with the Guidance Note on certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the standard on auditing specified under section 143(10) of the Company Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standards on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2018.

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

For Subhash Sajal & Associates  
Chartered Accountants  
Registration No.018178N

Subhash Mittal (F.C.A.)  
Partner  
Membership No.089077

Place-Kala-Amb  
Date: 18th May 2018



## Certification by Managing Director & Chief Financial Officer

To,  
The Board of Directors,  
Ruchira Papers Limited  
Kala Amb (H.P.)

We hereby certify that on the basis of the review of the financial statements and the cash flow statement for the financial year ended 31st March, 2018 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

We hereby certify that, to the best of our knowledge and belief, no transactions entered into during the year by the Company are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

1. There has not been any significant change in internal control over financial reporting during the year under reference;
2. There have been significant changes in accounting policies during the year due to first time adoption of IND AS and that the same have been disclosed in the notes to the financial statements; and
3. We are not aware of any instance during the year of significant fraud with involvement therein, if any, of the management or an employee having a significant role in the internal control system over financial reporting.

For Ruchira Papers Limited

Place: Kala-Amb  
Date: 18th May 2018

Umesh Chander Garg  
(Managing Director)

Vipin Gupta  
(CFO & Executive Director)

## FINANCIAL SECTION

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Ruchira Papers Limited**

### Report on the Audit of the Ind AS Financial Statements:

We have audited the accompanying Ind AS financial statements of Ruchira Papers Limited ("The Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Statement of Changes in Equities and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the Ind AS financial statement").

### Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the state of affairs, profit/loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has a realistic alternative but to do so.

### Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS 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 of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

An Audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of Auditor's Report. However,

future events or conditions may cause an entity to cease to continue as a going concern.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 March 31, 2018, and, its profit (including other comprehensive income), its changes in equity and its cash flows for the Year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016, (the order) issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of accounts 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, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.

- (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect of the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - (i) The Company does not have pending any litigation, which have impact on its financial position in its Ind AS financial statements.
  - (ii) The Company has long term contracts for which there were no material foreseeable losses. The Company does not have long term derivative contracts.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the Year.

**For Subhash Sajal & Associates**  
Chartered Accountants  
Registration No.018178N

**Subhash Mittal (F.C.A.)**

Partner

Date: 18.05.2018  
Place: Kala- Amb

Membership No.089077

## Annexure A to Independent Auditor's Report

Referred to in our Independent Auditor's Report of even date to the members of Ruchira Papers Limited on the Ind AS financial statements as of and for the ended March 31, 2018, we report the following:

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets were physically verified by the Management during the year in accordance with a regular verification programme which, in our opinion provides for physical verification of all the Fixed Assets at reasonable interval. According to information and explanation given to us, no material discrepancies have been noticed on such verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties included in fixed assets are held in the name of the Company.
- ii. The physical verification of inventory except stocks in transit have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been dealt with in books of account.
- iii. The company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. According to the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- iv. No transactions relating to Loans, Investment, Guarantees and Security has been made during the year under the provisions of Section 185 and 186 of the Companies Act, 2013. Accordingly the provisions of clause 3 (iv) of the said Order are not applicable to the Company.
- v. In our opinion and according to information and explanations given to us the company has not accepted any deposit from the public within the meaning of Sections 73 to 76 of the Act or any other relevant provisions of the Act and the Rules framed thereunder. According paragraph 3(v) of the Order is not applicable to the Company.
- vi. Pursuant to the rules by the Central Government of India, the Company is required to maintain cost records as specified under Section 148 (1) of the Act in respect of its products. We have broadly reviewed the same, and are of the Opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, amounts deducted/accrued in the books of account in respect of the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Taxes, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues, as applicable, have regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Taxes, Sales Tax, Wealth Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues, were in arrears as at 31st March 2018 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us the records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Service-Tax, Goods and Service Tax Duty of Custom, Duty of Excise, Value Added Tax And Cess which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial Institution or bank. The Company does not have any loans and borrowings from Government. Further, the Company has not issued any debentures.
- ix. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) except term loans. The term loans raised during the year were utilized for the purpose for which those were raised.
- x. To the best of our knowledge and according to the information and explanations given to us, No material fraud by the Company or on the Company by its officers or employees, noticed or reported during the course of our audit.
- xi. In our opinion and according to information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the order are not applicable to the Company.
- xiii. In our opinion and according to information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act, wherever applicable. The details of such related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to information and explanations given to us, the Company has issued Share Warrants convertible into equity shares on preferential basis to the promoters and promoters group during the year under review. The Company has complied with all the requirements of section 42 of the Act and the amount raised has been used for the purpose for which they were raised.
- xv. In our opinion and according to information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3 (xvi) of the order are not applicable to the Company.

For **Subhash Sajal & Associates**  
Chartered Accountants  
Registration No.018178N

**Subhash Mittal (F.C.A.)**  
Partner  
Membership No.089077

Date: 18.05.2018  
Place: Kala- Amb



## Annexure B to Independent Auditor's Report

Referred to in paragraph 2(f) of the Independent Auditor's Report of even date to the members of Ruchira Papers Limited on the financial statements for the year ended March 31, 2018, we report the following:

### Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of Ruchira Paper Limited ("the Company") as at March 31, 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial control over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, Projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system financial reporting and such internal financial controls over

financial reporting were operating effectively as at March 31, 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components over internal control stated in the Guidance Note on audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Subhash Sajal & Associates**  
Chartered Accountants  
Registration No.018178N

**Subhash Mittal (F.C.A.)**  
Partner  
Membership No.089077

Date: 18.05.2018  
Place: Kala- Amb

## Balance Sheet as at 31st March, 2018

(Amount in ₹)

Sl. No	Particulars	Note No.	As At 31st March 2018	As At 31st March 2017	As At 1st April 2016
<b>A</b>	<b>ASSETS</b>				
<b>1</b>	<b>Non-current assets</b>				
	(a) Property, Plant and Equipment	2A	2279702086	1784865797	1728414222
	(b) Capital work-in-progress	2B	25464724	34037916	-
	(c) Financial Assets:				
	(i) Investments	3	2500	2500	2500
	(d) Other non-current assets	4	3461828	3461828	3461828
	<b>Total Non Current Assets(A1)</b>		<b>2308631138</b>	<b>1822368041</b>	<b>1731878550</b>
<b>2</b>	<b>Current assets</b>				
	(a) Inventories	5	684119647	553161377	408570790
	(b) Financial Assets				
	(i) Trade receivables	6	475913164	437924932	344203839
	(ii) Cash and cash equivalents	7	12463497	16358015	15741938
	(iii) Loans & Advances	8	179124417	174922183	169192828
	<b>Total Current Assets(A2)</b>		<b>1351620725</b>	<b>1182366507</b>	<b>937709395</b>
	<b>Total Assets(A1+A2)</b>		<b>3660251863</b>	<b>3004734548</b>	<b>2669587945</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>				
<b>1</b>	<b>EQUITY</b>				
	(a) Equity Share capital	9	224218040	224218040	224218040
	(b) Other Equity		1689232225	1303296155	1023287017
	<b>Total Equity(B1)</b>		<b>1913450265</b>	<b>1527514195</b>	<b>1247505057</b>
	<b>LIABILITIES</b>				
<b>2</b>	<b>Non-Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	10	272807552	233026291	234257010
	(b) Provisions	11	19731252	17379113	14962716
	(c) Deferred tax liabilities (Net)	12	306950861	278794021	265240044
	(d) Other non-current liabilities	13	118988359	104881375	107570914
	<b>Total Non Current Liability(B2)</b>		<b>718478024</b>	<b>634080800</b>	<b>622030684</b>
<b>3</b>	<b>Current liabilities</b>				
	(a) Financial Liabilities				
	(i) Borrowings	14	486067107	373503181	343381882
	(ii) Trade payables	15	187060395	193184862	151617393
	(b) Other current liabilities	16	164881758	139971243	186081482
	(c) Provisions	17	45520226	40555241	35208836
	(d) Current Tax Liabilities (Net)	18	144794088	95925026	83762611
	<b>Total Current Liabilities(B3)</b>		<b>1028323574</b>	<b>843139553</b>	<b>800052204</b>
	<b>Total Equity and Liabilities (B1+B2+B3)</b>		<b>3660251863</b>	<b>3004734548</b>	<b>2669587945</b>

### Significant accounting policies

1

This is the Balance Sheet referred to in our report of even date.  
See accompanying notes forming part of financial statement

#### Auditors Report

Certified in terms of our separate report of even Date  
For **Subhash Sajal and Associates**  
Chartered Accountants  
Registration No.018178N

#### For and on behalf of Board of Directors

**Jatinder Singh**  
(Chairman & Whole Time Director)

**Umesh Chander Garg**  
(Managing Director)

#### Subhash Mittal ( F.C.A.)

Partner  
Membership No.089077

**Vipin Gupta**  
(CFO & Executive Director)

**Vishav Sethi**  
(Company Secretary)

Place: Kala-Amb  
Date: 18th May 2018

## Statement of Profit and Loss for the period ended 31st March 2018

(Amount in ₹)

Sl. No	Particulars	Note No.	2017-18	2016-17
<b>I</b>	Revenue From Operations	19	4506442415	4270923710
<b>II</b>	Other Income	20	37518296	10028446
<b>III</b>	<b>Total Income (I+II)</b>		<b>4543960711</b>	<b>4280952156</b>
<b>IV</b>	<b>EXPENSES</b>			
	Cost of materials consumed	21	2722780127	2674468201
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	22	(185781)	(27040917)
	Excise duty		30427174	99885738
	Employee benefits expense	23	401871754	332058167
	Finance costs	24	77169086	79178462
	Depreciation and amortization expense	2A	119654323	105941149
	Other expenses	25	609812737	551984809
	<b>Total expenses (IV)</b>		<b>3961529420</b>	<b>3816475609</b>
<b>V</b>	<b>Profit/(loss) before exceptional items and tax (III- IV)</b>		<b>582431291</b>	<b>464476547</b>
<b>VI</b>	Exceptional Items - (profit)/loss		(665338)	119656
<b>VII</b>	<b>Profit/(loss) before tax (V-VI)</b>		<b>583096629</b>	<b>464356891</b>
<b>VIII</b>	Tax expense:			
	(1) Current tax		174485541	139678900
	(2) Deferred tax		28156840	13553977
	(3) Earlier year Taxes		288217	(13831120)
<b>IX</b>	<b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>		<b>380166031</b>	<b>324955134</b>
<b>X</b>	<b>Profit/(loss) from Discontinued operations (after tax)</b>		-	-
<b>XI</b>	<b>Profit/(loss) for the period (IX+X)</b>		<b>380166031</b>	<b>324955134</b>
<b>XII</b>	Other Comprehensive Income:			
	A (i) Items that will not be reclassified to profit or (loss):- Remeasurements of the net defined benefits plans		3380519	(6830314)
	(ii) Income tax relating to items that will not be reclassified to profit or (loss):- Remeasurements of the net defined benefits plans		1169931	(2363972)
	B (i) Items that will be reclassified to profit or (loss) (ii) Income tax relating to items that will be reclassified to profit or (loss)			
<b>XIII</b>	<b>Total Comprehensive Income for the period (XI+XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>382376619</b>	<b>320488792</b>
<b>XIV</b>	<b>Earnings per equity share (for continuing operation):</b>			
	(1) Basic	26	17.05	14.29
	(2) Diluted	26	16.86	14.29

This is the Statement of Profit and Loss referred to in our report of even date.

