Balkrishna Paper Mills Ltd.

Date: September 17, 2018

BSE Limited
Listing Department
P.J. Tower, Dalal Street,
Mumbai – 400 001

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

Script Code:**539251**

Symbol :**BALKRISHNA**

Dear Sir/ Madam,

Sub : Annual Report for the Financial Year 2017-18.

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015, we submit herewith 5th Annual Report for the Financial Year 2017-18, duly approved and adopted by the Members of the Company at the 5th Annual General Meeting held on 5th September, 2018.

We request you to take the same on record and oblige.

Thanking you,

Yours faithfully,
For Balkrishna Paper Mills Limited

(Omprakash Singh)
Company Secretary

Encl : As above

Registered Office:
A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013
Tel: +91 22 6120 7900 | Fax: +91 22 6120 7999 | Email : bpmho@bpml.in | www.bpml.in | CIN : L21098MH2013PLC244963

Balkrishna
Paper Mills Ltd.



ANNUAL REPORT

2017-2018



BOARD OF DIRECTORS:

ANURAG P. PODDAR
(Chairman & Managing Director)

ANKIT P. PODDAR
(Executive Director)

SACHINDRA NATH CHATURVEDI
(Independent Director up to 12.10.2017)

HARISH N. MOTIWALLA
(Independent Director)

RAMANLAL B. GOLECHA
(Independent Director w.e.f. 20.11.2017)

RAKESH N. GARODIA
(Independent Director)

MEGHNA S. SHAH
(Independent Director)

SHRUTISHEEL JHANWAR
(Whole-time Director & CFO)

OMPRAKASH SINGH
(Company Secretary)

BANKERS:
CORPORATION BANK
STANDARD CHARTERED BANK

STATUTORY AUDITORS:
M/s. JAYANTILAL THAKKAR & CO.
Chartered Accountants

INTERNAL AUDITORS:
DILIP A. JAIN & ASSOCIATES
Chartered Accountants

COST AUDITORS:
K. G. GOYAL & ASSOCIATES
Cost Accountants

SECRETARIAL AUDITORS:
J. H. FATEHCHANDKA & CO.
Company Secretaries

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

PLANTS:
Unit 1: (Paper/Paper Board & Coating Plant)
Village: Ambivli, P.O.Mohone
Taluka - Kalyan,
Dist. Thane - 421 102

Unit 2: (Cutting & Packing Unit)
Building No. F3 & F4, Bhiwandi Nashik Road,
Village Dhamngaon, Taluka Bhiwandi,
Dist. Thane - 421 102

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NOTICE

Notice is hereby given that the Fifth Annual General Meeting of the members of Balkrishna Paper Mills Limited will be held on Wednesday, the 5th September, 2018 at 2.30 P.M. at Walchand Hirachand Hall, 4th floor, IMC Chamber of Commerce and Industry, IMC Building, IMC Marg, Churchgate, Mumbai - 400 020, to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2018, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Shrutisheel Jhanwar (DIN: 03582803), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (the Rules), (including any statutory modification (s) or re-enactment(s) thereof for the time being in force), the Company hereby ratifies the appointment of M/s. Jayantilal Thakkar & Co., Chartered Accountants, (Firm Registration No. 104133W), as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of next AGM on such remuneration plus applicable taxes and out of pocket expenses, as may be mutually agreed upon by the Board of Directors and Statutory Auditors; and

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

Special Business

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), and subject to such other permissions as may be necessary, M/s. K. G. Goyal & Associates, Cost Accountants (Firm Registration No.000024) appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records for the financial year ending March 31, 2019, be paid remuneration of ₹35,000/- (Rupees Thirty Five Thousand only) per annum plus out of pocket expenses, at actuals and applicable taxes.

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

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Ramanlal B. Golecha (holding DIN: 07987241), who was appointed as an Additional Director (in the category of Independent Director) w.e.f. 20th November, 2017, pursuant to the provisions of Section 161(1) of the Act, and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for 5 (five) consecutive years w.e.f. November 20, 2017 to November 19, 2022 and whose office shall not be liable to retire by rotation.

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

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") Rules framed thereunder (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and subject to such other applicable permissions, sanctions and approvals, as may be required, if any, consent of the Company be and is hereby accorded for the re-appointment of Shri Anurag Poddar (DIN 00599143), as Chairman and Managing Director, whose office will be liable to determination by retirement by rotation, for a further period of 3 (three) years from 11th February, 2018 to 10th February, 2021 on the terms, conditions and remuneration as set out below.

   1. Salary : ₹ 3,45,000/- per month with such increment as may be approved by the Board from time to time.

      The same is bifurcated as under:-

      (i) Basic Salary: ₹ 1,75,000/- p.m.

      (ii) House Rent Allowance: ₹ 1,00,000/-p.m.

      (iii) Special Allowance: ₹ 70,000/- p.m.

   2. Commission:

      Commission as may be decided by the Board of Directors of the Company, subject to overall ceiling stipulated from time to time under the provisions of the Act. The amount of commission will be payable after the annual

accounts are approved by the Board of Directors and adopted by the shareholders.

3. Perquisites

In addition to the salary and commission, the following perquisites shall also be allowed.

a. Medical reimbursement

Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges and premium for medical insurance incurred for self and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for the patient and attendant will also be paid by the Company.

b. Leave Travel Concession

Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of self and family, whether in India or abroad.

c. Club Membership

Fees of clubs including admission and life membership.

d. Personal Accident insurance

The actual premium paid.

e. Provident Fund and Annuity Fund

Contribution to Provident Fund and Annuity Fund shall be payable as per rules of the Company.

f. Gratuity

Gratuity shall be payable at half month's salary for each completed year of service.

g. Leave and Encashment of Leave

The Chairman & Managing Director shall be entitled to leave with full pay as per the rules of the Company and will be entitled to encash the accumulated leave at the end of the tenure/retirement.

h. Use of Car with Driver

The Company shall provide fully maintained car with driver.

i. Free Telephone, Facsimile and other Communication Facilities.

The Company shall provide free Telephone, facsimile and other communication facilities at the appointee's residence.

For the purpose of perquisites, family shall mean the spouse, dependent children and dependent parents of the appointee.

4. Minimum Remuneration:

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the **Chairman and Managing Director** shall be paid remuneration by way of salary, perquisites, allowance and other benefits as the Board of Directors may deem fit, subject to the limits prescribed in Schedule V of the Act (including any statutory modification or re-enactment thereof) as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) be and is hereby authorized to alter, vary or modify the terms and conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, things and take all such steps as may be necessary or desirable, expedient and proper to give effect to the above resolution".

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Rules framed thereunder (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and subject to such other applicable permissions, sanctions and approvals, as may be required, if any, consent of the Company be and is hereby accorded for the re-appointment of Shri Ankit Poddar (DIN 03521731), as an Executive Director, whose office will be liable to determination by retirement by rotation, for a further period of 3 (three) years from 11th February, 2018 to 10th February, 2021 on the terms, conditions and remuneration as set out below:-

1. Salary : ₹ 3,45,000/- per month with such increment as may be approved by the Board from time to time.

The same is bifurcated as under:-

(i) Basic Salary: ₹ 1,75,000/- p.m.

(ii) House Rent Allowance: ₹ 1,00,000/-p.m.

(iii)Special Allowance: ₹ 70,000/- p.m.

2. Commission:

Commission as may be decided by the Board of Directors of the Company, subject to overall ceiling stipulated from time to time under the provisions of the Act. The amount of commission will be payable after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

3. Perquisites

In addition to the salary and commission, the following perquisites shall also be allowed:

a. Medical reimbursement

Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges and premium for medical insurance incurred for self and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for the patient and attendant will also be paid by the Company.

b. Leave Travel Concession

Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of self and family, whether in India or abroad.

c. Club Membership

Fees of clubs including admission and life membership.

d. Personal Accident insurance

The actual premium paid.

e. Provident Fund and Annuity Fund

Contribution to Provident Fund and Annuity Fund shall be payable as per rules of the Company.

f. Gratuity

Gratuity shall be payable at half month's salary for each completed year of service.

g. Leave and Encashment of Leave

The Executive Director shall be entitled to leave with full pay as per the rules of the Company and will be entitled to encash the accumulated leave at the end of the tenure/retirement.

h. Use of Car with Driver

The Company shall provide fully maintained car with driver.

i. Free Telephone, Mobile, Facsimile and other Communication Facilities.

