

## NOTICE

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of the Shareholders of AGARWAL DUPLEX BOARD MILLS LTD., DELHI will be held on Thursday, 29<sup>th</sup> day of August, 2013 at 11:30 A.M at the Regd. Office of the Company to transact the following businesses:-

### ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as on 31.03.2013 and the Profit & Loss Account for the year ended 31.03.2013 together with the Reports of Directors & Auditors thereon.
2. To appoint a Director in place of Sh. Abhishek Agarwal who retires by rotation at the Meeting & being eligible offers himself for re-appointment.
3. To appoint Auditors for the current year and to fix their remuneration.

By Order of the Board  
**For AGARWAL DUPLEX BOARD MILLS LIMITED**

Sd/-

DATED: 05.08.2013  
PLACE: DELHI

**(SURESH CHAND)**  
**CHAIRMAN**

### Note:

1. **A MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD BE LODGED WITHIN THE COMPANY AT LEAST 48 HOURS BEFORE THE TIME FIXED FOR THE COMMENCEMENT OF THE MEETING.**
2. Members may please bring their copies of the Annual Report at the meeting.
3. Members/Proxies should bring the attendance slip, duly filled in, for attending the meeting.
4. Members are requested to notify to the Company any change in their address quoting ledger folio number.

## **AGARWAL DUPLEX BOARD MILLS LIMITED**

### **DIRECTOR'S REPORT**

Ladies and Gentlemen,

Your directors have pleasure in presenting you the **XXIX** Annual Report together with the Audited Statements of Accounts of the Company for the year ended on 31st March, 2013.

#### **FINANCIAL HIGHLIGHTS:**

	<b>CURRENT YEAR FIGURES</b>	<b>(Rs. in Lacs) PREVIOUS YEAR FIGURES</b>
Turnover & Income	6106	5853
Net Profit Before		
Finance Charges & Depreciation	462	456
Finance Charges	155	164
Depreciation	146	144
Profit Before Tax	160	148
Provision for Taxation		
Current Tax	47	47
MAT Credit Entitlement	-	-
Wealth tax	-	-
Fringe Benefit Tax	-	-
Profit After Tax	118	101
Paid-Up Share Capital	1350.00	1350.00
Reserve & Surplus	833	886
EPS	0.87	0.75

#### **PROGRESS & PROSPECT:**

During the financial year ended 31<sup>st</sup> March 2013 your Company recorded revenues of Rs. 6105.89 Lac compared to Rs. 5852.75 Lac in the previous year. The Company is expecting good profits during the Financial Year 2013-2014.

#### **DIVIDEND:**

No dividend is recommended for the current financial year.

**PUBLIC DEPOSIT:**

The Company has not accepted any deposit from public during the year attracting the provisions of Section 58-A of the Companies Act, 1956.

**AUDITORS:**

**M/s Goel Singhal & Associates, Chartered Accountants, Statutory Auditor** retire at this Annual General Meeting & are eligible for reappointment. Your directors recommend their re-appointment as Auditors.

**DIRECTORS:**

Sh.Abhishek Agarwal, Director of the Company retire by rotation at this annual general meeting and being eligible offers themselves for reappointment.

**INDUSTRIAL RELATIONS:**

The relation between the management and employees to be cordial and harmonious at all levels of the Company. The Directors wish to place on record their appreciation for their dedication and hard work on the part of employees of the Company.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 the profit or loss of the Company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2013 on a 'going concern' basis.

### **PARTICULARS OF EMPLOYEES:**

As required by the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, there is no employee drawing remuneration in excess of the limit specified in said rules.

### **AUDIT COMMITTEE:**

The Board of the Company has constituted an Audit Committee consisting of three directors namely, Shri Neeraj Goel, Shri Suresh Chand and Sh. Abhishek Agarwal. Shri Neeraj Goel is the Chairman of the Audit Committee.

Further, the terms of reference stipulated by the Board to the audit committee includes as below:

- to review the Company's financial reporting process and its financial statements,
- to review the accounting and financial policies,
- to review the reports furnished by internal and statutory auditors and ensure that suitable follow up & action is taken,
- to examine accountancy, taxation and disclosure aspects of all significant transaction.

### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

The information required under section 217(1)(e) of the Companies Act, 1956 and rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, for the current year are as under:-

#### **(A) CONSERVATION OF ENERGY:**

Your Company has always been conscious of the need to conserve energy and will constantly endeavor to conserve energy to the maximum extent possible. The Company has installed captive power generation plant in which electricity is generated using diesel generator and steam turbine.

Information pursuant to section 217(i)(e) of the Companies Act, 1956 read with the Companies (Disclosure of the particulars in the report of Board of Directors) Rules, 1988, as per Form-"A" enclosed herewith the Annexure.

#### **(B) TECHNOLOGY ABSORPTION:**

The Company has no specific Research & Development Department & no Foreign Collaboration for technological absorption has been made.

**(C) FOREIGN EXCHANGE EARNING :**

During the year under review, the Company has not used or earned any foreign exchange.

**APPRECIATION:**

Your Directors acknowledge with gratitude the co-operation and assistance from various agencies of Government & Banks.