See accompanying notes forming part of financial statement

#### Auditors Report

Certified in terms of our separate report of even Date  
For **Subhash Sajal and Associates**  
Chartered Accountants  
Registration No.018178N

#### For and on behalf of Board of Directors

**Jatinder Singh**  
(Chairman & Whole Time Director)

**Umesh Chander Garg**  
(Managing Director)

#### Subhash Mittal ( F.C.A.)

Partner  
Membership No.089077

**Vipin Gupta**  
(CFO & Executive Director)

**Vishav Sethi**  
(Company Secretary)

Place: Kala-Amb  
Date: 18th May 2018

## Statement of Cash Flow as on 31st March 2018

(Amount in ₹)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Profit and Loss Account	583096629	464356891
Adjusted for:		
Loss/(Profit) on sale of Fixed Assets	(665338)	119656
Depreciation and amortization expenses	119654323	105941149
Net Defined Benefits Plans Charged to OCI	3380519	(6830314)
Interest/Dividend Income	(18274000)	(9595379)
<b>Interest Expense</b>	<b>70931283</b>	<b>74687213</b>
Operating Profit before working capital changes	175026787	164322325
Adjusted for:		
Decrease/(increase) in Trade Receivables	(37988232)	(93721093)
Decrease/(increase) in Inventories	(130958270)	(144590587)
Decrease/(increase) in Loans & advances	(5806611)	(3211330)
(Decrease)/increase in Trade Payables	(6124467)	41567469
(Decrease)/increase in Other Current Liabilities	19218189	15523193
	(161659391)	(184432348)
<b>Cash generated from Operations</b>	<b>596464025</b>	<b>444246868</b>
Income Tax Paid(Net)	(125401578)	(113839418)
Net Cash from Operating Activities	<b>471062447</b>	<b>330407450</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(606335754)	(197060296)
Proceeds from sale of Fixed assets	1015000	510000
Increased in non current Assets	-	-
Increase in Long term Loan and Advances	-	-
Interest/Dividend received	18274000	9595379
Net Cash (Used in ) Investing Activities	<b>(587046754)</b>	<b>(186954917)</b>

## Statement of Cash Flow as on 31st March 2018 (Contd.)

(Amount in ₹)

Particulars	Year ended 31st March 2018	Year ended 31st March 2017
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Long Term Borrowings	168730834	131471578
Repayments of Long Term Borrowing	(101833139)	(189262466)
Proceeds from Short Term Borrowings(Net)	112563926	30121299
Proceeds from share warrents	64278751	
Dividend Paid	(50449059)	(33632706)
Dividend Tax	(10270241)	(6846948)
Interest Paid	(70931283)	(74687213)
Net Cash (Used in ) From Financing activities	<b>112089789</b>	<b>(142836456)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash equivalents (A+B+C)</b>	<b>(3894518)</b>	<b>616077</b>
Cash & Cash equivalents at beginning of the period	<b>16358015</b>	<b>15741938</b>
Cash & Cash equivalents at end of the period*	<b>12463497</b>	<b>16358015</b>

\* Include towards unclaimed dividend of ₹605755/- ( Previous year ₹510511/-)

### Notes:

1. Previous year figures have been regrouped / rearranged wherever necessary.
2. Negative figures have been shown in brackets.

### Auditors Report

Certified in terms of our separate report of even Date

### For Subhash Sajal and Associates

Chartered Accountants  
Registration No.018178N

### Subhash Mittal ( F.C.A.)

Partner  
Membership No.089077

Place: Kala-Amb

Date: 18th May 2018

### For and on behalf of Board of Directors

**Jatinder Singh**  
(Chairman & Whole Time Director)

**Umesh Chander Garg**  
(Managing Director)

**Vipin Gupta**  
(CFO & Executive Director)

**Vishav Sethi**  
(Company Secretary)



## Statement of Change in Equity for the period ended 31st March 2018

### A. Equity Share Capital

Particular	No. of Share	Amount in ₹
Balance as at 01/04/2016	22421804	224218040
Changes in equity share capital during the year (2016-17)	-	-
Balance as at 31/03/2017	22421804	224218040
Changes in equity share capital during the year (2017-18)	-	-
Balance as at 31/03/2018	22421804	224218040

### B. Other Equity

Particulars	Reserves and Surplus			Other items of Other Comprehensive Income	Money received against share warrants	Total
	Securities Premium Reserve	General Reserve	Retained Earnings			
<b>Balance as at 01/04/2016</b>	181086953	39626724	762093686			982807363
Changes in accounting policy or prior period errors	-	-	40479654	-	-	40479654
Restated balance at the beginning of the reporting period	181086953	39626724	802573340	-	-	1023287017
Profit for the Year	-	-	324955134	-	-	-
Other Comprehensive Income for the year	-	-	-	(4466342)	-	(4466342)
Dividends	-	-	33632706	-	-	33632706
Dividend Tax	-	-	6846948	-	-	6846948
Transfer to retained earnings	-	-	-	-	-	-
Cash Proceeds/(Payments)	-	-	-	-	-	-
<b>Balance as at 31/03/2017</b>	181086953	39626724	1087048820	(4466342)	-	1303296155
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Restated balance at the beginning of the reporting period	181086953	39626724	1087048820	(4466342)	-	1303296155
Profit for the Year	-	-	380166031	-	-	-
Other Comprehensive Income for the year	-	-	-	2210588	-	2210588
Dividends paid	-	-	50449059	-	-	50449059
Dividend Tax paid	-	-	10270241	-	-	10270241
Transfer to retained earnings	-	-	-	-	-	-
Cash Proceeds/(Payments)	-	-	-	-	64278751	64278751
<b>Balance as at 31/03/2018</b>	181086953	39626724	1406495551	(2255754)	64278751	1689232225

#### Auditors Report

Certified in terms of our separate report of even Date For **Subhash Sajal and Associates** Chartered Accountants Registration No.018178N

**Subhash Mittal ( F.C.A. )**  
Partner  
Membership No.089077

Place: Kala-Amb  
Date: 18th May 2018

#### For and on behalf of Board of Directors

**Jatinder Singh**  
(Chairman & Whole Time Director)

**Umesh Chander Garg**  
(Managing Director)

**Vipin Gupta**  
(CFO & Executive Director)

**Vishav Sethi**  
(Company Secretary)

## Notes on Financial Statement for the period ended 31st March 2018

### 1. Corporate Information:

Ruchira Papers Limited (the Company) is a manufacturing company. The Company manufactures Kraft Paper and Writing and Printing Paper.

The Company is a public limited company incorporated and domiciled in India. The address of its Registered Office is Tirlokpur Road, Kala Amb, Distt-Sirmaur, Himachal Pradesh-173030

The Financial Statements for the year ended March 31, 2018 were approved by the Board of Directors and authorized for issue on May 18, 2018.

### 2. Basis for preparation, measurement and significant accounting policies

#### 2.1 Basis for preparation and measurement

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS" as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time under the historical cost convention on the accrual basis.

Effective April 01, 2017 the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First time adoption of Indian Accounting Standards, with April 01, 2016 as the transition date. The transition was carried out from Indian Accounting Principles Generally accepted in India as prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which were previous GAAP.

Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to existing accounting standard requires a change in the accounting policy either to in use. The financial statements are presented in Indian Rupees rounded off to the nearest rupees.

#### 2.2 Use of estimates and judgments

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires the management of the Company to make judgments, estimates and assumptions. These estimates, judgments and assumptions after application of accounting policy and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 2.2.1. Accounting estimates could change from period to period. Accrual results could differ from those estimates. Appropriate changes and estimates are made as the Management becomes aware of the changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their affects are disclosed in the notes to the financial statements.

#### 2.2.1. Critical accounting estimates

##### i. Revenue recognition

Revenue is recognized to the extent that is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Sales are recognized when goods are supplied and the significant risks and rewards or ownership of the goods have passed to the buyer. Dividend income is accounted in the year in which it is received. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

##### ii. Income Taxes

Significant judgments are involved in determining the provisions for income taxes including amount expected to be paid/incurred on uncertain tax positions. Also refer Note No. 2.3(j)

## Notes on Financial Statement for the period ended 31st March 2018

### iii. Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The change in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets determine by the management at the time asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as change in technology.

### 2.3. Significant Accounting Policies

#### a) Property, plant and equipment:

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. The Cost of these assets comprise its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use. Subsequent expenditure relating to an item of assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance. All other repairs and maintenance cost are charged to the statement of profit and loss during the period in which they are incurred.

Gains/Losses arising on disposal of property, plant and equipment are recognized in the statement of profit and loss as exceptional items.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as Capital Work in Progress.

Depreciation on fixed assets other than vehicles and furniture is provided on straight line method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013. Depreciation on vehicles and furniture has been provided on written down value method under Schedule II of the Companies Act, 2013.

The depreciation on plant and machinery and effluent treatment plant has been provided on the rates applicable to continuous process plant.

Freehold land is not depreciated.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

#### b) Inventories:

Inventories are valued at the lower of cost and net realizable value after providing for obsolescence, if any except in case of by-product which are valued at net realizable value. The cost is computed on First in First out (FIFO) basis. Cost for the purpose of valuation of finished goods and goods in process is computed on the basis of cost of material, labour and other related overheads.

#### c) Cash and Cash Equivalents:

Cash and Cash Equivalents are short term (3 months or less from the date of acquisition), highly liquid investments that are daily convertible into cash and which are subject to and insignificant risk of changes in value.

#### d) Trade Receivables:

Trade receivables are recognized at fair value.

#### e) Impairment of Non Financial Tangible Assets:

Property, plant and equipment with finite life are evaluated for recoverability whenever there is an indication that carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flow that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the assets belongs.

## Notes on Financial Statement for the period ended 31st March 2018

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

#### f) Provisions, Contingent Liabilities & Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

#### g) Locational Incentives:

The Company is entitled to 'Scheme of Budgetary Support' under Goods and Service Tax Regime in respect of eligible manufacturing unit (Writing & Printing Paper Unit) located in specified regions. Such grants are measured at amount receivable from the govt and are recognized as other operating revenue when there is a reasonable assurance that the company will comply with all the necessary conditions attached to that.

Income from such grants is recognized on a systematic basis over the period to which they relate.

#### h) Expenditure:

Expenses are accounted on accrual basis.