The Company shall provide free Telephone, facsimile and other communication facilities at the appointee's residence.

For the purpose of perquisites, family shall mean the spouse, dependent children and dependent parents of the appointee.

4. Minimum Remuneration:

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Executive Director shall be paid remuneration by way of salary, perquisites, allowance and other benefits as the Board of Directors may deem fit subject to the limits prescribed in Schedule V of the Act, (including any statutory modification or re-enactment thereof) as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) be and is hereby authorized to alter, vary or modify the terms and conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds, things and take all such steps as may be necessary or desirable, expedient and proper to give effect to the above resolution".

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

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Rules framed thereunder (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and subject to such other applicable permissions, sanctions and approvals, as may be required, if any, consent of the Company be and is hereby accorded for the re-appointment of Shri Shrutisheel Jhanwar (DIN:03582803), as a Whole-time Director & Chief Financial Officer, whose office will be liable to determination by retirement by rotation, for a further period of 3 (three) years from 11th February, 2018 to 10th February, 2021 on the terms, conditions and remuneration as set out below :-

1. Salary: ₹ 3,06,730/- p.m.

The same is bifurcated as under:-

(i) Basic Salary: ₹ 1,46,000/- p.m

(ii) House Rent Allowance: ₹ 73,000/-p.m.

(iii) Special Allowance: ₹ 87,730/- p.m.

2. Commission: No commission will be payable to him.

3. Perquisites: In addition to the salary, he shall also be entitled to the following perquisites, as per the rules of the Company:

a) Medical Reimbursement:

Reimbursement of medical expenses incurred for self and family upto ₹ 1,250/- per month, as per the Rules of the Company.

b) Leave Travel Concession:

Reimbursement of actual travelling expenses for proceeding on leave once in a year for self and family as per the Rules of the Company.

Explanation:

For the purpose of the perquisites under (a) & (b) above, family shall mean the spouse, dependent children and dependent parents.

c) Conveyance Reimbursement: ₹ 30,000/- per month.

d) Telephone, facsimile and other communication facilities:

The Company shall provide free telephone, facsimile and other communication facilities.

e) Use of Car with Driver

The Company shall provide fully maintained car with driver.

f) Personal Accident Policy:

The actual premium paid.

g) Provident Fund:

Contribution to Provident Fund is payable as per the rules of the Company.

h) Gratuity:

Gratuity shall be payable as per the Rules of the Company.

i) Leave and encashment of Leave:

He will be entitled to leave with full pay and encashment of the accumulated leave as per the rules of the Company.

j) **Bonus& Ex-gratia:** Bonus & Ex-gratia will be paid, as per the Rules of the Company.

For the purpose of leave, provident fund, gratuity and other retiring benefits to which he may be entitled, account shall be taken of his service with the Company's prior to his appointment as Whole time Director.

4. Minimum Remuneration:

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Whole Time Director and Chief Financial Officer shall be paid remuneration by way of salary, perquisites, allowance and other benefits as the Board of Directors may deem fit subject to the limits prescribed in part II of Schedule V of the Act, (including any Statutory modification or re-enactment thereof) as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) be and is hereby authorized to alter, vary or modify the terms and conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under section 197, read with Schedule V of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary or desirable, expedient and proper to give effect to this resolution".

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

"**RESOLVED THAT** pursuant to the provisions of Section 20 (2) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), whereby, a document may be served on any member by the Company by sending it to him/her by registered post, by speed post, by courier, by electronic mode, or any other modes as may be prescribed, consent of the members be and is hereby accorded to the Board of Directors ("the Board" which term shall be deemed to include any Committee thereof) to charge/recover from the member such fees equivalent to 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.

RESOLVED FURTHER THAT the Board of Directors or Company Secretary 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 this resolution".

By Order of the Board of Directors
Sd/-

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

Place: Mumbai
Date : 16th May, 2018

Important Notes

1. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business under Item Nos. 4 to 9 of the accompanying Notice is annexed hereto.
2. At the ensuing Annual General Meeting, Shri Shrutisheel Jhanwar, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment, resolution for his re-appointment is proposed for approval of the members at item no.2. Shri Ramanlal B. Golecha was appointed as an additional director (Category: Independent Director) w.e.f. 20th November, 2017, resolution for his appointment is proposed for approval of the members at Item No.5. The term of office of Shri Anurag Poddar, Chairman and Managing Director, Shri. Ankit Poddar, Executive Director and Shri Shrutisheel Jhanwar, full time Director and Chief Financial officer, expired on 10th February, 2018, resolution(s) at Item Nos. 6 to 8 for their re-appointment is proposed for the approval of the Members. A statement giving the relevant details of the Directors seeking appointment/re-appointment under Item Nos. 2, 5 to 8 of the accompanying Notice, is annexed herewith.
3. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
4. A person can act as a proxy on behalf of Members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent (10 %) of the total share capital of the Company carrying voting rights. A Member holding more than ten percent (10 %) of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person cannot act as proxy for any other person or shareholder. Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty eight hours before the commencement of the Meeting.
5. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
6. Members, Proxies and Authorised Representatives are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the Meeting.
9. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 1st September, 2018 to Wednesday, 5th September, 2018 (both days inclusive), for the purpose of AGM.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN, Bank Account details, E-mail id, Mobile No. and Nomination details (if any) to the Company/the Registrar and Share Transfer Agent, M/s. Sharex Dynamic (India) Private Limited.
11. There is no unclaimed dividend account lying with the Company which needs to be transfer to Investor Education and Protection Fund (IEPF), under Section 124 of the Companies Act, 2013.
12. Members holdings shares in electronic form are requested to intimate immediately any change in their address, E-mail id or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding are in physical form are requested to advise any change in their address or bank mandates immediately to the Company/ the Registrar and Transfer Agent, M/s. Sharex Dynamic (India) Private Limited.
13. Notice of Annual General Meeting along with Annual Report 2017-18 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same.
14. Electronic copy of the Notice of the 5th Annual General Meeting of the Company inter alia indicating the process and manner of e-Voting along with Attendance Slip, Proxy Form and Route Map is being sent to all the members whose Email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Notice of the 5th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.
15. Members may note that the Notice of the 5th Annual General Meeting and the Annual Report for year 2017-2018 will also be available on the Company's web site for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e- communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id: opsingh@bpml.in or RTA E-mail id: evoting@sharexindia.com.
16. **Members who have not registered their e- mail addresses, so far, are requested to register their e-mail address for, receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.**
17. A route map giving directions to reach the venue of the 5th Annual General Meeting is given along with the Annual Report.
18. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to remote e- voting are given below in this Notice.
19. **Voting through electronic means** :

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

    II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

    III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

    IV. The remote e-voting period commences on 1st September, 2018 (9:00 am) and ends on 4th September, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 29th August, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

    V. A person who is not a member as on the cut-off date should treat this Notice of the AGM for information purpose only.

    VI. The process and manner for remote e-voting system consists of "Two Steps" which are given below:

    Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

    Step 2 : Cast your vote electronically on NSDL e-Voting system.

    Details on Step 1 is mentioned below:

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

    1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) "**Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to naithanipcs@gmail.com or opsingh@bpml.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or contact Ms. Pallavi Mhatre, Assistant Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email address: pallavid@nsdl.co.in/evoting@nsdl.co.in or at telephone no. +91 22 2499 4545 who will also address the grievances connected with the voting by electronic means. Members may also write to the Company Secretary at the email address: opsingh@bpml.in or contact at telephone no. 022-61207900.

   VII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

   VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 29th August, 2018.

   IX. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice of the AGM and holding shares as of the cut-off date i.e. 29th August, 2018, may obtain the User ID and password by sending a request at evoting@nsdl.co.in or opsingh@bpml.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com.

   X. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

   XI. Shri Prasen Naithani, Practising Company Secretary (Membership No. FCS 3830) and Proprietor of M/s. P. Naithani & Associates, Company Secretaries has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

   XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

   XIII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

   XIV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.bpml.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

20. All documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be open for inspection without any fee at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on all working days, except Saturday, up to and including the date of the AGM of the Company.

21. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, shall be made available at the commencement of the meeting and shall remain open and accessible to the members during the continuance of the meeting.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2019 on remuneration of ₹35,000/- (₹ Thirty Five Thousand) plus out of pocket expenses, at actuals and applicable taxes.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2019.

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

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Item No. 5

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Section 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations, the Board of Directors at their meeting held on November 20, 2017 have appointed Shri Ramanlal B. Golecha as an Additional Director (in the category of Independent Director) of the Company for a term of 5 (five) consecutive years w.e.f. November 20, 2017 to November 19, 2022, subject to approval of members at ensuing Annual General Meeting. Shri Ramanlal B. Golecha has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act.

A brief profile of Shri Ramanlal B. Golecha, Independent Directors to be appointed is given below:

Shri Ramanlal B. Golecha, Independent Director of the Company, who is Fellow member of the Institute of Chartered Accountants of India. Shri Ramanlal B. Golecha has more than 30 years of long, rich experience in the field of accountancy, auditing and taxation. He possesses outstanding exposures as a practicing Chartered Accountant of various industries.

Shri Ramanlal B. Golecha does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

In the opinion of the Board, Shri Ramanlal B. Golecha has fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is an independent of the management. Copy of the draft letter for appointment of Shri Ramanlal B. Golecha as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that his association and valuable guidance would be of immense benefit to the Company and it is desirable to avail services of Shri Ramanlal B. Golecha as an Independent Director. Accordingly, the Board recommends passing of the Resolution at Item No. 5 of the Notice as a Special Resolution, for approval of the members.

Except Shri Ramanlal B. Golecha, being an appointee, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives in any way concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice.

This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

Item No. 6

Keeping in view the vast and rich experience of Shri Anurag Poddar, especially in the Paper Industry, his overall performance and contribution to the growth of the Company, his duties and responsibilities, the prevailing managerial remuneration in the industry and on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 30th January, 2018 approved the re-appointment and remuneration of Shri Anurag Poddar as Chairman and Managing Director for a further period of 3 years w.e.f. 11th February, 2018 to 10th February, 2021, on the terms, conditions and remuneration as mentioned in the resolution, subject to approval of the members and other permissions and sanctions as may be applicable, if any.

Shri Anurag Poddar is a member of the Stakeholders Relationship Committee and Share Transfer Committee of the Company.

A brief resume of Shri Anurag Poddar as required under the Listing Regulations is given in annexure hereto. The other required disclosures have been made in the Corporate Governance Report which forms part of the Annual Report.

Shri Anurag Poddar himself and Shri Ankit Poddar, being relatives of Shri Anurag Poddar are deemed to be concerned or interested in this resolution.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested financially or otherwise in the resolution.

The above along with resolution at Item No. 6 of the Notice may be treated as a written memorandum setting out the terms of re-appointment of Shri Anurag Poddar under section 190 of the Act.

The Board recommends the resolution at Item No. 6 of the Notice, for approval by the members

Item No.7

Keeping in view the vast and rich experience of Shri Ankit Poddar, especially in the Paper Industry, his overall performance and contribution to the growth of the Company, his duties and responsibilities, the prevailing managerial remuneration in the industry and on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 30th January, 2018 approved the re-appointment and remuneration of Shri Ankit Poddar as Executive Director for a further period of 3 years w.e.f. 11th February, 2018 to 10th February, 2021, on the terms, conditions and remuneration as mentioned in the resolution, subject to approval of the members and other permissions and sanctions as may be applicable, if any.

Shri Ankit Poddar is a member of the Share Transfer Committee of the Company.

A brief resume of Shri Ankit Poddar as required under the Listing Regulations is given in annexure hereto. The other required disclosures have been made in the Corporate Governance Report which forms part of the Annual Report.

Shri Ankit Poddar himself and Shri Anurag Poddar, being relatives of Shri Ankit Poddar are deemed to be concerned or interested in this resolution.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested financially or otherwise in the resolution.

The above along with resolution at Item No. 7 of the Notice may be treated as a written memorandum setting out the terms of re-appointment of Shri Ankit Poddar under section 190 of the Act.

The Board recommends the resolution at Item No. 7 of the Notice, for approval by the members

Item No.8

Keeping in view the vast and rich experience of Shri Shruitsheel Jhanwar, especially in the Paper Industry, his overall performance and contribution to the growth of the Company, his duties and responsibilities, the prevailing managerial remuneration in the industry and on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 30th January, 2018 approved the re-appointment and remuneration of Shri Shruitsheel Jhanwar, as Whole time Director and Chief Financial Officer for a further period of 3 years w.e.f. 11th February, 2018 to 10th February, 2021, on the terms, conditions and remuneration as mentioned in the resolution, subject to approval of the members and other permissions and sanctions as may be applicable, if any.

Shri Shruitsheel Jhanwar, is a member of the Audit Committee, Stakeholders Relationship Committee and Share Transfer Committee of the Company.

A brief resume of Shri Shruitsheel Jhanwar, as required under the Listing Regulations is given in annexure hereto. The other required

disclosures have been made in the Corporate Governance Report which forms part of the Annual Report.

Except Shri Shruitsheel Jhanwar, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested financially or otherwise in the resolution.

The above along with resolution at Item No. 8 of the Notice may be treated as a written memorandum setting out the terms of re-appointment of Shri Shruitsheel Jhanwar under section 190 of the Act.

The Board recommends the resolution at Item No. 8 of the Notice, for approval by the members

Item No.9

Pursuant to 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 courier, by electronic mode, or any other modes as may be prescribed. Further, proviso to sub-section (2) of that Section states that where a member requests for delivery of any document through a particular mode, he/she shall pay such fees as may be determined by the Company in its Annual General Meeting ("AGM").

Accordingly, approval of shareholders is sought, to authorise the Board of Directors to determine the fee to be charged from a member who requests delivery of any documents through a particular mode.

None of the Directors or Key Managerial Personnel of the Company, or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution at Item No.9.

The Board recommends the Ordinary Resolution as set out at Item No. 9 of the accompanying Notice for member's approval.

By Order of the Board of Directors
Sd/-

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

Place: Mumbai
Date: 16th May, 2018

ANNEXURE TO ITEM NOS. 2, 5 TO 8 OF THE NOTICE.

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

Name of the Director and number of shares held in the Company	Date of Birth	Date of Appointment on the Board	Qualifications	Expertise in specific functional area	List of other Companies (excluding Private Companies) in which Directorships and Committee Chairmanships/ Memberships, if any.
Shri Shrutisheel Jhanwar (DIN 03582803) 25 Equity Shares	26/12/1974	11/02/2015	M.Com, FCA	Finance, Accounting and Business Administration	Directorship None
Shri Ramanlal B. Golecha (DIN 07987241) Equity Shares: NIL	03/11/1958	20/11/2017	B. Com, (Hons.), FCA	Accounts, Audit and Taxation	Directorship None
Shri Anurag Poddar (DIN 00599143) 11 Equity Shares	13.07.1981	11/02/2015	MBA from Drexel University, USA	Industrialist with Specialised in Finance, Marketing, Technical, Production, Sale, and Export	Directorship None
Shri Ankit Poddar (DIN 03521731) 11 Equity Shares	30/10/1988	11/02/2015	Bachelor of Business Administration	Industrialist with Specialized in Marketing and Finance	Directorship None

DIRECTOR'S REPORTS

To The Members of,
Balkrishna Paper Mills Ltd

Your Directors have pleasure in presenting the Fifth Annual Report of the Company along with Audited Financial Statements for the Financial year ended 31st March, 2018.