**For and on behalf of the Board of  
Agarwal Duplex Board Mills Limited**

**Sd/-  
Suresh Chand  
Chairman**

**DATED: 05.08.2013  
PLACE: DELHI**



Goel Singhal & Associates  
Chartered Accountants  
Firm Regn. No. 006496C  
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## **INDEPENDENT AUDITORS' REPORT**

To  
The Members,  
**AGARWAL DUPLEX BOARD MILLS LIMITED**  
**DELHI**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **AGARWAL DUPLEX BOARD MILLS LIMITED** which comprise the Balance sheet as at **31<sup>st</sup> March 2013** and the Statement of Profit and Loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- i. In the case of the Balance Sheet of the state of affairs of the Company as at 31 March 2013 and
- ii. In the case of the statement of Profit and loss, of the Profit for the year ended on that date
- iii. In the case of Cash Flow Statement of the 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, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that;  
We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;  
a in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those book

b. Balance Sheet, Statement of Profit and loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

In our opinion, the Balance Sheet and Statement of Profit & Loss account comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956; and on the basis of written representations received from the directors, as on 31<sup>st</sup> March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956;

**For GOEL SINGHAL & ASSOCIATES**

Firm Regn No. : 006496C  
Chartered Accountants  
  
(C.A. AMRISH KUMAR)  
PARTNER  
M.No.: 408347

**DATED: 05.08.2013**  
**PLACE: DELHI**



**ANNEXURE TO THE AUDITOR'S REPORT**  
**(Annexure referred to in para 3 to our report of even date)**

(i) a. The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

b. These fixed assets have been physically verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such verification.

c. According to information and explanations given by the management, we are of the opinion that the company has not disposed off substantial part of its fixed assets during the year. So there is no any indication to affect the going concern status of the company.

(ii) a. The inventories were physically verified during the year by the management at reasonable intervals.

b. In our opinion and according to the information and explanations given to us, the procedures of physically verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.

c. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

(iii) (a) No loans, secured or unsecured, were granted by the Company to the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

(b) The company has taken some unsecured loan from companies, firms or other parties covered in the register under section 301 of the Companies Act, 1956. However, the terms and condition of loans taken are not prima facie prejudicial to the interest of the shareholders of the company.

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

(v) (a) To the best of our knowledge and belief and according to the informations and explanations given to us transactions that needed to be entered into the register maintained under section 301 have been so entered.

(b) According to information and explanations given to us, the transactions have been made at price which are reasonable have been regard to prevailing market price at the relevant time and other relevant circumstances.

(vi) The company has not accepted deposits from public attracting the provisions of section 58-A and 58-AA & other relevant provisions of Companies Act and rules framed there under.

(vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(viii) The Central Govt. has prescribed the maintenance of cost record under section 209(1) (d) of the Companies Act, 1956 for the products of the company. The management has taken the steps to compile & adequately maintaining of Cost Records however, a detailed examinations has not been conducted by us.



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(ix) a) The company is regular during the year in depositing with appropriate authorities undisputed statutory dues including provident fund, Investor Education and Protection Fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities whatever applicable to it. There is no any amount of the arrears of outstanding dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b. The details of disputed dues of sales tax, income tax, custom duty, wealth tax, service tax, excise duty, cess duty, wherever applicable are given below:-

RELATED PERIOD	HEAD OF DUES	AMOUNT	FORUM
Financial Year 2002-03	Sales Tax	20882.00	Deputy Commissioner
Financial Year 2005-06	Entry Tax	11088.00	Tribunal Member
Financial Year 2007-08	UPTT	574476.00	Tribunal Member
Financial Year 2007-08	CST	174626.00	Tribunal Member
Financial Year 2008-09	CST	1378916.00	Additional Commissioner
Financial Year 2008-09	Entry Tax	143642.00	Additional Commissioner

(x) Based on our Audit Procedures and as per the information & explanations given by the management, we are of the opinion that the company is registered for a period more than five years, the company neither have accumulated losses at the end of financial year nor incurred cash losses during the current year and the immediately preceding year.

(xi) Based on our Audit Procedures and as per the information & explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institutions or Banks.

(xii) According to the information and explanations given to us and based on the documents & records produce to us we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the company is not a Chit Fund or a Nidhi/Mutual Benefit Fund/Society. Therefore the provision of clause 4(xiii) of the companies (Auditor's Report) order 2003 as amended by the companies (Auditor's Report) (Amendment) Order,2004 are not applicable to the company.

(xiv) Based on our Audit Procedures and as per the information & explanations given by the management, we are of the opinion that the company has maintained proper records of transaction in respect of Investment in shares and all the shares have been held by the company in its own name.

(xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.

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(xvi) Based on our Audit Procedures and as per the information & explanations given by the management, we are of the opinion that no any additional Term Loan has been availed by the company during the year under our audit.

(xvii) Based on our examination and according to the information and explanations given to us we are of the opinion that the funds raised on short term basis have not been used during the year for long term investment (fixed assets etc.).

(xviii) Based on our examination and in our opinion the company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Act.

(xix) There are no debentures issued. Therefore, the provision of clause 4(xix) of the companies (Auditor's Report) order 2003 as amended by the companies (Auditor's Report) (Amendment) Order, 2004 is not applicable to the company.