#### i) Employee Benefits:

##### Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuation being carried out at each Balance Sheet date. Actuarial Gains and losses on funded obligations are recognized in full in other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognized as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognizes related structuring costs or termination benefits.

##### Defined Contribution Plans

Contributions to defined contribution plans are recognized as expense when employee have rendered services entitling them to such benefits.

#### J) Income Taxes:

Income Tax expense for the year comprises both current and deferred taxes. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. It is recognized in the statement of profit and loss. Deferred Income Taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of early years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are reassessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

#### K) Earnings per Share:

Basic Earnings per Share is computed by dividing profit or loss attributable to equity shareholders of the company by the weighted average number of equity share outstanding during the year.

For the purpose of calculating diluted Earnings per share, the net profit for the period attributable to equity shares and the weighted average number of equity share outstanding during the period is adjusted for the effect of all dilutive potential equity shares.

# Notes on Financial Statement for the period ended 31st March 2018

## 2. Property, Plant and Equipments and Capital Work in Progress

(Amount in ₹)

DESCRIPTION	GROSS BLOCK			DEPRECIATION/AMORTISATION/DEPLETION			NET BLOCK						
	AS AT 01.04.2016	ADDITIONS	DISPOSALS/TRANSFER	AS AT 31.03.2017	FOR THE YEAR(16-17)	DISPOSALS/TRANSFER	AS AT 31.03.2017	FOR THE YEAR(17-18)	DISPOSALS/TRANSFER	AS AT 31.03.2018	AS AT 31.03.2017	AS AT 01.04.2016	
<b>A) PROPERTY, PLANT &amp; EQUIPMENT</b>													
TANGIBLE ASSETS:													
LAND	106346117	-	-	106346117	242596742	-	348942859	-	-	348942859	106346117	106346117	
BUILDING	299301912	1630750	-	300932662	37538208	-	338470870	96491437	9639608	222913591	195014991	202810475	
OFFICE BUILDING	58167215	-	-	58167215	1195700	-	59362915	3468346	947600	54027927	53779827	54698869	
PLANT & MACHINERY	2100369851	140198368	888000	2259675219	288182300	-	2527857519	788327129	86770358	1572241845	1370829903	1312042722	
E.T.P.	60340270	-	-	60340270	41049733	-	60340270	41049733	2323187	45514107	17058350	19290537	
TUBE WELL	5096111	-	-	5096111	2631135	-	7727246	2721711	1212937	2828934	1410736	2374400	
FURNITURE	8875791	3472393	-	12348184	15538287	-	27886471	7443733	1806673	10255010	3899847	1432058	
TOOLS & EQUIPMENTS	1039298	-	-	1039298	-	-	1039298	331455	39334	410123	668509	707843	
LAB. EQUIPMENTS	6203673	56100	-	6259773	300000	-	6659773	3674354	481935	4590213	2103484	2529319	
OFFICE EQUIPMENTS	6654288	1784009	-	8438297	3733170	-	12151467	3821115	1489521	7214206	3107661	2813173	
VEHICLES	76136827	13590354	1483205	88243976	21566572	-	104297093	56298642	11859963	68082384	26857762	19838185	
FAX MACHINE	209730	-	-	209730	-	-	209730	209729	-	209729	1	1	
WEIGHING SCALE	3556603	661340	-	4217943	-	-	2959696	801410	-	3761106	456837	1258247	
COMPUTERS	6020585	579072	-	6595657	1137904	-	7733561	5357180	1135047	7061586	671975	669118	
FIRE FIGHTING EQUIPMENT	359416	662289	-	1021705	68500	-	1090205	232934	194195	573422	516783	642478	
PBX	402281	-	-	402281	139500	-	541781	355504	7770	410050	131731	1	
PHOTOSTAT MACHINE	436101	49875	-	485976	-	-	485976	340843	42241	472200	13776	56017	
TELEPHONES	3235267	346830	-	3582097	280928	-	3863025	1788038	696178	3115527	747498	1162748	
<b>SUB-TOTAL (A)</b>	<b>2742731336</b>	<b>163022380</b>	<b>2371205</b>	<b>2903382511</b>	<b>614908946</b>	<b>5513455</b>	<b>3512778002</b>	<b>1014317114</b>	<b>119722995</b>	<b>1233075916</b>	<b>2279702086</b>	<b>1784665797</b>	<b>1728414222</b>
<b>B) CAPITAL WORK IN PROGRESS</b>													
PLANT & MACHINERY (C/WIP)													
BUILDING UNDER CONSTRUCTION (C/WIP)													
TUBEWELL (C/WIP)													
PRE-OPERATIVE EXP.(C/WIP)													
<b>SUB-TOTAL (B)</b>													

PLANT & MACHINERY (C/WIP)												
BUILDING UNDER CONSTRUCTION (C/WIP)												
TUBEWELL (C/WIP)												
PRE-OPERATIVE EXP.(C/WIP)												
<b>SUB-TOTAL (B)</b>												

\* NOTE - ₹68672/- BEING THE AMOUNT OF DEPRECIATION CHARGED ON ASSETS (VEHICLE) BELONGING TO PUNJAB PROJECT/UNIT IS NOT CHARGED TO THE STATEMENT OF PROFIT & LOSS AND IS CHARGED TO PRE-OPERATIVE EXPENSES AS THE PUNJAB PROJECT /UNITS UNDER IMPLEMENTATION.

## Notes on Financial Statement for the period ended 31st March 2018

### 3. NON CURRENT INVESTMENTS

(Long term investments)

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Other Investments</b>			
In Equity Shares-Unquoted, fully paid up			
250 Shivalik Solid waste Management Ltd. ₹10 each	2500	2500	2500
<b>TOTAL</b>	<b>2500</b>	<b>2500</b>	<b>2500</b>

### 4. OTHER NON CURRENT ASSETS

(Unsecured and Considered Good)

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Security Deposits</b>			
With HPSEB and Other Government Departments	3461828	3461828	3461828
<b>TOTAL</b>	<b>3461828</b>	<b>3461828</b>	<b>3461828</b>

### 5. INVENTORIES

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Raw Materials and components	351055111	249711743	166848728
Work-in-progress	35856500	40930550	39303500
Finished goods	53841689	48581858	23167991
Stores and spares	243366347	213937226	179250571
<b>TOTAL</b>	<b>684119647</b>	<b>553161377</b>	<b>408570790</b>

### 6. TRADE RECEIVABLES

(Unsecured and Considered Good)

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Over Six Months	28277738	16921900	12978207
Others	447635426	421003032	331225632
<b>TOTAL</b>	<b>475913164</b>	<b>437924932</b>	<b>344203839</b>

## Notes on Financial Statement for the period ended 31st March 2018

### 7. CASH & CASH EQUIVALENT

(Amount in ₹)

Particulars	As at	As at	As at
	31st March, 2018	31st March, 2017	1st April, 2016
Balances with Banks*	620376	1157539	375937
Cash in hand	1103371	1489018	1982743
Margin Money*	10739750	13711458	13383258
<b>TOTAL</b>	<b>12463497</b>	<b>16358015</b>	<b>15741938</b>

\*Balance with bank includes ₹605755/- as Unpaid Dividend (Previous Year- ₹510511) and margin money includes ₹10221750/- as fixed deposits with Banks having maturity period of more than 12 months (Previous Year - ₹10848458/-).

### 8. SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

(Amount in ₹)

Particulars	As at		As at	
	31st March, 2018	31st March, 2017	31st March, 2017	1st April, 2016
<b>Others</b>				
Balance with revenue authorities	126409519	113810496		117623930
Other loan and advances	41377410	50133627		42124357
Interest incurred but not due	11337488	10978060		9444541
		179124417	174922183	169192828
<b>TOTAL</b>	<b>179124417</b>	<b>174922183</b>		<b>169192828</b>

### 9. SHARE CAPITAL

(Amount in ₹)

Particulars	As at	As at	As at
	31st March, 2018	31st March, 2017	1st April, 2016
<b>Authorised Share Capital</b>			
31000000 Equity Shares of ₹10/- each (31000000)	310000000	310000000	310000000
<b>Issued Subscribed and Paid up</b>			
22421804 Equity Shares of ₹10/- each fully paid up (22421804)	224218040	224218040	224218040
<b>TOTAL</b>	<b>224218040</b>	<b>224218040</b>	<b>224218040</b>

## Notes on Financial Statement for the period ended 31st March 2018

### 9. SHARE CAPITAL (Contd.)

9.1 The reconciliation of the number of shares outstanding is set out below:

(Amount in ₹)

Particulars	As at	As at	As at
	31st March, 2018	31st March, 2017	1st April, 2016
	Number of Shares	Number of Shares	Number of Shares
Equity Shares at the beginning of the Year	22421804	22421804	22421804
Add: Equity Shares Issued during the year	-	-	-
Less: Equity Shares bought back during the year	-	-	-
<b>Equity Shares at the end of the year</b>	<b>22421804</b>	<b>22421804</b>	<b>22421804</b>

9.2 The details of Shareholders holding more than 5% Shares

Name of Shareholder

(Amount in ₹)

Particulars	As at		As at		As at	
	31st March, 2018		31st March, 2017		1st April, 2016	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Sh. Jatinder Singh	2359090	10.52%	2359090	10.52%	2306633	10.29%
Sh. Umesh Chander Garg	1268855	5.66%	1268855	5.66%	1220316	5.44%
MS. Charanjeet Kaur	1167934	5.21%	1167934	5.21%	1134534	5.06%

### 10. LONG TERM BORROWINGS

(Amount in ₹)

Particulars	As at		As at		As at	
	31st March, 2018		31st March, 2017		1st April, 2016	
	Non-Current		Non-Current		Non-Current	
<b>Secured</b>						
<b>Term Loans</b>						
From Banks	174011496		159877579		145793108	
From Others	30016056		30118712		36933902	
		204027552		189996291		182727010
<b>Unsecured</b>						
From Other( Promoters)		68780000		43030000		51530000
<b>TOTAL</b>		<b>272807552</b>		<b>233026291</b>		<b>234257010</b>

10.1 The term loans from Banks are secured by first Parri Passu charge created/ to be created on existing and proposed block of assets of the Company by way of hypothecation of Machinery and Equipment and other fixed assets and equitable Mortgage of Land and Building of the company and further secured by the personal guarantee of the Managing Director and the Whole Time Directors. Term loans are further secured by 2nd Parri Passu charge on the current assets of the Company. The Vehicle loans are secured by hypothecation of vehicles acquired against such loans. Home loan is secured by first charge on flat at GK-II New Delhi.