1. FINANCIAL RESULTS:

The summary of the financial performance of the Company for the financial year ended March 31, 2018 compared to the previous year ended March 31, 2017, is given below

(₹ in Lakhs)

Particulars	**2017-18**	2016-17
Net Turnover and Other Income	**21,104.79**	19,096.88
Profit/(Loss) before Depreciation, and Tax	**(3,106.71)**	(1,397.92)
Less: Depreciation and Amortisation	**682.90**	**577.04**
Profit/(loss) before Tax	**(3,789.60)**	(1,974.96)
Less: Provision for Taxation		
Current Tax (MAT)	**0.00**	0.00
Deferred Tax (Net)	**229.17**	370.92
Profit after Tax	**(4,018.77)**	(2,345.88)
Add/(Less):Other Comprehensive Income (net of taxes)	**(5.70)**	(3.77)
Total Comprehensive Income/ (Expenses) for the year	**(4,024.47)**	(2,349.65)

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

2. OPERATIONS:

During the year under review, the Gross turnover and other Income of your Company increased to ₹ 21,104.79 Lakhs from ₹ 19,096.88 Lakhs in the previous year. The net Loss after tax stood at ₹ 4,024.47 Lakhs against Loss of ₹ 2349.65 Lakhs in the previous year.

3. DIVIDEND

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

4. SHARE CAPITAL:

The paid up Share Capital of the Company as on 31st March, 2018 are as under:

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

During the year under review, the Company has issued and alloted 25,00,000 - 9% Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 25,00,00,000/- on Private Placement basis to Siyaram Silk Mills Limited on 09/08/2017.

The Company has not issued shares with differential voting rights nor granted stock options nor sweet equity. As on 31st March, 2018, none of the Directors of the Company hold convertible instruments in the Company.

5. REVISION OF FINANCIAL STATEMENT:

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

6. MANAGEMENT DISCUSSION AND ANALYSIS

Outlook

This outlook is based on assessment of the current business environment. It may vary due to future economic and other developments, in India and abroad.

Company's Overview

Your Company is engaged in manufacturing and marketing of quality coated Paper and Paper Boards. During the year under review, significant economic measures were implemented by the Government. After demonetisation, GST was implemented w.e.f. 01-07-2017, one nation, one tax expected yield better results in the long term, however, in the short term, it had a dampening effect on the Indian economy. The result of these were evident as GDP came crashing to three year low at 5.7% in the first quarter of 2017-18. With the change in the tax laws, the procurement of the raw material, i.e., waste paper has become very tough and also cost of the same has gone up along with the other related expenses. In the meantime, due to the bad market condition prevailed we could not increase the realisation rates in line with the expenses. In the export market too, there were teething problems and delay in getting the GST refunds etc. All these factors affected the performance of the Company.

The global demand for Paper and Paper Board is increasing. As per AIPIMA Indian Paper market is growing @ around 8% and value added Coated Board @ 15% per annum. The Company is trying to improve its realisation by manufacturing more value added products, in the meanwhile expanding its market base in domestic as well as overseas market. The various products launched by the Company in the export market is giving encouraging results. Company has obtained 'Authorized Economic Operator-T1 Certificate' for availing various exports and imports benefits. All these efforts will help the Company to improve its overall performance.

Internal Audit and Control

Your Company's internal systems are adequate and commensurate with the size of operations. These controls ensure that transactions are authorized, recorded and reported on time. They ensure that assets are safeguarded and protected against loss or unauthorized disposal. The Company has appointed external independent internal audit agency to carry out concurrent internal audit at its factories and registered office.

Opportunities threats and Risk

Increasing population, literacy rate, growth in GDP, improvement in manufacturing sector and lifestyle of individuals are expected to account for the growth in the paper industry of India. Many of the existing Paperboard players are increasing their capacity to meet the growing demand. A threat could be due to (a) new competitor; (b) Price wars with competitors; (c) Competitors superiors distributions channels.

Human Resources

The company believes that its ability to put up excellent performances lies in its ability to work as a team. Therefore, it emphasizes on providing equal opportunities to all employees.

The Management persistently promote a culture of employee recognition and motivation. The Company reinforces capabilities through in house & out door training programmes.

Forward Looking Statement

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

7. CORPORATE GOVERNANCE:

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

8. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

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

During the year, Shri Sachindra Nath Chaturvedi, ceased to be Director from the Board of Directors of the Company with effect from 13th October, 2017, as he has incurred disqualification under Section 164(2) of the Companies Act, 2013 and he has vacated his office under Section 167 of the Companies Act, 2013. The Board of Directors placed on record their gratitude and appreciation for immense contribution made by him during his tenure as Director of the Company.

Shri Ramanlal B. Golecha, on the recommendation of the Nomination and Remuneration Committee, was appointed as an Additional Director by the Board w.e.f. 20th November, 2017 and who holds office up to the date of ensuing Annual General Meeting (AGM). Shri Ramanlal B. Golecha is eligible to be appointed as an Independent Director. It is proposed to appoint Shri Ramanlal B. Golecha as an Independent Director, not liable to retire by rotation, for a period of five years from date of appointment.

The Board of Directors on the recommendation of Nomination and Remuneration Committee has approved the re-appointment and remuneration of Shri Anurag Poddar, Chairman and Managing Director, Shri Ankit Poddar, Executive Director and Shri Shrutisheel Jhanwar, Whole time Director & Chief Financial Officer for a further period of 3 years with effect from 11th February, 2018, subject to approval of shareholders. Necessary resolutions have been put up in the Notice of ensuing AGM for approval of the members. Your Directors commend their re-appointment.

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

DECLARATIONS BY INDEPENDENT DIRECTORS:

The Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming that they meet the criteria of independence prescribed under the Act and the Listing Regulation.

9. NOMINATION AND REMUNERATION COMMITTEE:

The composition, role, terms of reference as well as powers of the Nomination and Remuneration Committee of the Company meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.

Composition :

The Committee comprises of 3 Independent Directors.

The composition of the Nomination and Remuneration Committee, category of members, their attendance at the Committee Meetings held during the year under review is given in the table below:

Sr. No.	Name of the Director	Category	Number of Meetings *	
			Held	Attended
1	Shri Ramanlal B. Golecha#	Independent Director	2	1
2	Shri Harish N. Motiwalla	Independent Director	2	2
3	Shri Rakesh N. Garodia	Independent Director	2	2
4	Shri Sachindra Nath Chaturvedi$	Independent Director	2	Nil

* During the year the committee met 2 times on following dates i.e. 20.11.2017 and 30.01.2018.

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

$ Shri Sachindra Nath Chaturvedi, being disqualified under Section 164(2) of the Companies Act, 2013, has vacated his office as a director of the Company w.e.f 13th October, 2017 under Section 167 of the Companies Act, 2013.

Remuneration Policy:

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

Company's Policy on appointment and remuneration of Directors.

Appointment of Independent Directors.

All Independent Directors of the Company are appointed for a term of 5 years. Accordingly, the Independent Directors viz. Shri Harish N. Motiwalla, Shri Rakesh N. Garodia and Smt. Meghna S. Shah hold office up to 10th February, 2020 and Shri Ramanlal B. Golecha upto 19th November, 2022.

Criteria for appointment of Independent Directors.

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

Performance Evaluation.

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

The Directors expressed their satisfaction with the evaluation process.

Remuneration of Non-Executive Directors : The Non-executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in Board/Committee meetings and commission, if any, after approval of the members.

10. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

a. that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures,

b. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the Profit of the Company for that year under review;

c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the Directors have prepared the accounts for the financial year on going concern basis;

e. the Directors have laid down internal financial controls, which are adequate and were operating effectively;

f. the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

11. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

a. BOARD MEETINGS:

The Board of Directors met 5 times during the year on the following dates in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

May 15, 2017, May 27, 2017, September 14, 2017, and November 20, 2017 and January 30, 2018.

COMMITTEES OF THE BOARD:

The Board has the following Committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee;
4. Share transfer Committee.

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

12. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return in Form No. MGT – 9 for the financial year ended 31st March 2018 made under the provisions of Section 92(3) of the Act is attached as **Annexure I** which forms part of this Report.

13. FIXED DEPOSITS

During the year under review, your Company has not accepted any fixed deposits and there were no unclaimed deposits or interest thereon as on 31st March, 2018.

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

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

15. VIGIL MECHANISMWHISTLE BLOWER POLICY:

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

16. RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other related parties which may have a potential conflict with the interest of the Company at large.

All related party transactions for the year are placed before the Audit Committee as well as before the Board for approval. The transactions entered into with related parties are reviewed on a quarterly basis by the Audit Committee.

The policy on Related Party Transactions as approved by the Audit Committee and Board is uploaded on the Company's website at the link www.bpml.in.