(xx) The company has not raised any money by public issue during the year. So this clause is not applicable to the company.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statement and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For GOEL SINGHAL & ASSOCIATES**

**Firm Regn No. : 006496C**

**Chartered Accountants**



**(CA. AMRISH KUMAR)**

**PARTNER**

**M.No.: 408347**

**DATED: 05.08.2013**

**PLACE: DELHI**

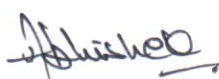


**AGARWAL DUPLEX BOARD MILLS LIMITED**

**BALANCE SHEET AS AT 31.03.2013**

PARTICULARS	NOTES	AS ON 31.03.2013	AS ON 31.03.2012
<b><u>EQUITY &amp; LIABILITIES</u></b>			
<b>Share Holders Funds:</b>			
(a) Share Capital	03	135000000	135000000
(b) Reserve & Surplus	04	83344140	88607394
		218344140	223607394
<b>Deferred Tax Liability</b>		15882120	
<b>Non-Current Liabilities</b>			
(a) Long-term borrowings	05	45108509	69238552
(b) Other Long-term Liabilities	06	29496153	31893059
<b>Current Liabilities</b>			
(a) Short-term borrowings	07	69842724	49846209
(b) Trade Payables	08	204402049	171483362
(c) Other Current Liabilities	09	24703322	82151170
(d) Short-term provisions	10	5567524	5750490
		304515619	309231231
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		130759070	138127689
(ii) Intangible Assets		-	-
Capital Work in Progress		500000	-
(b) Non-Current Investments	12	94100000	107750000
(c) Long Term Loans and Advances	13	2473757	2463418
<b>Current Assets</b>			
(a) Inventories	14	136405982	164299974
(b) Trade Receivables	15	190620727	149972807
(c) Cash and Cash Equivalents	16	15447323	18802702
(d) Short-term loans and advances	17	18797209	20038201
(e) Other Current assets	18	24242473	32515445
		385513714	385629129
<b>TOTAL Rs.</b>		<b>613346541</b>	<b>633970236</b>

For & on behalf of Board of directors of Agarwal Duplex Board Mills Limited



DIRECTOR




MANAGING DIRECTOR



COMPANY SECRETARY

As per our report of even date  
For GOEL SINGHAL & ASSOCIATES  
Firm Regn No. : 006496C  
Chartered Accountants



AMRISH KUMAR  
PARTNER  
M.No. : 408347

DATED: 05.08.2013  
PLACE: DELHI

**AGARWAL DUPLEX BOARD MILLS LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED AS ON 31.03.2013**

PARTICULARS	NOTES	AS ON 31.03.2013	AS ON 31.03.2012
I. Revenue from operations	19	609765568	584730435
II. Other Income	20	823645	545327
III. Total Revenue (I + II)		610589213	585275762
IV. Expenses			
(a) Cost of Material Consumed	21	308745150	331321663
(b) Purchase of stock-in-trade	22	-	0
(c) Change in inventories of finished goods, work-in-progress and Stock-in-trade & Excise Duty Element in Stock	23	2909777	-4435233
(d) Excise Duty Element on Stock	24	-245012	518447
(e) Employee Benefit Expenses	25	17686430	16055835
(f) Finance Cost	26	15519995	16446124
(g) Depreciation & Amortisation Expenses	11	14624333	14363171
(h) Other Expenses	27	235316791	196249689
<b>Total Expenses (IV)</b>		<b>594557464</b>	<b>570519696</b>
V. Profit Before Tax Item and tax (III-IV)		16031749	14756066
VI. Tax Expense			
(1) Current Tax		4745636	4683590
(2) Deferred Tax		-464376	0
VII. Profit/(Loss) After Tax (V - VI)		11750489	10072476
VIII. Earlier Year Expenses/Tax		667247	477405
IX. Profit/(Loss) for the Year (VII - VIII)		11083242	9595071
X. Earnings per equity share :			
(1) Basic		0.87	0.75
(2) Diluted		0.87	0.75

**For & on behalf of Board of directors of Agarwal Duplex Board Mills Limited**

 <b>DIRECTOR</b>	 <b>MANAGING DIRECTOR</b>	 <b>COMPANY SECRETARY</b>
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**DATED: 05.08.2013**  
**PLACE: DELHI**

As per our report of even date  
For **GOEL SINGHAL & ASSOCIATES**  
Firm Regn No. : 006496C  
Chartered Accountants

  
**(CA) VISH KUMAR**  
**PARTNER**  
M.No. : 408347





Goel Singhal & Associates  
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**AGARWAL DUPLEX BOARD MILLS LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH, 2013**