## Notes on Financial Statement for the period ended 31st March 2018

### 11. LONG TERM PROVISIONS

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Provision for employee benefits</b>			
Leave Encashment	19731252	17379113	14962716
<b>TOTAL</b>	<b>19731252</b>	<b>17379113</b>	<b>14962716</b>

### 12. DEFERRED TAX LIABILITY (Net)

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Deferred Tax Liability</b>			
Related to fixed assets	315099458	286076757	271101819
<b>Deferred Tax Assets</b>			
Unabsorbed Depreciation/disallowances under the Income Tax Act, 1961	8148597	7282736	5861775
<b>TOTAL</b>	<b>306950861</b>	<b>278794021</b>	<b>265240044</b>

### 13. OTHER LONG TERM LIABILITIES

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Others</b>			
Creditors for Capital Work	26093704	3354713	19526134
Security Deposit From Suppliers	24335000	24250000	24250000
Security Deposit From Customers	68559655	77276662	63794780
	118988359	104881375	107570914
<b>TOTAL</b>	<b>118988359</b>	<b>104881375</b>	<b>107570914</b>

### 14. SHORT TERM BORROWINGS

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Secured</b>			
<b>Working Capital Loans from Banks</b>			
Rupee Loans	486067107	373503181	343381882
<b>TOTAL</b>	<b>486067107</b>	<b>373503181</b>	<b>343381882</b>

14.1 The working capital limits (Fund Based and Non-Fund Based) from banks are secured by first Parri Passu charge on current assets of the company both present and future and shall include raw materials, semi finished goods in process, finished goods, stores and spares and book debts of the Company and further secured by personal guarantees of the Managing Director and Whole Time Directors. The limits are further secured by first Parri Passu charge on the surplus fixed assets of the company.

## Notes on Financial Statement for the period ended 31st March 2018

### 15. TRADE PAYABLES

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Micro Small and Medium Enterprises	9976837	11121407	12280986
Others	177083558	182063455	139336407
<b>TOTAL</b>	<b>187060395</b>	<b>193184862</b>	<b>151617393</b>

15.1 The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the Company is as under:

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Principal amount due and remaining unpaid	-	-	-
Interest due on above and the unpaid interest	-	-	-
Interest paid	-	-	-
Payment beyond the appointee day during the year	-	-	-
Interest due and payable for the period of delay	-	-	-
Interest accrued and remaining unpaid	-	-	-
Amount of further interest remaining due and payable in succeeding years.	-	-	-

### 16. OTHER CURRENT LIABILITIES

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Current maturities of long-term debts	123179711	96063277	152623446
Advances from Customers*	5636660	13315755	11814884
Unclaimed dividend	605755	510511	327000
Statutory dues	16576237	16211055	11669442
Other provisions (expenses payable)	18883395	13870645	9646710
	164881758	139971243	186081482
<b>TOTAL</b>	<b>164881758</b>	<b>139971243</b>	<b>186081482</b>

\* Amount received for supply of goods/material and outstanding amount does not exceed the period of 365 days.

### 17. SHORT TERM PROVISIONS

(Amount in ₹)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Provision for employee benefits</b>			
Salary & Reimbursements	22983921	18841781	16676179
Leave Encashment	3814164	3664390	1974914

## Notes on Financial Statement for the period ended 31st March 2018

### 17. SHORT TERM PROVISIONS (Contd.) (Amount in ₹)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
Contribution to EPF	4789452		3876055		3431181	
Superannuation	715651		590429		415258	
Annual Bonus	13217038		13582586		12711304	
		45520226		40555241		35208836
<b>TOTAL</b>		<b>45520226</b>		<b>40555241</b>		<b>35208836</b>

### 18. CURRENT TAX LIABILITY (NET) (Amount in ₹)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
Provision For Income Tax	175655472		137314928		86700000	
Less Mat Credit To Be Utilised	28323653		39852729		1639338	
Less TDS And TCS	2537731	144794088	1537173	95925026	1298051	83762611
<b>TOTAL</b>		<b>144794088</b>		<b>95925026</b>		<b>83762611</b>

### 19. REVENUE FROM OPERATIONS (Amount in ₹)

Particulars	2017-18	2016-17
Sale of products	4515931675	4282884742
LESS: REBATE & DISCOUNT	9489260	11961032
<b>TOTAL</b>	<b>4506442415</b>	<b>4270923710</b>

#### 19.1. PARTICULARS OF SALE OF PRODUCTS (Amount in ₹)

Particulars	2017-18	2016-17
Kraft Paper	1914458083	1674425044
Writing & Printing Paper	2583009893	2591540127
Ash/Sludge or Others	5798950	7678773
SALE OF IRON SCRAP	12664749	9240798
<b>TOTAL</b>	<b>4515931675</b>	<b>4282884742</b>

### 20. OTHER INCOME (Amount in ₹)

Particulars	2017-18	2016-17
Interest Income	18273450	9595379
Difference in foreign Currency	-	401271
Duty Draw Back Incentive	480925	7912
Dividend Income	550	-
Short & excess recoveries	17011	23884
GST Budgetary Support	17137938	-
MEIS Incentives	1608422	-
<b>TOTAL</b>	<b>37518296</b>	<b>10028446</b>

## Notes on Financial Statement for the period ended 31st March 2018

### 21. COST OF MATERIALS CONSUMED (Amount in ₹)

Particulars	2017-18		2016-17	
	Amount	Consumption Percentage	Amount	Consumption Percentage
Imported	145550708	5.35	147728159	5.52
Indigenous	2577229419	94.65	2526740042	94.48
<b>TOTAL</b>	<b>2722780127</b>	<b>100.00</b>	<b>2674468201</b>	<b>100.00</b>

#### 21.1. PARTICULARS OF MATERIAL CONSUMED (Amount in ₹)

Particulars	2017-18		2016-17	
Raw Materials	1657325107		1675009195	
Fuel	566027999		536446045	
Chemicals	499427021	2722780127	463012961	2674468201
<b>TOTAL</b>		<b>2722780127</b>		<b>2674468201</b>

### 22. CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN PROCESS (Amount in ₹)

Particulars	2017-18	2016-17
Inventories (At close)		
- Finished Goods	53841689	48581858
- Semi Finished Goods and Goods in process	35856500	40930550
	89698189	89512408
Inventories (At commencement)		
- Finished Goods	48581858	23167991
- Semi Finished Goods and Goods in process	40930550	39303500
	89512408	62471491
<b>TOTAL</b>	<b>(185781)</b>	<b>(27040917)</b>

### 23. EMPLOYEE BENEFITS EXPENSE (Amount in ₹)

Particulars	2017-18	2016-17
Bonus to Staff	1874377	1906679
Bonus to Workers	10763933	11696583
Contribution towards Gratuity Fund	9722327	8158323
Conveyance Allowance	40603	47750
Directors' Remuneration	67523000	36256000
E.D.L.I. Charges	770187	926302
E.S.I.	5295938	3979803
Labour & Staff Welfare	3658174	2829409

## Notes on Financial Statement for the period ended 31st March 2018

### 23. EMPLOYEE BENEFITS EXPENSE (Contd.)

(Amount in ₹)

Particulars	2017-18	2016-17
Leave Encashment	3375342	5488079
EPF & Administrative Charges	28454225	23287379
Production Staff Salaries	179926059	164994601
Salaries Adm. Staff	82527505	65300921
Wages	7940084	7186338
<b>TOTAL</b>	<b>401871754</b>	<b>332058167</b>

23.1 As per IND AS 19 "Employee benefits", the disclosures are given below:

#### Defined Benefit Plan

The employees' gratuity fund scheme managed by trust is a defined benefit plan. The present value of obligation is determined based on Actuarial Valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is determined based on Actuarial valuation using Projected Unit Credit Method.

#### I) Reconciliation of opening and closing balances of Defined Benefit Obligation

(Amount in ₹)

Particulars	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2017-18	2016-17	2017-18	2016-17
Defined Benefit Obligation at the beginning of Year	70163941	54635875	21043503	16937630
Current service cost	7761717	7393784	3780027	3595830
Interest Cost	5171082	4370870	1550907	1355010
Past Service Cost	796959	-	-	-
Actuarial (Gain)/Loss	(3054054)	7021093	(1955592)	537239
Benefits paid	(4366097)	(3257681)	(873429)	(1382206)
<b>Defined Benefit Obligation at the Year end</b>	<b>76473548</b>	<b>70163941</b>	<b>23545416</b>	<b>21043503</b>

#### II) Reconciliation of opening and closing balances of Fair value of plan asset

(Amount in ₹)

Particulars	Gratuity (Funded)	
	2017-18	2016-17
Fair Value of Plan Assets at the beginning of year	54374905	45079142
Actual return on plan Assets	4333896	3797110
Employer Contribution	14988637	8756334
Benefits paid	(4366097)	(3257681)
Fair Value of Plan Assets at year end	69331341	54374905

## Notes on Financial Statement for the period ended 31st March 2018

### 23. EMPLOYEE BENEFITS EXPENSE (Contd.)

#### III) Reconciliation of Fair Value and Obligations

(Amount in ₹)

Particulars	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2017-18	2016-17	2017-18	2016-17
Fair Value of Obligation	76473548	70163941	23545416	21043503
Funded status/difference	(7142207)	(15789036)	(23545416)	(21043503)
Fair Value of Plan Assets at the end of the year	69331341	54374905	-	-
<b>Amount recognized in Balance Sheet</b>	<b>(7142207)</b>	<b>(15789036)</b>	<b>(23545416)</b>	<b>(21043503)</b>

#### IV) The charge to the statement of profit and loss comprises

(Amount in ₹)

Particulars	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2017-18	2016-17	2017-18	2016-17
<b>a) Employee Benefit Expenses:-</b>				
Current Service Cost	7761717	7393784	3780027	3595830
Past service cost	796959	-	-	-
Interest Cost on defined benefits obligation	5171082	4370870	1550907	1355010
Interest Income on plan assets	(4007431)	(3606331)		
Net Actuarial (Gain)/Loss	-	-	(1955592)	537239
<b>Net impact on profit before tax</b>	<b>9722327</b>	<b>8158323</b>	<b>3375342</b>	<b>5488079</b>

#### Particulars

#### Gratuity (Funded)

2017-18 2016-17

#### b) Remeasurement of the net defined benefit plans:-

Net cumulative unrecognized actuarial gain/(loss) opening	-	-
Actuarial gain/(loss) for the year on PBO	3054054	(7021093)
Actuarial gain/(loss) for the year on Assets	326465	190779
<b>Net Impact on other Comprehensive income before tax</b>	<b>3380519</b>	<b>(6830314)</b>

#### V) Actuarial Gain/(loss) on plan assets

(Amount in ₹)

Particulars	Gratuity	
	2017-18	2016-17
Expected interest income	4007431	3606331
Actual Income on plan assets	4333896	3797110
Actuarial gain/(loss) on plan assets during the year	<b>326465</b>	<b>190779</b>

## Notes on Financial Statement for the period ended 31st March 2018

### 23. EMPLOYEE BENEFITS EXPENSE (Contd.)

VI) Actuarial Gain/(loss) on Obligation (₹ in Lakhs)				
Particulars	Gratuity		Leave Encashment	
	2017-18	2016-17	2017-18	2016-17
Actuarial (gain)/loss on arising from change in demographic assumption	-	2130334	-	577935
Actuarial (gain)/loss on arising from change in financial assumption	(2369836)	4265097	(870978)	1942007
Actuarial (gain)/loss on arising from change in experience adjustment	(684218)	625662	(1084614)	(1982703)
<b>Actuarial gain/(loss) on plan assets during the year</b>	<b>(3054054)</b>	<b>7021093</b>	<b>(1955592)</b>	<b>537239</b>

VII) Investments Details (Amount in ₹)		
Particulars	% Invested	
	As at 31st March, 2018	As at 31st March, 2017
GOI Securities	-	-
Public Securities	-	-
State Government Securities	-	-
Insurance Policies	-	-
Others( including Bank Balances)	100	100
<b>TOTAL</b>	<b>100</b>	<b>100</b>

### VIII) Actuarial Assumptions

Particulars	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2017-18	2016-17	2017-18	2016-17
Mortality Table(LIC)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Discounting rate (per annum)	7.71%	7.37%	7.71%	7.37%
Expected rate of return on Plan Assets( per annum)				
Kraft Paper Unit	7.55%	8.00%	-	-
Writing & Printing Paper Unit	7.55%	8.00%	-	-
Future salary Increase ( per annum)	5.50%	5.50%	5.50%	5.50%

The Estimates of salary growth rate is considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors on long term basis.