The details of the transactions with Related Parties to be provided in Form AOC-2 is annexed herewith as Annexure-II.

Members can refer to Note No. 39 to the Financial Statements which set out related party disclosures.

17. RISK MANAGEMENT FRAMEWORK:

The Board of Directors of the Company has Risk Management Framework to avoid events, situations or circumstances which may lead to negative consequences on the Company's

businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions.

18. DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013:

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

19. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

During the year under review, there were no orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

20. DISCLOSURES UNDER SECTION 134(3)(l) OF THE COMPANIES ACT, 2013:

There were no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under the provisions of Section134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in Annexure - IV which forms part of this Report

22. AUDITORS

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

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2018:

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2018 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

Further, there were no adverse remarks or qualifications of reservations in the audit report submitted by auditors.

b. COST AUDITORS:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, the Board of Directors have appointed M/s. K. G. Goyal & Associate, Cost Accountants, as a cost auditor of the Company for the Financial Year 2018-19.

The remuneration to be paid to Cost auditors require ratification by the shareholders and accordingly necessary resolution for ratification for seeking approval of members is included in Notice of ensuing AGM.

c. SECRETARIAL AUDITORS.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. J. H. Fatehchandka & Co., Company Secretaries in Practice to undertake Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure – III**.

23. INDUSTRIAL RELATIONS:

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

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

The Company has formulated and implemented a policy of prevention of sexual harassment at the workplace with mechanism of loading/redressal complaints. During the year under review, there were no complaints reported to the Board.

25. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

The information required pursuant to Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided upon request in terms of section 196 of the Act, the Report is being sent to all the shareholders of the Company and other entitled thereto, excluding the information particulars of which is available for inspection by the Members at the Registered office of the Company during business hours on working days of the Company upto the date of the ensuing Annual General Meeting. Members interested in obtaining a copy thereof, may write to the Company Secretary in this regard.

26. INSURANCE

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

27. ACKNOWLEDGMENT

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

For and on behalf of the Board of Directors

Anurag P. Poddar
Chairman & Managing Director

Date: 16th May 2018.
Place: Mumbai

ANNEXURE I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on 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 AND OTHER DETAILS:

CIN	:	L21098MH2013PLC244963
Registration Date	:	29.06.2013
Name of the Company	:	Balkrishna Paper Mills Limited
Category / Sub-Category of the Company	:	Company having Shares/ Indian Non-government Company
Address of the Registered office and contact details	:	A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013. Tel No. 022 6120 7900; Fax No. 022 6120 7999
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Sharex Dynamic (India) Pvt. Ltd. Unit No. 1 , Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072 Tel.: 022 -2851 5606/5644/6338; Fax: 022 -2851 2885

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Paper and Paper Board	280	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company has no subsidiary as on date.

I SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity**):**

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year 1-04-2017				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	
A. Promoters									
(1) Indian									
a) Individual/HUF	433948	0	433948	4.041	1000281	0	1000281	9.314	5.273
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	5405594	0	5405594	50.332	5405594	0	5405594	50.332	0
e) FIINS/Banks	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total(A)(1):	**5839542**	**0**	**5839542**	**54.373**	**6405875**	**0**	**6405875**	**59.646**	**5.273**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FII	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year 1-04-2017				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	
e) Qualifies Foreign	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	**5839542**	**0**	**5839542**	**54.373**	**6405875**	**0**	**6405875**	**59.646**	**5.273**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	18755	0	18755	0.175	0	0	0	0	-0.175
b) Banks/FI	14905	0	14905	0.139	9278	0	9278	0.086	-0.053
c) Central Govt.	0	0	0	0	0	0	0	0	0.000
d) State Govt(s)	1197	0	1197	0.011	1180	0	1180	0.011	0.000
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.000
f) Insurance Companies	0	0	0	0	0	0	0	0	0.000
g) FII's	9764	0	9764	0.091	1666	0	1666	0.016	-0.075
h) Foreign Venture	0	0	0	0	0	0	0	0	0.000
i) Others (specify)	0	0	0	0	0	0	0	0	0.000
Sub-total (B)(1):	**44621**	**0**	**44621**	**0.416**	**12124**	**0**	**12124**	**0.113**	**-0.303**
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	388875	166	389041	3.622	671088	166	671254	6.250	2.628
ii) Overseas	0	0	0	0	0	0	0	0	0.000
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2187141	132275	2319416	21.596	2358993	129199	2488192	23.168	1.572
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	1606090	45065	1651155	15.374	995284	45065	1040349	9.687	-5.687
c) Others (specify)									
Non-Resident Individual	219440	0	219440	2.043	73588	0	73588	0.685	-1.358
Foreign National	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	50	0	50	0	50	0	50	0	0
Foreign Bodies – D R	0	0	0	0	0	0	0	0	0
Trust	0	0	0	0	0	0	0	0	0
Clearing Member	276579	0	276579	2.575	48412	0	48412	0.451	-2.124
Sub-total(B)(2):	**4678175**	**177506**	**4855681**	**45.21**	**4147415**	**174430**	**4321845**	**40.241**	**-4.969**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**4722796**	**177506**	**4900302**	**45.626**	**4159539**	**174430**	**4333969**	**40.354**	**-5.272**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.000
Grand Total (A+B+C)	**10562338**	**177506**	**10739844**	**100.00**	**10565414**	**174430**	**10739844**	**100.00**	**0.001**

ii. SHAREHOLDING OF PROMOTERS:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1-04-2017			Share holding 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	AKP Enterprises LLP	2666493	24.828	0	2666493	24.828	0	0
2	RAP Enterprises LLP	2663110	24.797	0	2663110	24.797	0	0
3	Khushboo Rajiv Poddar	500	0.005	0	421833	3.928	0	3.923
4	Sangeeta Pramodkumar Poddar	108022	1.006	0	144272	1.343	0	0.337
5	Vibhadevi Shrikishan Poddar	108011	1.006	0	144261	1.343	0	0.337
6	Ashadevi Rameshkumar Poddar	108011	1.006	0	144261	1.343	0	0.337
7	Madhudevi Pawankumar Poddar	108011	1.006	0	144261	1.343	0	0.337
8	TMP Enterprises LLP	38902	0.362	0	38902	0.362	0	0
9	GPP ENTERPRISES LLP	37011	0.345	0	37011	0.345	0	0
10	Geetadevi Dharaprasad Poddar	1146	0.011	0	1146	0.011	0	0
11	Rameshkumar Dharaprasad Poddar	33	0	0	33	0	0	0
12	Pawankumar Dharaprasad Poddar	33	0	0	33	0	0	0
13	Shrikishan Dharaprasad Poddar	33	0	0	33	0	0	0
14	Dharaprasad Ramrikhdas Poddar	22	0	0	22	0	0	0
15	Rajiv Arvind kumar Poddar	20	0	0	20	0	0	0
16	HSP Enterprises LLP	13	0	0	13	0	0	0
17	DPP Enterprises LLP	13	0	0	13	0	0	0
18	VKP Enterprises LLP	13	0	0	13	0	0	0
19	PKP Enterprises LLP	13	0	0	13	0	0	0
20	Harshit Shrikishan Poddar	11	0	0	11	0	0	0
21	Gaurav Pramod Poddar	11	0	0	11	0	0	0
22	Ankit Pramodkumar Poddar	11	0	0	11	0	0	0
23	Abhishek S Poddar	11	0	0	11	0	0	0
24	Anurag Pawankumar Poddar	11	0	0	11	0	0	0
25	Avnish Pawankumar Poddar	11	0	0	11	0	0	0
26	Rishabh Sureshkumar Poddar	10	0	0	10	0	0	0
27	Shyamlata Sureshkumar Poddar	10	0	0	10	0	0	0
28	Arvindkumar Mahabirprasad Poddar	10	0	0	10	0	0	0
29	Vijaylaxmi Arvindkumar Poddar	10	0	0	10	0	0	0
30	Balgopal Holding & Traders Ltd	5	0	0	5	0	0	0
31	Poddar Brothers Investment Private Limited	5	0	0	5	0	0	0
32	Vishal Furnishings Ltd	5	0	0	5	0	0	0
33	S P Finance And Trading Ltd	5	0	0	5	0	0	0
34	S P Investrade (India) Limited	3	0	0	3	0	0	0
35	Sanchna Trading & Fin. Ltd.	3	0	0	3	0	0	0