PARTICULARS	CURRENT YEAR	PRECEDING YEAR
	31.03.2013	31.03.2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax	11750489	10072476
Adjustments for:		
Depreciation & Amortisation Expenses	14624333	14363171
Interest Paid	15519995	16446124
Loss on sale of Generator Set	207199	0
Deferred Tax	(464376)	0
Other Non-Operating Income	823645	545327
<b>Operating Profit (Loss) before Working Capital changes</b>	<b>42461285</b>	<b>41427098</b>
<b>Adjustment for change in Working Capital</b>		
Trade and Other Receivables	(40647920)	29737204
Short Term Borrowings	19996515	1,461,107
Other Current Liabilities & Short Term Provisions	(57630814)	(18,787,603.08)
Inventories	27893992	(47733733)
Other Advances	9513964	(16795917)
Trade Payables	32918687	6125169
<b>Cash Generated from operations</b>	<b>34505709</b>	<b>(4566675)</b>
Other Non-Operating Income	(823645)	(545327)
Earlier Year Expenses /Tax	(667,247)	(477405)
	33014817	(5589407)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets (Including Capital Work in Process)	(8012913)	(5334970)
Disposal of Fixed Assets	50,000	0
Purchase of Investments	13,650,000	(10000000)
Increase/(Decrease) in Long Term Advances	(10339)	(2000)
	5676748	(15336970)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Interest Paid	(15519995)	(16446124)
Increase (Decrease) in Long Term Borrowings & Long Term Loans & Ad	(26526949)	45938736
	(42046944)	29492612
Net increase in Cash and		
Cash equivalents	(3355379)	8566235
Cash and Cash equivalents		
(Opening Balance)	18802702	10236467
Cash and Cash equivalents		
(Closing Balance)	15447323	18802702

**D. NOTE ON CASH FLOW STATEMENT**

0

1. Figures in bracket represents Cash outflow.

**For & on behalf of Board of directors of Agarwal Duplex Board Mills Limited**

*[Signature]*

DIRECTOR

*[Signature]*

MANAGING DIRECTOR/COMPANY SECRETARY

*[Signature]*

As per our report of even date  
For GOEL SINGHAL & ASSOCIATES  
Firm Regn No.: 006496C  
Chartered Accountants



**AMRISH KUMAR**  
PARTNER  
M. No. : 408347

DATED: 05.08.2013  
PLACE: DELHI



# **AGARWAL DUPLEX BOARD MILLS LIMITED**

## **NOTES ON ACCOUNTS**

### **01. CORPORATE INFORMATION**

Agarwal Duplex Board Mills Limited which has its Registered Office NP-151B Mourya Enclave, Pitampura, Delhi. The company is engaged in Manufacturing of Coated Duplex, Kraft, & Poster Paper and other Commercial Activities.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **1.ACCOUNTING CONVENTION**

The accounts of the company are prepared under historical cost convention and in accordance with applicable accounting standards except otherwise stated elsewhere.

#### **2. FIXED ASSETS**

i) Fixed Assets have been stated at historical cost less depreciation less impairment loss if any. Cost of fixed assets comprise of Purchase Price (net of rebates, discounts and excise duty) and any directly attributable cost of bringing the assets to its working condition for intended use.

#### **3. INVENTORIES**

Inventories of raw materials, stores & spares, components, finished goods & work in progress are valued at lower of cost and net realizable value. Cost is computed on the weighted average basis. Finished goods and work in progress include cost of conversion and other cost incurred in bringing the inventories to their present location and condition having regard to Accounting Standard-2 "Valuation of Inventories".

#### **4. SALES**

Sales are recognized on dispatch of goods which is inclusive of excise duty.

#### **5. REVENUE RECOGNITION**

The Company as far as possible has followed the Mercantile system of Accounting with the provision made for known losses & expenditure and Revenue recognition at the point of dispatch of materials to customers from Plant. Hence all expenses and income are accounted for on accrual basis except otherwise stated elsewhere.

#### **6. DEPRECIATION**

Depreciation is provided from the date, the assets have been installed and put to use on straight line method at the rates and in the manner specified under Schedule XIV of the Companies Act, 1956.

#### **7.RETIREMENT BENEFITS**

Contribution to Provident Fund are charged to Profit & Loss Account. Provision for accruing liability of gratuity to employees have been made in accounts on accrual basis.





## **8. INVESTMENT**

Investments held/intended to be held for a period exceeding one year have been classified as long term investments. Long term investments are stated at cost of acquisition. Provision for diminution in the value of long term investment is made, only if such decline is other then temporary.

## **9 BORROWING COST**

Borrowing cost that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing cost are recognized as expenses in the period in which theses are incurred.

## **10. SEGMENT REPORTING**

As per AS-17 "Segment Reporting " issued by the Institute of Chartered Accountants of India and upon applying the definitions of business and geographical segments given in accounting standard , it is concluded that there are no separate reportable segment, so segment information has not been required to be disclosed.

11. Vehicle Loans are secured against hypothecation of vehicles and personal guarantee of directors.

## **12. CURRENT TAX**

Provision for Taxation for the current year has been made as per computation of income according to provision for Income Tax Act, 1961.

13. Previous year figures have been re-grouped or re-arranged wherever considered necessary.

14. In the opinion of Board of Directors Current Assets, Loans & Advances have a value of realizations in the ordinary course of Business at least equal to the amount at which they have been stated in the Balance Sheet.

15. The expenses on printing & stationery, Postage & Telegraph, Telegram have been accounted for on cash basis being not material in nature.

16. Sundry Creditors include Rs. NIL being the amount due to Small Scale Industrial Undertakings to the extent of parties identified by management on basis of informations available with them. Out of which the names of the Small Scale Industrial Undertakings, to whom amounts in excess of Rs.1.00 lacs are due for more than 30 days as on Balance Sheet date are NIL

17. The Fixed Deposit shown under the head "Cash & Bank Balances" are with Oriental Bank of Commerce. FDR of Rs 15.00 lacs is under lien with the Bank for issuing a Bank Guarantee for the liability to U.P. Power Corporation Limited against which company has taken stay for payment from H'ble High Court, Allahabad.