The discount rate is generally based upon the market yields available on Government Bonds at the accounting date with a term that matches that of the liabilities.

## Notes on Financial Statement for the period ended 31st March 2018

### 24. FINANCE COSTS

(Amount in ₹)

Particulars	2017-18	2016-17
On Working Capital	40620498	37768586
On Term Loans	24613479	35052682
Bank Charges	6237803	4491249
Others	5697306	1865945
<b>TOTAL</b>	<b>77169086</b>	<b>79178462</b>

### 25. OTHER EXPENSES

(Amount in ₹)

Particulars	2017-18	2016-17
<b>Manufacturing Expenses</b>		
Ash Clearing Expenses	10217108	8191056
Broke Shifting Charges	2056409	1307350
Consumable Stores & Electric Repairs	101496681	93015957
E.T.P. Expenses	7777498	8410943
Lease Rent Expenses	72208	120000
Packing Material Consumed	71754043	68447341
Power	191531019	166744650
Repairs to Building	10304459	8703079
Repairs to Machinery	102015403	95788444
Sheet Cutting Charges	14913089	13107363
Testing Charges	613020	335181
Tractor Running & maintenance	3489771	2896423
	516240708	467067787
<b>Selling &amp; Distribution Expenses</b>		
Advertisement & Publicity	2436033	1587595
Business/ Sales Promotion	2119327	5284975
Commission Paid	16210615	19938528
Freight & Forwarding	10131662	8641562
	30897637	35452660
<b>Establishment Expenses</b>		
Directors' Meeting Fees	600000	375000
Travelling & Conveyance	13766292	9503954
Rent	39000	30000
Water & Electricity Expenses	335848	266552
Postage & Courier	468923	465347
Printing & Stationery	945329	794139
Corporate Social Responsibility (CSR)	4577928	2440000
Compensation/Exgratia	80000	-



## Notes on Financial Statement for the period ended 31st March 2018

### 25. OTHER EXPENSES (Contd.)

(Amount in ₹)

Particulars	2017-18		2016-17	
	Amount	Consumption Percentage	Amount	Consumption Percentage
Donation	223000		106100	
Telephone Expenses	1583400		1852131	
Legal & Consultancy Expenses	9875052		2664686	
Service Tax Paid	1504767		7578114	
Vehicle Running & Maintenance	5257944		4401390	
Bus Running & Maintenance	2265790		2242677	
Repairs & Maintenance others	4741507		4181961	
Reserch & Development	450000		-	
Insurance	8070661		8547968	
News Papers & Periodicals	32095		24728	
Auditors Remuneration				
- Statutory Audit	220000		204250	
- Internal Audit	550000		559000	
- Cost Audit	65000		65000	
- Audit Expenses	246345		221675	
Fees and Taxes	3870968		2306198	
Filling Fee	9548		10200	
Subscription	178489		60000	
Training and Seminar Expenses	28000		15350	
Export Exps.	2688506		547942	
		62674392		49464362
<b>TOTAL</b>		<b>609812737</b>		<b>551984809</b>

### 25.1 VALUE OF STORES, CONSUMABLES AND PACKING MATERIAL CONSUMED

(Amount in ₹)

Particulars	2017-18		2016-17	
	Amount	Consumption Percentage	Amount	Consumption Percentage
Imported	21656655	7.87	16461609	6.40
Indigenous	253609472	92.13	240790133	93.60
<b>TOTAL</b>	<b>275266127</b>	<b>100.00</b>	<b>257251742</b>	<b>100.00</b>

### 25.2 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

(Amount in ₹)

Particulars	2017-18	2016-17
Raw Materials and Chemicals	164153617	137253889
Stores, Consumables and Packing materials	10988159	17928125

## Notes on Financial Statement for the period ended 31st March 2018

### 25. OTHER EXPENSES (Contd.)

#### 25.2 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

(Amount in ₹)

Particulars	2017-18	2016-17
Plant & Machinery	17380624	4097269

#### 25.3 PAYMENTS TO AUDITORS AS

(Amount in ₹)

Particulars	2017-18	2016-17
Statutory & Tax Audit Fees	220000	204250
Reimbursement of Expenses	27295	27100
Cost Audit Fees	65000	65000
<b>TOTAL</b>	<b>312295</b>	<b>296350</b>

#### 25.4. EXPENDITURE IN FOREIGN CURRENCY:

(Amount in ₹)

Particulars	2017-18	2016-17
Royalty ,know-how, professional and consultation fee	-	-
Interest and other matters	-	-
Foreign Travelling	-	-
Machinery Spares including Advances	15623431	21490955
Machinery Purchase	9771386	4097269

### 26. EARNINGS PER SHARE (EPS)

(Amount in ₹)

Particulars	2017-18	2016-17
i) Net Profit after tax as per Statement of profit and Loss attributable to Equity shareholders	382376619	320488792
ii) Weighted Average number of equity share used as denominator for calculating Basic EPS	22421804	22421804
iii) Basic Earning per share	17.05	14.29
iv) Weighted Average number of equity share used as denominator for calculating Diluted EPS as per treasury stock method	22682236	22421804
v) Diluted Earning per share	16.86	14.29
v) Face Value per equity share	10.00	10.00

### 27. EARNINGS IN FOREIGN EXCHANGE

(Amount in ₹)

Particulars	2017-18	2016-17
FOB value of exports	51349849	39587641

## Notes on Financial Statement for the period ended 31st March 2018

### 28. RELATED PARTY DISCLOSURES :

As per IND AS 24, the disclosure of transactions with the related parties are given below:

i) List of related parties where control exists and related parties with whom transactions have taken place and relationship:

Name of Related Party	Relationship	
Shri Umesh Chander Garg	Key Managerial Personnel	
Shri Subhash Chander Garg		
Shri Jatinder Singh		
Shri Vipin Gupta		
Shri Dalbir Singh	Independent Directors	
Shri Avtar Singh		
Shri Surinder Gupta		
Shri Swatantar Kumar Dewan		
MS Suhasini Yadav		
Sirmour Hotels (P) Ltd.		Enterprises in which Key Managerial Personnel holds directorship
Jasmer Foods (P) Ltd.		
RPL Employees Gratuity Fund	Post Employment Benefits Plans	
Ruchira Packaging Products (P) Ltd.	Enterprises of Relatives of Key Managerial Personnel	
Ruchira Printing & Packaging.		
Jasmer Pack Ltd.		
Jasmer Packer		
Well Pack Industries		
York Cellulose (P) Ltd.		
Smt. Parveen Garg		Relatives of Key Managerial Personnel holding office or place of profit.
Sh. Deepan Garg		
Sh. Jagdeep Singh		
Sh. Dajeet Singh		
Sh. Lucky Garg		
Smt. Ruchica G Kumar		
Sh. Atul Garg		
Ms. Radhika Garg		

## Notes on Financial Statement for the period ended 31st March 2018

### 28. RELATED PARTY DISCLOSURES : (Contd.)

ii a) Transactions during the year with related parties:

(Excluding reimbursements):

(₹ in Lakhs)

	Sales of finished goods	Purchase of raw /packing material	Interest received for delay in payments	Closing Balance
Ruchira Packaging Products (P) Ltd.	<b>1989.94</b> <i>1150.74</i>	<b>225.53</b> <i>168.51</i>	<b>41.83</b> <i>29.10</i>	<b>212.02</b> <i>237.26</i>
Ruchira Printing & Packaging.	<b>99.36</b> <i>51.85</i>	<b>194.96</b> <i>71.90</i>	- <i>-</i>	- <i>2.97</i>
Jasmer Pack Ltd.	<b>3205.95</b> <i>2528.81</i>	<b>206.47</b> <i>50.49</i>	<b>64.33</b> <i>8.02</i>	<b>604.27</b> <i>457.71</i>
Jasmer Packer	<b>935.65</b> <i>885.96</i>	<b>69.98</b> <i>7.03</i>	<b>13.57</b> <i>0.99</i>	<b>45.33</b> <i>1.17</i>
Well Pack	<b>299.21</b> <i>539.51</i>	<b>171.71</b> <i>75.32</i>	<b>22.36</b> <i>5.68</i>	<b>88.17</b> <i>135.26</i>
Jasmer Foods Pvt Ltd.	-	-	-	-
	-	<b>26.01</b>	-	-
York Cellulose Pvt. Ltd.	-	<b>4.69</b>	-	-
	-	-	-	-

Note :Figures in italic represents previous year's amount.

ii b) Transactions during the year with Key Managerial Personnel:

(₹ in Lakhs)

	Salary and Allowances		Reimbursements	
	2017-18	2016-17	2017-18	2016-17
Shri Umesh Chander Garg	211.20	109.20	10.92	8.54
Shri Subhash Chander Garg	211.20	109.20	23.66	11.83
Shri Jatinder Singh	211.20	109.20	42.70	25.01
Shri Vipin Gupta	41.63	34.96	1.89	1.22

ii c) Transactions during the year with the Relatives of Key Managerial Personnel holding office or place of profit.