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 1-04-2017			Share holding at the end of the year 31-03-2018			% of total Shares of the company
		No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	
1	Khushboo Rajiv Poddar	500	0.005	01-04-2017				
				22-12-2017	421333	Buy	421833	3.928
	-Closing Balance			31-03-2018			421833	3.928
2	Sangeeta Pramodkumar Poddar	108022	1.006	01-04-2017				
				26-05-2017	36250	Buy	144272	1.343
	-Closing Balance			31-03-2018			144272	1.343
3	Vibhadevi Shrikishan Poddar	108011	1.006	01-04-2017				
				26-05-2017	36250	Buy	144261	1.343
	-Closing Balance			31-03-2018			144261	1.343
4	Ashadevi Rameshkumar Poddar	108011	1.006	01-04-2017				
				26-05-2017	36250	Buy	144261	1.343
	-Closing Balance			31-03-2018			144261	1.343
5	Madhudevi Pawankumar Poddar	108011	1.006	01-04-2017				
				26-05-2017	36250	Buy	144261	1.343
	-Closing Balance			31-03-2018			144261	1.343

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

Sr. No	Name	No. of Shares at the beginning/ end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
1	Kishan Gopal Mohta	113400	1.056	01-04-2017				
				12-05-2017	5500	Buy	118900	1.107
				26-05-2017	-5500	Sold	113400	1.056
	-Closing Balance			31-03-2018			113400	1.056
2	Deepak Harlalka	108000	1.006	14-04-2017				
	-Closing Balance			31-03-2018		No Change	108000	1.006
3	IL and FS Securities Services Limited	9113	0.085	01-04-2017				
				14-04-2017	2578	Buy	11691	0.109
				21-04-2017	14973	Buy	26664	0.248
				28-04-2017	27	Buy	26691	0.249
				05-05-2017	-7005	Sold	19686	0.183
				12-05-2017	-1200	Sold	18486	0.172

Sr. No	Name	No. of Shares at the beginning/ end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
				19-05-2017	-600	Sold	17886	0.167
				26-05-2017	100	Buy	17986	0.167
				02-06-2017	33	Buy	18019	0.168
				09-06-2017	15000	Buy	33019	0.307
				30-06-2017	-10100	Sold	22919	0.213
				07-07-2017	10000	Buy	32919	0.307
				14-07-2017	2000	Buy	34919	0.325
				21-07-2017	-6324	Sold	28595	0.266
				28-07-2017	-9028	Sold	19567	0.182
				04-08-2017	-2886	Sold	16681	0.155
				18-08-2017	1102	Buy	17783	0.166
				25-08-2017	-101	Sold	17682	0.165
				01-09-2017	-57	Sold	17625	0.164
				08-09-2017	-706	Sold	16919	0.158
				15-09-2017	333	Buy	17252	0.161
				22-09-2017	295	Buy	17547	0.163
				13-10-2017	-5140	Sold	12407	0.116
				20-10-2017	-5084	Sold	7323	0.068
				17-11-2017	-458	Sold	6865	0.064
				24-11-2017	9473	Buy	16338	0.152
				01-12-2017	-10300	Sold	6038	0.056
				08-12-2017	15715	Buy	21753	0.203
				15-12-2017	-2818	Sold	18935	0.176
				22-12-2017	-1069	Sold	17866	0.166
				29-12-2017	-20	Sold	17846	0.166
				31-12-2017	-1000	Sold	16846	0.157
				05-01-2018	2826	Buy	19672	0.183
				12-01-2018	3864	Buy	23536	0.219
				19-01-2018	-1114	Sold	22422	0.209
				26-01-2018	6000	Buy	28422	0.265
				02-02-2018	-4995	Sold	23427	0.218
				09-02-2018	-1005	Sold	22422	0.209
				16-02-2018	49371	Buy	71793	0.668
				02-03-2018	-11	Sold	71782	0.668
				09-03-2018	-45742	Sold	26040	0.242
				16-03-2018	54731	Buy	80771	0.752
				23-03-2018	-3426	Sold	77345	0.72
	-Closing Balance			31-03-2018	1000	Buy	78345	0.729
4	MSPL Limited	20751	0.193	01-04-2017				
				21-04-2017	1175	Buy	21926	0.204
				28-04-2017	1160	Buy	23086	0.215
				12-05-2017	1185	Buy	24271	0.226
				19-05-2017	2280	Buy	26551	0.247
				14-07-2017	1200	Buy	27751	0.258
				04-08-2017	7261	Buy	35012	0.326
				11-08-2017	1180	Buy	36192	0.337
				18-08-2017	1188	Buy	37380	0.348

Sr. No	Name	No. of Shares at the beginning/ end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
				01-09-2017	3700	Buy	41080	0.383
				22-09-2017	1220	Buy	42300	0.394
				13-10-2017	6420	Buy	48720	0.454
				24-11-2017	1400	Buy	50120	0.467
				15-12-2017	1255	Buy	51375	0.478
				22-12-2017	6120	Buy	57495	0.535
				05-01-2018	9325	Buy	66820	0.622
				12-01-2018	960	Buy	67780	0.631
				26-01-2018	3260	Buy	71040	0.661
	-Closing Balance			31-03-2018			71040	0.661
5	Aadishu Securities Private Ltd	70000	0.652	01-04-2017				
	-Closing Balance			31-03-2018		No Change	70000	0.652
6	Vineet Nahata	815	0.008	01-04-2017				
				13-10-2017	750	Buy	1565	0.015
				20-10-2017	-750	Sold	815	0.008
				24-11-2017	1782	Buy	2597	0.024
				15-12-2017	-310	Sold	2287	0.021
				22-12-2017	1177	Buy	3464	0.032
				29-12-2017	-2649	Sold	815	0.008
				05-01-2018	10833	Buy	11648	0.108
				12-01-2018	9800	Buy	21448	0.2
				19-01-2018	36714	Buy	58162	0.542
				26-01-2018	2000	Buy	60162	0.56
				02-02-2018	1120	Buy	61282	0.571
				09-02-2018	3500	Buy	64782	0.603
				23-02-2018	-3000	Sold	61782	0.575
				02-03-2018	631	Buy	62413	0.581
				09-03-2018	1000	Buy	63413	0.59
				23-03-2018	-8131	Sold	55282	0.515
	-Closing Balance			31-03-2018			55282	0.515
7	Mehul K Mota	25000	0.233	26-01-2018				
				23-02-2018	19000	Buy	44000	0.41
	-Closing Balance			31-03-2018			44000	0.41
8	Globe Capital Market Ltd	7183	0.067	01-04-2017				
				07-04-2017	2814	Buy	9997	0.093
				14-04-2017	-6484	Sold	3513	0.033
				21-04-2017	97	Buy	3610	0.034
				28-04-2017	133	Buy	3743	0.035
				05-05-2017	-225	Sold	3518	0.033
				12-05-2017	3095	Buy	6613	0.062
				19-05-2017	2105	Buy	8718	0.081