## **18. DIRECTOR'S REMUNERATION**

(Rs.in Lacs)

S.No.	Nature of Transaction	31.03.2013	31.03.2012
1.	Remuneration	18.00	18.00



The above director's remuneration has been paid within in the limits prescribed as per companies Act,1956.

## 19. RELATED PARTY TRANSACTIONS:

### A. Name of the Related Party & nature of the Related Party Relationship

- I) Associated Companies
- i. Bindals Papers Mills Limited
  - ii. Tehri Pulp & Paper Limited
- II) Directors & Their Relatives
- i. Sh. Neeraj Goel Director
  - ii. Sh. Suresh Chand Director
  - iii. Sh. Abhisek Agarwal Director

### B. Transaction with related parties:

(Rs. In Lacs)

S.No.	Nature of Transaction	Associates	Key Management Personnel	Entities, Relatives of Key Management Personnel and individuals owning directly or indirectly, are interested in the Voting Power of the reporting enterprises and relatives of any such Individuals.
1.	<b>Investment</b>			
	Opening Balance	1077.50	--	--
	Sale/ Acquired during the year	(136.50)	--	--
	Closing Balance	941.00	--	--

### C. Details relating to persons referred to above A(i) & A(ii):

(Rs.in Lacs)

S.No.	Nature of Transaction	31.03.2013	31.03.2012
1.	Salary Paid	18.00	18.00
2.	Outstanding Salary Payable	0.85	NIL





## **20.EARNING PER SHARE**

The company reports basic and diluted earning per share with Accounting Standard-20 issued by the Institute of Chartered Accountants of India on "Earning per Share". Basic earning is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earning per share is compute by divided the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

**Basic and diluted Earning Per Share of the company is as follows:**

	31.03.2013	31.03.2012
Profit After Tax (Rs. in Lacs)	117.50	100.72
Weighted average No.of Equity Shares outstanding	13500000	13500000
Nominal Value per share	Rs. 10/-	Rs. 10/-
Basic and diluted Earning Per Share	Rs. 0.87	Rs. 0.75

## **21.DEFERRED TAX**

With compliance to AS-22 "Tax on Income" provision for deferred tax aggregating of Rs. 158.82 Lacs have been made in the books of accounts of the company only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax liability/assets can be realized. The company has recognize deferred tax liability consisting of unabsorbed tax depreciation to the extent it can be realized against the reversal of deferred tax assets on account of depreciation.

## **22.INTANGIBLE ASSETS**

There is no Intangible assets as originally recommended by Accounting Standard -26 on "Intangible Assets", issued by the institute of chartered Accountants of India.

## **23. IMPAIRMENT OF ASSETS**

As per AS-28 "Impairment of Assets" issued by the Institute of Chartered Accountants of India there is no any impairment loss in any assets of the company at the end of this financial year.

## **24. PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS**

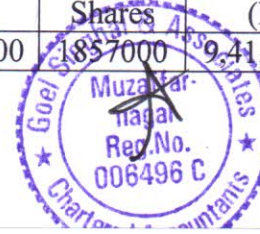
As per accounting standard-29 Provision, Contingent Liabilities & Contingent Assets issued by the Institute of Chartered Accountants of India the company recognize only when it has a present obligation as result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation as and when a reliable estimate of the amount of the obligation can be made. The details of contingent liabilities are as under:-

RELATED PERIOD	HEAD OF DUES	AMOUNT	FORUM
Financial Year 2002-03	Sales Tax	20882.00	Deputy Commissioner
Financial Year 2005-06	Entry Tax	11088.00	Tribunal Member
Financial Year 2007-08	UPTT	574476.00	Tribunal Member
Financial Year 2007-08	CST	174626.00	Tribunal Member
Financial Year 2008-09	CST	1378916.00	Additional Commissioner
Financial Year 2008-09	Entry Tax	143642.00	Additional Commissioner

**25. Additional Information Pursuant to Part II of Schedule VI of the Companies Act, 1956 to the extent applicable to the company:**

Quantitative information in respect of Investment in shares is as follows:

Opening Stock		Purchases		Sales		Closing Stock	
No of Shares	Amount (Rs.)	No of Shares	Amount (Rs.)	No of Shares	Amount (Rs.)	No of Shares	Amount (Rs.)
3222000	10,77,50,000	-	-	1365000	1,36,50,000	1857000	9,41,00,000



**03. SHARE CAPITAL****(a) Authorised**

1,35,00,000 Equity Shares of Rs.10/- each.  
(31.03.2012 : 1,35,00,000 Equity Shares of  
Rs.10/- each.)

135000000

135000000

135000000

135000000

**(b) Issued, Subscribed & Fully Paidup**

1,35,00,000 Equity Shares of Rs.10/- each.  
(31.03.2012 : 1,35,00,000 Equity Shares of  
Rs.10/- each.)