(₹ in Lakhs)

	Salary and Allowances		Reimbursements	
	2017-18	2016-17	2017-18	2016-17
Smt. Parveen Garg	52.61	43.13	0.58	3.07
Sh. Deepan Garg	52.61	43.13	6.73	3.65
Sh. Jagdeep Singh	52.61	43.13	9.23	12.72
Sh. Dajeet Singh	52.61	43.13	3.52	0.93
Sh. Lucky Garg	52.61	43.13	-	-
Smt. Vaishali Jhaveri*	-	9.49	-	-
Sh. Atul Garg	52.61	43.13	1.41	-
Smt Ruchica G Kumar**	52.61	33.64	3.02	1.91
Ms. Radhika Garg	52.61	43.13	2.17	0.55

\*Resigned w.e.f 30th June 2016

\*\*Appointed w.e.f 01st July 2016

## Notes on Financial Statement for the period ended 31st March 2018

### 28. RELATED PARTY DISCLOSURES : (Contd.)

#### ii d) Transactions during the year with Independent Directors.

(₹ in Lakhs)

	Reimbursements		Sitting Fees	
	2017-18	2016-17	2017-18	2016-17
Shri Dalbir Singh		-	1.20	0.75
Shri Avtar Singh	0.03	0.04	1.20	0.75
Shri Surinder Gupta	0.03	0.04	1.20	0.75
Shri Swatantar Kumar Dewan	0.03	0.04	1.20	0.75
Ms. Suhasini Yadav		-	1.20	0.75

#### Primary segment information:

The Company operates in only one main segment i.e. manufacturing of Paper

#### Secondary segment information:

(Amount in ₹)

Particulars	2017-18	2016-17
Segment Revenue		
India	4427058658	4243297101
Overseas	88873017	39587641
<b>TOTAL</b>	<b>4515931675</b>	<b>4282884742</b>

### 29. CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)

Particulars	2017-18	2016-17
Contingent Liabilities		
(A) Claims against the Company/disputed liabilities not acknowledged as debts		
In respect of Excise Duty demand raised, which in the opinion of the Management are not tenable and are under appeal at Custom, Excise & Service Tax Appellate Tribunal, New Delhi.	Nil	Nil
(B) Guarantees		
Outstanding guarantees furnished to various banks in respect of the guarantees given by those banks in favour of various government authorities and others including Letters of Credits	216.04	261.99
Commitments		
(A) Estimated amount of contracts remains to be executed on capital account (Net of advances)	-----	-----

## Notes on Financial Statement for the period ended 31st March 2018

### 30. RECONCILIATION

#### A) Reconciliation of Balance Sheet as at 31st March 2017

(Amount in ₹)

Sl. No	Particulars	as at 31st march 2017		
		IGAAP	EFFECT OF TRANSITION TO IND AS	AS PER IND AS BALANCE SHEET
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	1784865797	-	1784865797
	(b) Capital work-in-progress	34037916	-	34037916
	(c) Financial Assets:			
	(i) Investments	2500	-	2500
	(d) Other non-current assets	3461828	-	3461828
	<b>Total Non Current Assets(A1)</b>	<b>1822368041</b>	<b>-</b>	<b>1822368041</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	553161377	-	553161377
	(b) Financial Assets			
	(i) Trade receivables	437924932	-	437924932
	(ii) Cash and cash equivalents	16358015	-	16358015
	(iii) Loans & Advances	216312085	(41389902)	174922183
	<b>Total Current Assets(A2)</b>	<b>1223756409</b>	<b>(41389902)</b>	<b>1182366507</b>
	<b>Total Assets(A1+A2)</b>	<b>3046124450</b>	<b>(41389902)</b>	<b>3004734548</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>EQUITY</b>			
	(a) Equity Share capital	224218040	-	224218040
	(b) Other Equity	1303296155	-	1303296155
	<b>Total Equity(B1)</b>	<b>1527514195</b>	<b>-</b>	<b>1527514195</b>
	<b>LIABILITIES</b>			
<b>2</b>	<b>Non-Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	233026291	-	233026291
	(b) Provisions	17379113	-	17379113
	(c) Deferred tax liabilities (Net)	278794021	-	278794021
	(d) Other non-current liabilities	104881375	-	104881375
	<b>Total Non Current Liability(B2)</b>	<b>634080800</b>	<b>-</b>	<b>634080800</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	373503181	-	373503181
	(ii) Trade payables	193184862	-	193184862
	(b) Other current liabilities	139971243	-	139971243
	(c) Provisions	177870169	(137314928)	40555241
	(d) Current Tax Liabilities (Net)	-	95925026	95925026
	<b>Total Current Liabilities (B3)</b>	<b>884529455</b>	<b>(41389902)</b>	<b>843139553</b>
	<b>Total Equity and Liabilities (B1+B2+B3)</b>	<b>3046124450</b>	<b>(41389902)</b>	<b>3004734548</b>

## Notes on Financial Statement for the period ended 31st March 2018

### 30. RECONCILIATION (Contd.)

#### B) Reconciliation between financial results previously (referred to as the previous Accounting Standards) and the Ind AS for the Year ended 31st March 2017 is as below:

Particulars	For the Year Ended 31.03.2017
Net Profit After Tax (as per previous GAAP)	320488792
Add:-Reclassification of actuarial loss arising in respect of the employees benefits scheme to other comprehensive income (OCI)	6830314
Less:-Tax adjustment on above	2363972
Profit After Tax as per Ind AS	324955134
Less Other comprehensive loss (net of tax)	4466342
Total comprehensive income for the period as reported under Ind AS	320488792

#### C) Reconciliation between total equity previously reported (referred to as "Previous GAAP" and Ind AS as at 31.03.2017 is as below

Particulars	For the year Ended 31.03.2017
Total Equity(Shareholder's Fund) as per Previous GAAP	1527514195
Add/(Less) adjustment	Nil
Total Equity as per Ind AS	1527514195

#### D) Reconciliation of cash flows for the year ended 31st March 2017

The adjustments as explained above are of non-cash nature and accordingly, there are no material differences in the cash flows from operating, investing and financing activities as per the erstwhile IGAAP and as per Ind AS

#### E) Notes on adjustments

##### i) Re-measurement gains or losses:

Ind AS 19 Employee Benefits requires the impact of re-measurement in net defined benefit liability/asset to be recognized in other comprehensive income (OCI). Re-measurement of net defined benefit liability/asset comprises actuarial gains and losses. However, under IGAAP this is recognised in the Statement of Profit and loss.

##### ii) Excise Duty:

Under Previous GAAP, revenue from sale of products was presented net of excise duty under revenue from operations. Whereas, under Ind AS, revenue from sale of products is inclusive of excise duty amounting to ₹998.86 lacs for the year ended 31st March 2017. Accordingly, Excise duty has been included in the cost of production, as it is a liability of the manufacturer, irrespective of whether the goods are sold or not.

##### iii) Rebate and Discount:

Under Previous GAAP, rebate and discount on sale of goods is presented under selling and distribution expenses. Whereas, under Ind AS, revenue from sale of products is presented after netting of rebate and discount.

##### iv) Other Comprehensive Income (OCI):

Under Previous GAAP, there was no concept of OCI. Under Ind AS, re-measurement of defined benefit plan liability are recognised in OCI.

(The previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current year presentation)

## Notice

NOTICE is hereby given that the 38th ANNUAL GENERAL MEETING of the Members of RUCHIRA PAPERS LIMITED will be held on Friday, 28th September, 2018 at 11.15 AM at Hotel Black Mango, Nahan Road, Kala-Amb, District Sirmaur, Himachal Pradesh-173030 to transact the following business:

#### ORDINARY BUSINESS:

- To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31st March 2018 together with the Reports of Board of Directors and Independent Auditors thereon;
- To declare final dividend on equity shares for the financial year 2017-18;
- To appoint a Director in place of Mr. Subhash Chander Garg (DIN 01593104), who retires by rotation and, being eligible, offers himself for re-appointment;
- To re-appoint the Statutory Auditors of the Company and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 139,141,142 and all other applicable provisions of the Companies Act, 2013(if any) and the rules made there under (Including any statutory modification(s) or re-enactment thereof for the time being in force), pursuant to recommendations of the Audit Committee, M/S Subhash Sajal & Associates, Chartered Accountants (ICAI Reg. No. 018178N) be and are hereby re-appointed as the Statutory Auditors of the Company (for the second term of five consecutive years) to hold office from the conclusion of this Annual General Meeting until the conclusion of 43rd Annual General Meeting at such remuneration as shall be fixed by Board of Directors of the Company."

#### SPECIAL BUSINESS:

- To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (Including any statutory modification(s) or re-enactment thereof, for the time being in force), M/S Sanjay Kumar Garg & Associates, the Cost Auditors re-appointed by the Board of Directors of the Company, to conduct the

audit of the cost records of the Company for the financial year 2018-19, to be paid remuneration of ₹70,000/-(₹ Seventy Thousand Only) plus applicable taxes and out of pocket expenses as recommended by the Audit Committee and approved by the Board, be and is hereby ratified."

- To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 197 read with Part I and Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013, applicable clauses of the Articles of Association of the Company, recommendation of the Nomination and Remuneration Committee, and subject to other requisite approvals, if any, the approval of the members be and is hereby accorded to fix the managerial remuneration of Mr. Vipin Gupta, CFO & Executive Director of the Company, w.e.f 1st June, 2018 for the period of One Year i.e up to 31st May 2019 on such terms and conditions including remuneration, in case of absence of profits or if the Company has inadequate profits, as stated below:

- Basic Pay: ₹3,60,000 /- P.M (₹ Three Lakh and Sixty Thousand Only)  
(Proposed increase from ₹3,10,000/- to ₹3,60,000/-)
- HRA @ 15% per month of the Basic Pay.
- Telephone: Mobile/Telephone facility as per Company's rules.
- Leave encashment as per Company's rules.
- Conveyance: Company's Car with Driver for Official Use.
- Reimbursement of expenses incurred for the business of the Company as per Company's rules.

In addition to the above remuneration, he shall also be entitled to the following benefits which shall not be counted for the purpose of Ceiling as per Section II of Part II of Schedule V.

- Employees' Provident Fund: Company's Contribution towards Employees' Provident Fund as per the Employees' Provident Fund Act.
- Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service.



Notwithstanding anything contrary contained herein, where in any financial year during the currency of tenure of Mr. Vipin Gupta, the Company has no profits or its profits are inadequate, the Company will pay remuneration not exceeding the higher of the limits under paragraph (A) as laid down under Section II of Part II of Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** Board of Directors and/ or Nomination & Remuneration Committee is hereby further authorized to alter and vary the terms and conditions from time to time including designation subject to the applicable provisions of the Companies Act, 2013 and within the overall limits approved by the Shareholders of the Company.

**RESOLVED FURTHER THAT** Mr. Vishav Sethi, Company Secretary of the Company be and is hereby authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the forging resolution."

7. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, whereby, a document may be served on any member by the Company by sending it to him/ her by post, by registered post, by speed post or any other modes as may be prescribed, consent of

the members be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post or speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the Company at least 15 days in advance of dispatch of documents by the Company to the shareholder.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution."