Sr. No	Name	No. of Shares at the beginning/ end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
				26-05-2017	-95	Sold	8623	0.08
				02-06-2017	7	Buy	8630	0.08
				09-06-2017	-1991	Sold	6639	0.062
				16-06-2017	-700	Sold	5939	0.055
				23-06-2017	-5831	Sold	108	0.001
				30-06-2017	100	Buy	208	0.002
				07-07-2017	200	Buy	408	0.004
				21-07-2017	-95	Sold	313	0.003
				28-07-2017	1805	Buy	2118	0.02
				04-08-2017	-2008	Sold	110	0.001
				11-08-2017	100	Buy	210	0.002
				25-08-2017	60315	Buy	60525	0.564
				01-09-2017	950	Buy	61475	0.572
				08-09-2017	1100	Buy	62575	0.583
				15-09-2017	1000	Buy	63575	0.592
				22-09-2017	-1400	Sold	62175	0.579
				30-09-2017	-500	Sold	61675	0.574
				06-10-2017	-70	Sold	61605	0.574
				13-10-2017	-672	Sold	60933	0.567
				27-10-2017	-258	Sold	60675	0.565
				03-11-2017	142	Buy	60817	0.566
				17-11-2017	20490	Buy	81307	0.757
				01-12-2017	5	Buy	81312	0.757
				08-12-2017	100	Buy	81412	0.758
				15-12-2017	-105	Sold	81307	0.757
				22-12-2017	-79755	Sold	1552	0.014
				29-12-2017	7550	Buy	9102	0.085
				05-01-2018	-1107	Sold	7995	0.074
				19-01-2018	16903	Buy	24898	0.232
				26-01-2018	9950	Buy	34848	0.324
				02-02-2018	325	Buy	35173	0.328
				09-02-2018	208	Buy	35381	0.329
				16-02-2018	5	Buy	35386	0.329
				23-02-2018	-5	Sold	35381	0.329
				02-03-2018	-356	Sold	35025	0.326
				09-03-2018	2	Buy	35027	0.326
				16-03-2018	8023	Buy	43050	0.401
	-Closing Balance			31-03-2018	-574	Sold	42476	0.395
9	Kamlesh Ramniklal Mehta Huf	40500	0.377	01-04-2017				
	-Closing Balance			31-03-2018		No Change	40500	0.377
10	FRR Shares and Securities Ltd	44149	0.411	01-04-2017				
				07-04-2017	4100	Buy	48249	0.449

Sr. No	Name	No. of Shares at the beginning/ end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
				14-04-2017	-50	Sold	48199	0.449
				21-04-2017	3275	Buy	51474	0.479
				28-04-2017	-525	Sold	50949	0.474
				05-05-2017	405	Buy	51354	0.478
				12-05-2017	-5240	Sold	46114	0.429
				19-05-2017	1650	Buy	47764	0.445
				26-05-2017	2575	Buy	50339	0.469
				02-06-2017	-1750	Sold	48589	0.452
				09-06-2017	1750	Buy	50339	0.469
				16-06-2017	-740	Sold	49599	0.462
				23-06-2017	2000	Buy	51599	0.48
				30-06-2017	-42733	Sold	8866	0.083
				07-07-2017	1000	Buy	9866	0.092
				14-07-2017	-1100	Sold	8766	0.082
				28-07-2017	63750	Buy	72516	0.675
				04-08-2017	-62674	Sold	9842	0.092
				11-08-2017	-425	Sold	9417	0.088
				18-08-2017	435	Buy	9852	0.092
				25-08-2017	115	Buy	9967	0.093
				01-09-2017	-650	Sold	9317	0.087
				08-09-2017	5250	Buy	14567	0.136
				15-09-2017	22501	Buy	37068	0.345
				22-09-2017	35675	Buy	72743	0.677
				30-09-2017	-44888	Sold	27855	0.259
				06-10-2017	2000	Buy	29855	0.278
				13-10-2017	17956	Buy	47811	0.445
				27-10-2017	753	Buy	48564	0.452
				03-11-2017	9000	Buy	57564	0.536
				10-11-2017	3226	Buy	60790	0.566
				17-11-2017	-36956	Sold	23834	0.222
				24-11-2017	-3000	Sold	20834	0.194
				01-12-2017	-1026	Sold	19808	0.184
				08-12-2017	500	Buy	20308	0.189
				15-12-2017	-700	Sold	19608	0.183
				22-12-2017	10320	Buy	29928	0.279
				29-12-2017	7485	Buy	37413	0.348
				05-01-2018	-7055	Sold	30358	0.283
				12-01-2018	-1100	Sold	29258	0.272
				19-01-2018	-150	Sold	29108	0.271
				26-01-2018	2000	Buy	31108	0.29
				16-02-2018	-100	Sold	31008	0.289
				23-02-2018	276	Buy	31284	0.291
				02-03-2018	5149	Buy	36433	0.339
				16-03-2018	4000	Buy	40433	0.376
				23-03-2018	-3500	Sold	36933	0.344
	-Closing Balance			31-03-2018	-55	Sold	36878	0.343

Sr. No	Name	No. of Shares at the beginning/ end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
11	Saroj Jugal Maheshwari	47521	0.442	01-04-2017				
				21-04-2017	-5000	Sold	42521	0.396
				12-05-2017	-42000	Sold	521	0.005
				02-06-2017	22000	Buy	22521	0.21
				09-06-2017	-15000	Sold	7521	0.07
				21-07-2017	-5044	Sold	2477	0.023
				23-03-2018	14464	Buy	16941	0.158
	-Closing Balance			31-03-2018			16941	0.158
12	Suresh Bachubhai Shah	56230	0.524	01-04-2017				
				22-12-2017	-53962	Sold	2268	0.021
	-Closing Balance			31-03-2018			2268	0.021
13	Sujay Sahu	99120	0.923	01-04-2017				
				30-06-2017	-218	Sold	98902	0.921
				07-07-2017	-4000	Sold	94902	0.884
				14-07-2017	-10260	Sold	84642	0.788
				21-07-2017	-6000	Sold	78642	0.732
				04-08-2017	-26648	Sold	51994	0.484
				11-08-2017	-4962	Sold	47032	0.438
				18-08-2017	-23383	Sold	23649	0.22
				25-08-2017	-11746	Sold	11903	0.111
				01-09-2017	-3577	Sold	8326	0.078
				08-09-2017	-5000	Sold	3326	0.031
				06-10-2017	-3300	Sold	26	0
	-Closing Balance			31-03-2018			26	0
14	Manoj H Modi	421333	3.923	01-04-2017				
	-Closing Balance			22-12-2017	-421333	Sold	0	0
15	Rajni Tarun Jain	205539	1.914	01-04-2017				
				07-04-2017	-109559	Sold	95980	0.894
				14-04-2017	1974	Buy	97954	0.912
	-Closing Balance			17-05-2017	-97954	Sold	0	0
16	Porinju V Veliyath	110000	1.024	01-04-2017				
				10-11-2017	-50000	Sold	60000	0.559
				01-12-2017	-15000	Sold	45000	0.419
	-Closing Balance			08-12-2017	-45000	Sold	0	0
17	Anjali Harlalka	108000	1.006	01-04-2017				
	-Closing Balance			14-04-2017	-108000	Sold	0	0
18	Dr Ramesh Chimanlal Shah	60000	0.559	01-04-2017				
				14-04-2017	-10000	Sold	50000	0.466
				26-05-2017	-10000	Sold	40000	0.372

Sr. No	Name	No. of Shares at the beginning/ end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of Shares	% of total Shares of the company
				09-06-2017	-10000	Sold	30000	0.279
				14-07-2017	-6000	Sold	24000	0.223
				21-07-2017	-11647	Sold	12353	0.115
	-Closing Balance			28-07-2017	-12353	Sold	0	0

iv. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	For each of the Directors and KMP	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	Anurag Poddar				
	At the beginning of the year	11	-	11	
	At the End of the year	11	-		
2	Ankit Poddar				
	At the beginning of the year	11	-	11	-
	At the End of the year	11	-		
3	Shrutisheel Jhanwar				
	At the beginning of the year	25	-	25	-
	At the End of the year	25	-		
4	Omprakash Singh				
	At the beginning of the year	-	-		
	At the End of the year	-	-		

II INDEBTEDNESS:

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

(₹ in Crores)

Particulars	Secured Loans excluding	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	66.67			80.78
ii) Interest due but not paid		11.35	2.76	
iii) Interest accrued but not due	0.39			0.39
Total (i+ii+iii)	**67.06**	**11.35**	**2.76**	**81.17**
Change in Indebtedness during the financial year				
Net Change	23.16	0.67	0.83	23.32
Indebtedness at the end of the financial year				
i) Principal Amount	89.70	10.00	3.59	103.29
ii) Interest due but not paid	0.52	0.68	-	1.20
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**90.22**	**10.68**	**3.59**	**104.49**

III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Executive Director, Whole-time Directors and/or Manager: (Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager			Total Amount
		Anurag Poddar	Ankit Poddar	Shrutisheel Jhanwar	
1	Gross salary				
	(a) Salary as per provisions	18,41,072	18,41,072	16,89,857	53,72,001
	(b) Value of perquisites u/s 17(2)	18,61,657	18,61,657	20,08,134	57,31,448
	(c) Profits in lieu of salary under				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify	-	-	-	-
	Total (A)	**37,02,729**	**37,02,729**	**36,97,991**	**11,03,449**
	Ceiling as per the Act	**42,00,000 p. a.**	**42,00,000 p.a.**	**42,00,000 p. a.**	