135000000

135000000

TOTAL Rs. 135000000

135000000

**Share Capital -****Reconciliation of Number of Shares****Issued, Subscribed & Fully Paid-up**

At the beginning of the year

135000000

135000000

135000000

135000000

Issued during the year

-

-

-

-

At the end of the year

135000000

135000000

135000000

135000000

**Details of Share Holder holding more than  
5% of outstanding Shares**

No. of Shares

%

No. of Shares

%

Shareholders

Bindals Papers Mills Limited

6681000

49.49

6681000

49.49

TCMC Developers Limited

1786100

13.23

1786100

13.23

Swabhimani Vyapar (P) Limited

1640000

12.15

1640000

12.15

**Rights, Preferences & Restrictions attached to shares**

The company has one class of equity shares having a par value of Rs. 10/- per share. Each share holder is eligible for one vote per share held. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their share holding.

**04 RESERVE AND SURPLUS**

AS ON

31.03.2013

AS ON

31.03.2012

(a) General Reserve

7054253

7054253

(b) Surplus in Statement of Profit and Loss

Opening balance

81553141

71958070

Add: Profit for the year

11083242

9595071

Closing balance

92636383

81553141

**Total****99690636****88607394**

Less: Deferred Tax Liability

16346496

-

TOTAL Rs. 83344140

88607394





**NON-CURRENT LIABILITIES**  
**05 LONG-TERM BORROWINGS**

**SECURED LOANS**

From Oriental Bank of Commerce

Term Loan	1219775	4304655
TOTAL (SECURED) A	1219775	4304655

**LOANS AND ADVANCES FROM RELATED PARTIES**

From Others (Unsecured)	38210387	51674688
	38210387	51674688

**OTHER LOANS & ADVANCES :**

From Private banks (Unsecured)	5678347	13259209
TOTAL (UNSECURED) B	43888734	64933897

<b>TOTAL Rs. (A+B)</b>	<b>45108509</b>	<b>69238552</b>
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**NATURE OF SECURITY FOR TERM LOANS**

The Term Loan from **Oriental Bank of Commerce** is secured by First charge over the Plant & Machinery and other fixed assets (Present & Future) of the company.

**TERMS OF REPAYMENT & RATE OF INTEREST OF TERM LOANS**

The Term of repayment & rate of interest from Oriental Bank of Commerce on Term Loans are as under:

	<b>Term of Repayment</b>	<b>Rate of Interest</b>
Term Loan-IV	Monthly instl. of Rs.2.50 Lacs each	BR + 3.25%

**TERMS OF REPAYMENT FOR UNSECURED LOANS FROM RELATED PARTIES**

The Company has not given any security for Loan taken from related parties stated above, the same is interest free. The company has ultimate right to defer the repayment of loan.

**TERMS OF REPAYMENT FOR UNSECURED LOANS FROM OTHERS**

The Company has not given any security for Loan taken from others and the same is interest free except the loan taken from the parties stated here-in-below:-

	31.3.2013	31.3.2012
<b>Name of the Party</b>	<b>% Rate of Interest (Annual)</b>	<b>% Rate of Interest (Annual)</b>
SWARUP ENTERPRISES SHAMLI	12%	12%
DEEPAK GOEL & SONS	9%	9%
ISHITA GOEL	9%	9%
KAMLA GOEL & SONS	9%	9%
PANKAJ GOEL & SONS	9%	9%
RADHIKA GOEL	9%	9%
TANVI GOEL	9%	9%
ARUSHI GOEL	9%	9%
MANIKA GOEL	9%	9%
SHIVAM GOEL	9%	9%
KSHITIZ GOEL	9%	9%
NUTAN GOEL	9%	9%

The company has ultimate right to defer the repayment of loan to all of them.



CONTINUING DEFAULTS AS ON THE BALANCE SHEET DATE IN REPAYMENT OF LOANS AND INTEREST

<b>AS ON 31.03.2013</b>			
<b>PERIOD OF DEFAULT (MONTHS)</b>	<b>LOAN AMOUNT IN DEFAULT</b>	<b>PERIOD OF DEFAULT (MONTHS)</b>	<b>INTEREST AMOUNT IN DEFAULT</b>
TERM LOANS :			
From Banks (Secured)	NIL	NIL	NIL
	-		-

<b>AS ON 31.03.2012</b>			
<b>PERIOD OF DEFAULT (MONTHS)</b>	<b>LOAN AMOUNT IN DEFAULT</b>	<b>PERIOD OF DEFAULT (MONTHS)</b>	<b>INTEREST AMOUNT IN DEFAULT</b>
TERM LOANS :			
From Banks (Secured)	NIL	NIL	NIL
	-		-

NATURE OF SECURITY FOR VEHICLE LOANS

Vehicle Loans are secured against hypothecation of vehicles and personal guarantee of directors.

	<b>AS ON 31.03.2013</b>	<b>AS ON 31.03.2012</b>
<b>06 OTHER LONG-TERM LIABILITIES</b>		
Other Liabilities (Unsecured)	28203094	30000000
Creditors for Fixed Assets	1293059	1893059
	<u>29496153</u>	<u>31893059</u>

CURRENT LIABILITIES

**07 SHORT-TERM BORROWINGS**

LOANS REPAYABLE ON DEMAND :

CASH CREDITS :

**Working Capital Loan :**

From Oriental Bank of Commerce	69842724	49846209
<b>TOTAL</b>	<u>69842724</u>	<u>49846209</u>

NATURE OF SECURITY FOR CASH CREDITS

The Cash Credit from **Oriental Bank of Commerce** are secured by First charge on the Floating Assets of the Company, present & future and personal guarantees of the Directors of the Company.