Place: Kala-Amb (HP) By order of the Board  
Date: 31st July 2018 For Ruchira Papers Limited

Registered Office: Vishav Sethi  
Tirlokpur Road, Kala Amb Company Secretary  
Distt: Sirmaur, H.P-173030  
CIN: L21012HP1980PLC004336  
Website: www.ruchirapapers.com

**Notes:-**

1. THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 SETTING OUT ALL MATERIAL FACTS IS ANNEXED HERETO.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of the Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the

Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 22nd September 2018 to Friday, 28th September 2018 (both days inclusive).
4. Documents referred to in the Notice and Explanatory Statement is open for inspection at the Registered Office of the Company on all working days, except holidays, between 11.00 A.M. to 1.00 P.M. up to date of the Annual General Meeting.
5. Members may also note that the Notice of the 38th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website www.ruchirapapers.com. The Notice of AGM shall also be available on the website of Link Intime India Private Limited <https://instavote.linkintime.co.in>.

6. If the dividend, as recommended by the Board of Directors is approved at the AGM, payment of such dividend will be made on or after Tuesday, 09th October 2018 as under:
  - a) To all the beneficial owners in respect of shares held in dematerialized form as per the data made available by the NSDL and CDSL as on the close of business hours on Friday, 21st September 2018;
  - b) To all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Friday, 21st September 2018.
7. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Company/RTA.
8. Members desirous of getting any information on Accounts or other items of Agenda are requested to forward his/her queries to the Company at least three working days prior to the date of Annual General Meeting so as to enable the Management to keep information ready.
9. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at Annual General Meeting.
10. Pursuant to Section 72 of the Companies Act, 2013 read with rule 19(1) of the Rules made thereunder, Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form-SH-13, which is also available on the website of the Company.
11. In the case of Joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
12. Members/ Proxies attending the Meeting are requested to bring their copy of the Annual Report with them at the meeting as the same will not be distributed at the meeting. The enclosed attendance slip duly filled may kindly be delivered at the entrance of the meeting hall.
13. Details under Regulation 36(3) of the Listing Regulations and SS-2 in respect of the directors seeking appointment/re-appointment at the Annual General Meeting (AGM), forms integral part of the Notice. The directors have furnished their requisite declarations for their appointment/re-appointment.
14. The Notice of the AGM along with the Annual Report for F.Y 2017-18 is being sent by electronic mode to those members whose e-mail addresses are with the Depositories, unless any Member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
15. To Support the 'Green initiative', the Members who have not registered their e-mail addresses are requested to register the same with the RTA/ Depositories.
16. In case the dividend has remained un-claimed for any of the financial year's, the shareholders may approach the Company with their dividend warrants for revalidation/with the letter of undertaking for issue of revalidated/duplicate dividend warrants respectively. A letter to this effect has already been sent to the concerned Shareholders.
17. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
18. Pursuant to provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying as on 21.09.2017 (date of last Annual General Meeting) on website of the Company, as also with Ministry of Corporate Affairs.
19. E-voting: In compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of

the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote by electronic means and the business may be transacted through e-voting services provided by the Link Intime India Private Limited (LI IPL).

The Members who have cast their vote by remote e-voting prior to the Meeting may also attend the AGM but shall not be entitled to cast their vote again.

The voting period begins on Tuesday, 25th September 2018 (9.00 a.m) and ends on Thursday, 27th September 2018 (5.00 p.m). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the close of working hours on Friday, 21st September 2018 ('Cut-off date') may cast their vote electronically. The e-voting module shall be disabled by LI IPL for voting thereafter.

#### Instructions for shareholders to vote electronically:

- **Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)**

1. Visit the e-voting system of LI IPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on "Login" tab, available under 'Shareholders' section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
4. Your User ID details are given below:
  - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
  - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
  - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company

5. Your Password details are given below:

If you are using e-Voting system of LI IPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

	For Shareholders holding shares in Demat Form or Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.</li> </ul>
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> <li>• Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (iv-c).</li> </ul>

If you are holding shares in demat form and had registered on to e-Voting system of LI IPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

#### If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LI IPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
 

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/ Against'.
8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
9. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on

"YES", else to change your vote, click on "NO" and accordingly modify your vote.

10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

- **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LI IPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us :- Tel : 022 - 49186000.

#### Other Instructions:

- (i) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Cut-off Date.
- (ii) Mr. Sanjay Kumar Garg of M/S Sanjay Kumar Garg & Co, Cost Accountants, who has consented to act as the scrutinizer and is available for the purpose of ascertaining the requisite majority, has been appointed as the scrutinizer to scrutinize the remote e-voting process/ballot/ poll in a fair and transparent manner.
- (iii) The Chairman shall, at the Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot or polling paper for all

those Members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.

- (iv) Scrutinizer shall, immediately after the conclusion of the Meeting will first count the votes cast at the Meeting and thereafter unblock the votes in the presence of at least two witnesses not in the employment of the Company and within a period not exceeding 48 hours from the conclusion of the Meeting make a Consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company or any other person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

## ANNEXURE TO THE NOTICE

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

### ITEM NO. 4:

Though not mandatory, this statement is provided for reference.

M/s Subhash Sajal & Associates, Chartered Accountant were firstly appointed as Statutory Auditors of the company by members at their 33rd annual general meeting held on 11th September 2013 to hold office till the conclusion of 34th Annual General Meeting in accordance with erstwhile provisions of Companies Act, 1956.

With the notification of Companies Act, 2013, as per section 139(1), the auditor shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting. Accordingly the members of the company at their 34th annual general meeting held on 25th September 2014 re-appointed M/S Subhash Sajal & Associates, Chartered Accountant as Statutory Auditors of the company to hold office till 38th annual general meeting for their first term.(includes one year under the erstwhile provisions of Companies Act,1956).

As per section 139(2) an audit firms can act as Statutory Auditors for two terms of five consecutive years. Since M/S Subhash Sajal & Associates are completing their first term in the ensuing AGM, the Board of Director on the recommendation of Audit Committee has recommended their re-appointment as Statutory Auditors of the Company for the second term of five consecutive years, to hold office from the conclusion of 38th annual general meeting till the conclusion of 43rd annual general meeting.

- (v) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ruchirapapers.com](http://www.ruchirapapers.com) and on the website of LIPL at <https://instavote.linkintime.co.in>, immediately after the declaration of result by the Chairman or a person authorized by him in writing and communicated to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Transfer to Investor Education & Protection Fund:

During the year, the Company was not required to transfer any amount to the Investor Education and Protection Fund.

M/s. Subhash Sajal & Associates, Chartered Accountants, have consented to the said re-appointment and confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be re-appointed as statutory auditors in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolution set out at Item No. 4 of the notice.

The Board recommends the Ordinary Resolution set forth at Item No. 4 of the notice for approval of the members.

### ITEM NO.5:

The Board on the recommendation of the Audit Committee has approved the re-appointment and remuneration of M/S Sanjay Kumar Garg & Associates as Cost Auditors to conduct the audit of the Cost records of the Company for the financial year 2018-19.

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

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolution set out at Item No. 5 of the notice.

The Board recommends the Ordinary Resolution set forth at Item No. 5 of the notice for approval of the members.

### ITEM NO. 6:

Mr. Vipin Gupta was re-appointed as Whole Time Director of the Company at the Annual General Meeting of the Company held on 30th September 2016, for the period of five years w.e.f 01st November 2016. He was also appointed as Chief Financial Officer of the Company by the Board on dated 28.05.2014. He is presently designated as CFO & Executive Director of the Company. However the Remuneration payable to Mr. Vipin Gupta is decided annually.

The Board of Directors of the Company on the recommendation of Nomination and Remuneration Committee at their meeting held on 18th May 2018, subject to approval of members, fixed the remuneration payable to Mr. Vipin Gupta for the period of One Year effective from 01st June 2018. The detail of remuneration is mentioned in the resolution itself.

Brief particulars pursuant to Regulation 36(3) of the Listing Regulations and additional information to be given to Members in terms of Secretarial Standards on General Meetings (SS-2), of Mr. Vipin Gupta is given in Annexure to the AGM Notice.

As per the proviso to Section 102(2) of the Companies Act, 2013, it is clarified that the proposed Resolution does not relate to or affect any other Company.

Information required to be disclosed under the Second Proviso to Section II(B), Part II of Schedule V of the Companies Act, 2013 is as follows:

- (i) the proposed remuneration has been approved by Nomination and Remuneration Committee and the Board;
- (ii) the Company has not defaulted in repaying any of its debts or interest payable for a continuous period of thirty days in the preceding financial year before the date of revision/re-appointment;
- (iii) a Special Resolution is being passed at the forthcoming Annual General Meeting for payment of the remuneration for a period not exceeding One year;

- (iv) a statement containing further information is set out in the Annexure to the Notice.

Mr. Vipin Gupta is concerned and interested in the resolution no. 6. Other than Mr. Vipin Gupta, none of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the passing of the above resolution.

The Board recommends Special Resolution set forth at Item No. 6 of the notice for approval of the members.

### ITEM NO. 07:

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed. Further a member may request the delivery of document through any other mode by paying such fees as maybe determined by the members in the Annual General Meeting.

None of the Directors and the Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the resolution set out at Item No. 7 of the notice.

The Board recommends Special Resolution set forth at Item No. 7 of the notice for approval of the members.

By order of the Board  
For Ruchira Papers Limited

Regd. Office : Trilokpur Road,  
Kala Amb.  
Distt: Sirmour (HP)

Place: Kala-Amb  
Date : 31st July 2018

Vishav Sethi  
Company Secretary



**INFORMATION PURSUANT TO SS-2 OF SECRETARIAL STANDARDS ON GENERAL MEETING AND REGULATION 36(3) OF THE LISTING REGULATION REGARDING APPOINTMENT OR RE-APPOINTMENT OF THE DIRECTORS AND/OR FIXATION OF REMUNERATION AT THE FORTHCOMING ANNUAL GENERAL MEETING.**

Name of Director	Mr. Subhash Chander Garg	Mr. Vipin Gupta
Category	Executive, Promoter	Executive, Professional
Date of Birth	02.06.1942	25.05.1969
Date of first appointment	08.12.1980	01.11.2011
Qualifications	Graduate in Law.	Post Graduate in Commerce
Brief Profile and Expertise in Specific functional area	Mr. Subhash Chander Garg aged 76 years is Whole Time Director of the Company. He is looking after the Marketing, Sales, Taxation and Company Law Matters. He has been associated with the Company since its inception as Promoter Director.	Mr. Vipin Gupta aged 49 years, presently designated as CFO & Executive Director and is looking after Finance, Accounts and Taxation of the Company.
Chairman/ Member of committees of the Board of Companies of which he is a director	Ruchira Papers Limited: Member: Stakeholders Relationship Committee & Corporate Social Responsibility Committee.	Ruchira Papers Limited: Member: Corporate Social Responsibility Committee, Allotment Committee
Shareholding as on 31.03.2018	848170 Equity Shares.	20742 Equity Shares
Last Remuneration Drawn	₹16.00 Lakh p.m. Plus 20% (HRA) plus other benefits as approved by Shareholders vide Special Resolution dated 21.09.2017.	₹3.10 Lakh P.M Plus 15% (HRA) plus other benefits as approved by the Shareholders vide Special Resolution dated 21.09.2017.
Relationship with other Directors/ KMP inter-se	Brother of Mr. Umesh Chander Garg, Managing Director of the Company.	N.A
Number of Meeting of Board attended during the year and other directorship etc.	Please refer "Report on Corporate Governance" forming part of this Annual Report.	Please refer "Report on Corporate Governance" forming part of this Annual Report.

**STATEMENT PURSUANT TO PROVISION TO SCHEDULE V (PART II SECTION II (A) (CLAUSE IV)) OF THE COMPANIES ACT, 2013**

**I. GENERAL INFORMATION**

1. Nature of Industry	Paper Industry: The Company is engaged in manufacturing of Writing & Printing Paper which is used for manufacturing of Note Books, Publications etc and Kraft Paper which is used as a Raw Material in Packaging Industry.			
2. Date of commencement of commercial production	The Company is engaged in production of Kraft Paper since 1983 and of Writing and Printing Paper since 2008.			
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable			
4. Financial performance based on given indicators.	The Financial Results for the last three years are as follows:			
	Particulars	2017-18 (₹ In Lakhs)	2016-17 (₹ In Lakhs)	2015-16 (₹ In Lakhs)
	Sales	44760.15	41737.58	36258.12
	PBT	5830.97	4575.26	3176.96
	PAT	3823.76	3204.89	1947.06
	Dividend proposed/ Paid	22.5%	22.5%	15%

5. Export Performance and Net Foreign Exchange Collection	During the year 2017-18, Foreign Exchange earnings were ₹5.13 Crore.
6. Foreign investments or collaborators, if any.	Nil

**II. INFORMATION ABOUT THE APPOINTEE/ EXISTING MANAGERIAL PERSONNEL TO WHOM INCREASED REMUNERATION IS PROPOSED:**

	Mr. Vipin Gupta, CFO & Executive Director
1. Background Details	Mr. Vipin Gupta, aged 49 Years is working as professional Whole Time Director With the Company. He is looking the Finance, Accounts and Taxation of the Company. He is associated with the Company for the past 28 Years.
2. Past Remuneration	₹ 3.10 Lakh P.M Plus 15% (HRA) plus other benefits as approved by the members' vide special resolution dated 21.09.2017
3. Recognition or awards.	-
4. Job Profile and his suitability.	As per (1) above
5. Remuneration proposed.	As set out in the resolution at Item No. 06 of the Notice of the AGM.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).	The remuneration proposed to be paid to the Director is comparable with the remuneration being paid for similar assignments in the Industry.
7. Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any.	Beside the Remuneration Proposed no pecuniary relationship with the Company.

**III. OTHER INFORMATION:**

1. Reasons of inadequate profits	During the Financial Year ended 31st March 2018, the Company did not have adequate profits for payment of managerial remuneration under section 197 and Schedule V of the Companies Act, 2013. The profitability has increased during the year but the remuneration proposed does not fall under the limits as specified under section 197 resulted inadequacies of profits during the F.Y. 2017-18.
2. Steps taken or proposed to be taken for improvement	The Company has been consistently operating at higher levels. The Company continued its growth journey through expansions and setting up of Writing & Printing Paper unit in 2008. During the Year 2017-18, the Company had implemented the Modernisation and Up gradation programme, This has facilitated the company to manufacture the value added products and further increase in production. During the year 2017-18, the Company achieved turnover of ₹ 447.60 Crore, which is showing upward trend and positive sign of growth of the Company. Further the Company has taken several initiatives like improvement of efficiency parameters, and building a formidable branding position, which is likely to hold the Company in good stead for coming years.
3. Expected increase in productivity and profits in measurable terms	During the year 2017-18, the Kraft Paper Production was 67999.145 MT and Writing and Printing Paper production was 47425.050 MT. The same is likely to increase in 2018-19. The profits are also likely to increase alongside with the production.





## Ruchira Papers Limited

CIN: L21012HP1980PLC004336

Regd. Office: Tirlokpur Road, Kala Amb, Himachal Pradesh-173030

Phone: 91-8053800897, Email- investor@ruchirapapers.com

### ATTENDANCE SLIP

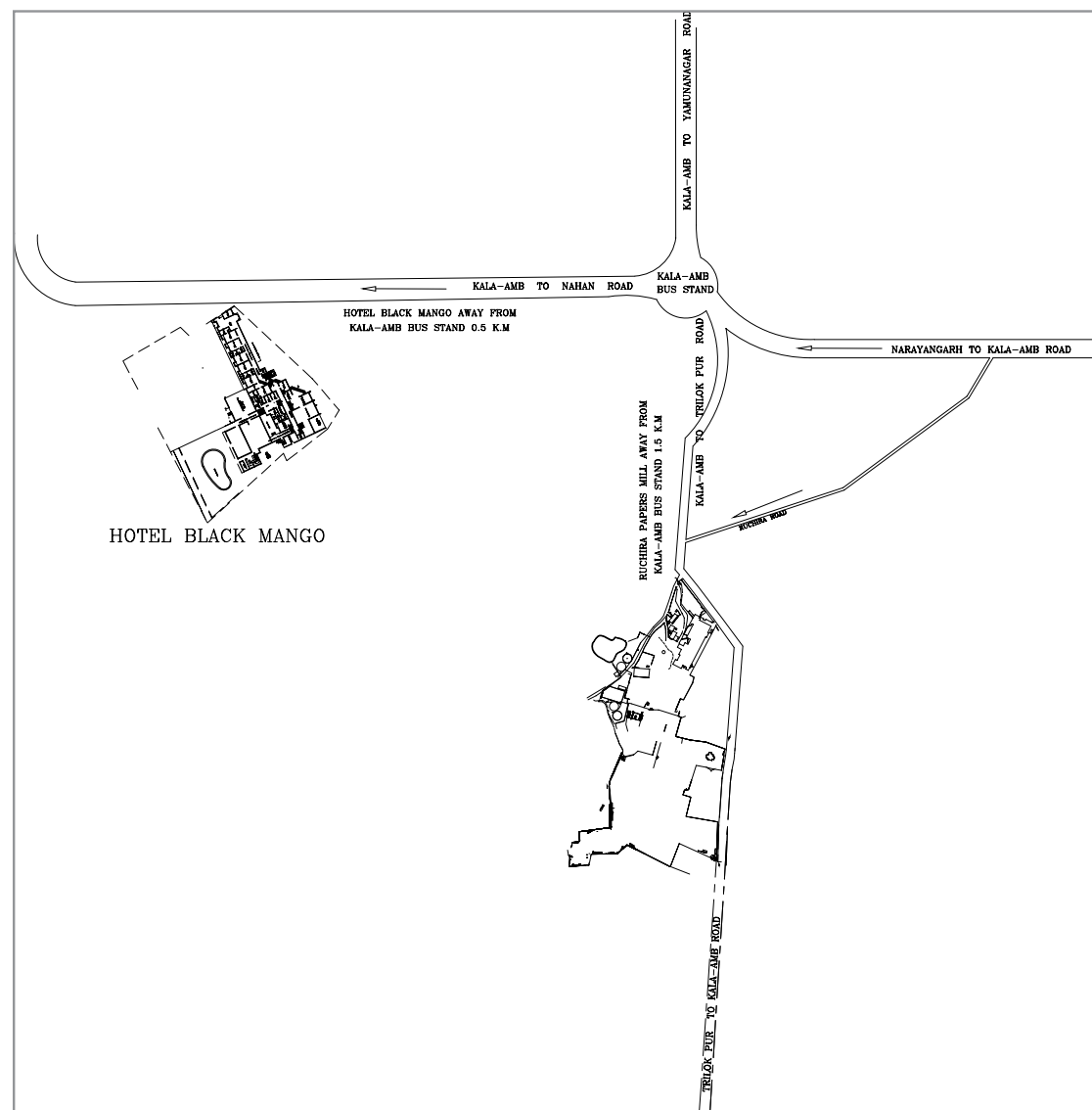
(To be presented at the entrance)

38th Annual General Meeting on Friday, 28th September 2018 at 11.15 AM.

## IV. DISCLOSURE

1.	Remuneration Package	Disclosure of the remuneration package is part of this notice being sent to shareholders.
2.	Details of Fixed Component and performance linked incentives along with the performance criteria.	All components of the remuneration package are fixed. No performance linked incentives to be given.
3.	Service Contracts, Notice Period, Severance fees etc.	For 5 years. Notice period-30 days
4.	Stock Option Details if any.	N.A

## AGM VENUE ROUTE MAP



I hereby record my presence at the 38th Annual General Meeting of the Company being held at Hotel Black Mango, Nahar Road, Kala-Amb, Distt. Sirmour (H.P.) 173030 on Friday, 28th September 2018 at 11.15 AM. I certify that I am a registered shareholder/ proxy for the registered shareholder of the Company. I hereby record my presence at 38th Annual General Meeting of the Company.

Name of the Shareholder/Proxy (IN BLOCK LETTERS)	Folio No./DP ID and Client ID No.	Signature of Shareholder/Proxy

Notes:

Member/Proxy holder should bring his/her copy of the Annual Report for reference at the meeting

Please refer the instructions printed under the notes to the notice convening the 38th Annual General Meeting of the Company.

..... Tear Here .....



# Ruchira Papers Limited

CIN: L21012HP1980PLC004336

Regd. Office: Tirlokpur Road, Kala Amb, Himachal Pradesh-173030

Phone: 91-8053800897, Email- investor@ruchirapapers.com

## PROXY FORM

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

Name and Registered Address of the member(s):

Email Id:

Folio No./ Client Id No.:

DP ID No.:

I/We, being member/members holding .....Shares of Ruchira Papers Limited, hereby appoint

1. Name: ..... Email Id: .....

Address: ..... Signature: .....

or failing him/her

2. Name: ..... Email Id: .....

Address: ..... Signature: .....

or failing him/her

3. Name: ..... Email Id: .....

Address: ..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 38th Annual General Meeting of the Company to be held on Friday, 28th September 2018 at 11.15 AM at Hotel Black Mango, Nahan Road, Kala-Amb and at any adjournment thereof in respect of such resolutions as are indicated below:

### Ordinary Business:

1. To receive, consider and adopt the financial statements of the Company for the year ended 31st March, 2018.
2. To declare a dividend on equity shares for the financial year 2017-18.
3. To appoint a Director in place of Mr. Subhash Chander Garg (DIN:01593104), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint statutory auditors of the Company and to fix their remuneration.

### Special Business:

5. To ratify the remuneration of Cost Auditors for the financial year ending 31st March 2019.
6. To fix the Managerial Remuneration of Mr. Vipin Gupta, CFO & Executive Director of the Company.
7. To determine the fees for delivery documents through a particular mode of delivery to member.

Affix  
Revenue  
Stamp of ₹1/-

Signed this .....day of.....2018

Signature of Shareholder..... Signature of Proxy holder.....

Note: This proxy form 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.











Committed to the Earth

*If undelivered please return to*

**Ruchira Papers Limited**

Tirlokpur Road, Kala Amb,  
Himachal Pradesh-173030