**08 TRADE PAYABLES**

Acceptances	31354910	30071596
Other than Acceptances	173047139	141411766
	<u>204402049</u>	<u>171483362</u>

**09 OTHER CURRENT LIABILITIES**

(a) Current Maturities of Long-Term Debt

TERM LOANS :

From Banks (Secured)	3000000	17173786
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<b>TOTAL (A)</b>	<u>3000000</u>	<u>17173786</u>
------------------	----------------	-----------------

(b) Other Payables

Payables for Expenses	2400635	1164079
Statutory Remittances	5511802	5271546
Unpresented Cheques	2784158	44844251
Advance from Customers	11006727	13697508

<b>TOTAL (B)</b>	<u>21703322</u>	<u>64977384</u>
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<b>TOTAL (A+B)</b>	<u>24703322</u>	<u>82151170</u>
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**10 SHORT-TERM PROVISIONS**

Provision for Taxation	4745636	4683590
Provision for Excise duty on Cl. Stock	821888	1066900
	<u>5567524</u>	<u>5750490</u>





**NON-CURRENT ASSETS****11 FIXED ASSETS**

(i) Tangible Assets	Land	Factory Building	Building Office	Plant & Machinery	Furniture & Fittings	ETP & Boiler	Vehicle
<b>As At 31.03.2013</b>							
Opening Balance	2578815	17860379	487500	241308213	710956	6512696	7845591
Additions	0	0	0	5357116	0	0	2155798
Less :- Disposals	0	0	0	360000	0	0	0
Gross Block at the year end	2578815	17860379	487500	246305329	710956	6512696	10001389
Less :- Depreciation for the year	0	596537	7946	12728402	45004	343870	902574
Less :- Depreciation for the year	0	8184596	175476	120300171	545183	5638380	4332656
Adjustment during the year	0	0	0	102801	0	0	0
Total Depreciation at the year end	0	8781133	183422	132925772	590187	5982250	5235230
Net Book Value at the beginning of the year	2578815	9675783	312025	121008042	165773	874316	3512935
Net Book Value at the end of the year	2578815	9079246	304078	113379557	120769	530446	4766159
<b>As At 31.03.2012</b>							
Opening Balance	2578815	17860379	487500	235973243	710956	6512696	7845591
Additions	0	0	0	5334970	0	0	0
Less :- Disposals	0	0	0	0	0	0	0
Gross Block at the year end	2578815	17860379	487500	241308213	710956	6512696	7845591
Less :- Depreciation for the year	0	596537	7946	12624483	45004	343870	745331
Depreciation at the beginning of the year	0	7588059	167529	107675688	500179	5294510	3587325
Adjustment during the year	0	0	0	0	0	0	0
Total Depreciation at the year end	0	8184596	175475	120300171	545183	5638380	4332656
Net Book Value at the beginning of the year	2578815	10272320	319971	128297555	210777	1218186	4258266
Net Book Value at the end of the year	2578815	9675783	312025	121008042	165773	874316	3512935



	AS ON 31.03.2013	AS ON 31.03.2012
<b><u>12 NON-CURRENT INVESTMENTS</u></b>		
(i) Non-Trade Investment		
Investment in Equity Instruments (At Cost)		
Investment in unquoted shares of :		
-Bindal Sponge Ltd. (At Cost)	-	13650000
-Bindals Papers Mills Limited (At Cost)	74100000	74100000
-Tehri Pulp & Paper Limited (At Cost)	20000000	20000000
	<u>94100000</u>	<u>107750000</u>
<b><u>13 LONG TERM LOANS &amp; ADVANCES</u></b>		
OTHER NON-CURRENT ASSETS		
Unsecured, Considered good		
Security Deposit	2473757	2463418
	<u>2473757</u>	<u>2463418</u>
<b><u>CURRENT ASSETS</u></b>		
<b><u>14 INVENTORIES</u></b>		
Raw Materials & Fuel	94150655	115788803
Finished Goods	14116880	18325800
Chemicals & Stores	21443677	22007515
Packing Materials	2208035	1600000
Stock in Process	3866543	2567400
Goods in Transit	366520	3756784
Stock of Traded Goods	253672	253672
	<u>136405982</u>	<u>164299974</u>
Inventories of raw materials, stores & spares, components, finished goods & work in progress are valued at lower of cost and net realizable value. Cost is computed on the weighted average basis. Finished goods and work in progress include cost of conversion and other cost incurred in bringing the inventories to their present location and condition having regard to Accounting Standard.		
<b><u>15 TRADE RECEIVABLES</u></b>		
Exceeding 180 Days from Due Date	48306543	44833011
Others		
Unsecured, Considered good	142314184	105139796
	<u>190620727</u>	<u>149972807</u>
<b><u>16 CASH AND CASH EQUIVALENTS</u></b>		
Balances with Bank	4244650	9671758
Cash-on-hand	1622090	2602666
FDR with Bank with Accrued Interest	9580583	6528278
	<u>15447323</u>	<u>18802702</u>
<b><u>17 SHORT-TERM LOANS &amp; ADVANCES</u></b>		
OTHER LOANS & ADVANCES		
Unsecured, Considered good		
Cenvat Receivables	7098724	7079321
Advance to Suppliers	7048035	8227130
Advance Income Tax	4650450	4731750
	<u>18797209</u>	<u>20038201</u>
<b><u>18 OTHER CURRENT ASSETS</u></b>		
Unsecured, Considered good		
Other Advances	23401215	30550216
Interest for next years	488846	1716395
Prepaid Insurance	262919	234381
T.D.S. Receivables	89493	14453
	<u>24242473</u>	<u>32515445</u>



AS ON  
31.03.2013

AS ON  
31.03.2012

**19. REVENUE FROM MANUFACTURING & COMMERCIAL OPERATION**

Sale of Products	643083259	610559126
Less :- Excise Duty	37012157	28189899
Net Sales	606071102	582369227
Receipts from Commercial Operations	3694466	2361208
	<b>609765568</b>	<b>584730435</b>

**DETAIL OF SALE**

Sales Scrap	-	312360
High Sea Sales	376500	-
Sales Ex UP	377599464	397023419
Sales Export	14438025	37207802
Sales UP	250669270	176015545
	<b>643083259</b>	<b>610559126</b>

**20. OTHER INCOME**

Insurance Claim Received	28371	400805
Interest Received From Bank	795274	144522
	<b>823645</b>	<b>545327</b>

**21. COST OF MATERIALS CONSUMED**

**RAW MATERIAL CONSUMED**

Opening Stock	54752452	44112171
Add: Purchases	337805827	341961944
	<b>392558279</b>	<b>386074115</b>
Less: Closing Stock	83813129	54752452
	<b>308745150</b>	<b>331321663</b>

**DETAIL OF CONSUMPTION**

Indian Waste Paper	263208484	268905659
Imported Waste Paper	45536666	62416004
	<b>308745150</b>	<b>331321663</b>

**22. PURCHASE OF STOCK-IN-TRADE**

-	-
-	-

**23. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-T**

**Change in Finished Goods**

	AS ON 31.03.2013	AS ON 31.03.2012
Opening Stock (F.G.)	18325800	13859606
Less :- Closing Stock	14116880	18325800
Net Change	<b>4208920</b>	<b>-4466194</b>

**Change in W-I-P**

Opening W.I.P	2567400	2598361
Less :- Closing W.I.P	3866543	2567400
Net Change	<b>-1299143</b>	<b>30961</b>

**Change in Stock in Trade**

Opening Stock in Trade	253672	253672
Less :- Closing Stock in Trade	253672	253672
Net Change	-	-
<b>TOTAL Rs.</b>	<b>2909777</b>	<b>-4435233</b>





	AS ON 31.03.2013	AS ON 31.03.2012
<b>24. CHANGES IN EXCISE DUTY ELEMENT ON STOCK</b>		
Excise duty on Opening Stock	1066900	548453
Less :- Excise duty on Cl. Stock	821888	1066900
Net Change	<u>-245012</u>	<u>518447</u>
<b>25. EMPLOYEE BENEFIT EXPENSE</b>		
Salary & Wages	15275577	13426175
Provident Fund	327260	262969
Employees Pension Fund	512693	411088
Bonus	352283	373315
Gratuity	914616	1294249
E.S.I.	304001	288039
<b>TOTAL Rs.</b>	<u>17686430</u>	<u>16055835</u>
<b>26. FINANCE COST</b>		
Interest & Charges on Bank borrowing for term	1758994	4074444
Interest & Charges on Bank borrowing for work	9329102	7246863
Bank Charges	2068356	2246084
Interest to others	2363543	2878733
<b>TOTAL Rs.</b>	<u>15519995</u>	<u>16446124</u>
<b>27. OTHER EXPENSES</b>		
Chemicals & Stores Consumed	123447393	116329815
Fuel Consumed	81487411	53290661
Packing Material Consumed	19324840	14335417
Repairs & Maintenance of P/M	877184	682659
Printing and Stationary	73100	52950
Postage & telegram	49791	53655
Telephone Exp.	436853	308522
Rent, Rates & taxes ,Legal and Professional Ch	529469	1484467
Insurance	5809	58792
Travelling & Vehicle Running Exp.	463892	420724
Auditors' Remuneration -		
Statutory Audit Fees	60000	60000
Tax Audit Fees	15000	15000
Donation /Charity	2100	16630
Miscellaneous Expenses	86922	29656
VAT Exps.	-	1888
Excise Duty /Service Tax Exp.	60019	29221
Loss on sale of Generator Set	207199	-
Director Remuneration	1800000	1800000
Filling fees	6124	8391
Commission & Exp. On sale	4227827	4662168
Rebate & Discount	2155858	2609073
<b>TOTAL Rs.</b>	<u>235316791</u>	<u>196249689</u>

  
DIRECTOR

  
MANAGING DIRECTOR

  
COMPANY SECRETARY

DATED: 05.08.2013  
PLACE: DELHI

As per our report of even date  
For GOEL SINGHAL & ASSOCIATES  
Firm Regn No. : 006496C  
Chartered Accountants  
  
VAMRISH KUMAR)  
PARTNER  
M.No. : 408347