B. REMUNERATION TO OTHER DIRECTORS:

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount RS.
		Harish N. Motiwalla	Sachindra Nath Chaturvedi	Rakesh N. Garodia	Meghana S. Shah	Ramanlal B. Golecha	
1.	**Independent Directors**						
	· Fee for attending Board / Committee meetings	1,15,000	60,000	1,15,000	40,000	42,500	3,72,500
	· Commission	-	-	-	-		-
	· Others, please specify						
	Total (1)	**1,15,000**	**60,000**	**1,15,000**	**40,000**	**42,500**	**3,72,500**
2.	**Other Non-Executive Directors**						
	· Fee for attending board / committee meetings	-	-	-	-	-	-
	· Commission	-	-	-	-	-	-
	· Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	**1,15,000**	**60,000**	**1,15,000**	**40,000**	**42,500**	**3,72,500**
	Total Managerial Remuneration						

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount RS.
		Harish N. Motiwalla	Sachindra Nath Chaturvedi	Rakesh N. Garodia	Meghana S. Shah	Ramanlal B. Golecha	
	Overall Ceiling as per the Act	**11% of the net profit of the company for all the Directors including MD/ ED/WTD.**					

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO*	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17,71,824		17,71,824
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
5	Others, please specify			
	Total	17,71,824		17,71,824

*please refer to the Remuneration of Shri Shrutisheel Jhanwar who is acting as CFO without any additional remuneration which he is receiving in capacity of Whole-time Director.

IV PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE II

FORM NO. AOC- 2.

Particulars of Contracts/ Arrangements with Related Parties

(Pursuant to section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NONE
2. Details of material contracts or arrangement or transactions at arm's length basis.

The Company has issued and allotted 25,00,000 - 9% Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating Rs.25,00,00,000/- on Private Placement basis to SIYARAM SILK MILLS LIMITED on 09/08/2017. The same has been approved by the Allotment Committee of Board of Directors and Shareholders in the 4th Annual General Meeting held on 19th July, 2017.

ANNEXURE III

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 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]

To,

The Members/ Board of Directors,
Balkrishna Paper Mills Limited

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the Financial Year ended 31st March, 2018, according to the provisions of:

(I) The Companies Act, 2013 (the Act) and the rules made thereunder;

(II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(III) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(IV) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

(V) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;- **Not applicable to the Company during the audit period.**

(d) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities)Regulations, 2008; **Not Applicable.**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; to the extent of securities issued;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**.

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998:- **Not Applicable to the company since it has not bought back any securities during the audit period.**

I examined compliance with the applicable clauses / Regulation of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has generally 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, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

(i) Public/Right/ debentures/sweat equity, etc.

(ii) Redemption / buy-back of securities.

(iii) Merger / amalgamation / reconstruction, etc.

(iv) Foreign technical collaborations

We further report that during the audit period the Company has following specific event in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

The Company has allotted 25,00,000/- 9% cumulative redeemable Preferences Shares of ₹ 100/- each for cash at par on private placement basis.

For J. H. Fatehchandka & Co.,
Company Secretaries

Jugalkishore Fatehchandka
Proprietor
FCS No.: 3392
C P No.:4942

Place : Mumbai.
Date : 16th May, 2018.

ANNEXURE – IV

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

A. CONSERVATION OF ENERGY:

(a) Energy Conservation measures taken by the Company;

(i) Electrical Energy:

The Company is regularly monitoring the overall consumption of energy periodically during the year and losses if any are identified and suitable improvement action carried out immediately.

(ii) Coal/Fuel Oil Consumption:

The Company is carrying out regular maintenance of steam lines/steam traps and user equipments to ensure high efficiency levels throughout the year, and new improvements are reviewed regularly and implemented wherever found suitable.

(b) Additional investments and proposals, if any, being implemented for reduction of Consumption of energy;

The Company is reviewing various proposals for reduction in consumption of energy, mainly by way of replacement of existing equipments by modern and energy efficient equipments.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

The various energy conservation measures detailed above adopted by the Company have resulted in savings in energy consumption as per information given in Form 'A'.

I. Total energy consumption and energy consumption per unit of production as per Form 'A' hereunder:

FORM 'A'			Current Year	Previous year
	POWER AND FUEL CONSUMPTION:			
1	**Electricity**			
a	Purchased			
		Units (KWH)	11,859,524	8,042,350
		Total amount (₹ in Lakhs)	1,057.21	670.26
		Rate/Unit (₹)	8.91	8.33
b	Own Generation			
		Units (KWH)	26,019,286	2,21,12,940
		Total amount (₹ in Lakhs)	1,004.49	872.53
		Rate/Unit (₹)	3.86	3.95
2	**Coal (specify quality and where used)**			
		The Company uses Steam Coal grade B/C in its Boilers		
		Quantity (Tons)	44,971.40	43,457.78
		Total Amount (₹ in Lakhs)	2,900.55	2,356.44
		Average rate (₹/Ton)	6,449.76	5,426
3	**H.S.D/L.D.O./Furnace Oil**			
		Quantity (K.Ltrs)	47,801.00	57,312
		Total Amount (₹ in Lakhs)	20.78	34.34
		Average rate (₹/KL)(Net of Modvat, Wherever applicable)	43.47	59.92

II. Consumption per unit of production:

Electricity (KWH)	Coal (Kgs)	Furnace Oil (Ltr)
0.575	0.683	-
(0.505)	(729.08)	

B. TECHNOLOGY ABSORPTION:

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

FORM 'B'

I. Research and development (R&D):

1. Specific areas in which R&D carried out by the Company:

   Product and quality improvement, development of new products, cost control and energy conservation

2. Benefits derived as a result of the above R&D:

   The R&D activities have resulted in conserving of scarce raw materials, higher productivity and containing the costs all around.

3. Future plan of action:

   Water and energy conservation and further improvement in process technology and product mix.

4. Expenditure on R&D (₹ in Lakhs):

   (a) Capital : NIL

   (b) Recurring : NIL

   (c) Total : NIL

II. Technology absorption, adaptation and innovation:

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

   The Company has been developing in-house modification/improvements in Process Technology in its various manufacturing sections-which, when found suitable, are integrated into the regular manufacturing operation.

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

   (a) Quality improvement. N.A.

   (b) Energy conservation. N.A.

C. FOREIGNEXCHANGE EARNINGS& OUTGO:

(a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans;

The Export of Paper & Paper Board during the year amounted to ₹ 43.25 Crores.

(b) Total foreign exchange used and earned (₹ in Crores)

Used: ₹ 31.28 Crore Earned: ₹ 43.25 Crores

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2017-18

I. Company's Philosophy

Balkrishna's philosophy on Corporate Governance aims at achieving long term viability of the business by taking into consideration the customers' satisfaction in terms of quality, cordial relationship with shareholders. Corporate Governance is a continuous process that aims to align interest of the Company with its shareholders and other stakeholders. The principal characteristics of corporate governance are transparency, independence, accountability, fairness and responsibility. The company has a strong legacy of fair, transparent and ethical governance practices and compliance with statutory and legal requirements. The Company has formulated, interalia, various policy documents and introduced best practices of governance like Code of Conduct, Prohibition of insider trading policy, whistle blower policy etc.

The Company's policies on Corporate Governance and compliance thereof in respect of specific areas for the year ended March 31, 2018, as per the format prescribed by SEBI (LODR) Regulations, 2015 (the Listing Regulations or Listing Agreements) are set out below for the information of the shareholders of the Company.

II. Board of Directors

Composition:

The Board of Directors of the Company has an optimum combination of Executive, Non Executive and Independent Directors. As on March 31, 2018, the Board comprises of 7 (Seven) Directors, out of which 3 (Three) are Executive and Non Independent Directors, and 4(Four) are Non-Executive and Independent Directors. The Chairman is an Executive Director designated as Chairman and Managing Director of the Company.

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

Name of Directors	Category of Directors	Attendance		Directorship in other Public Companies**	Committee Positions of other public companies***	
		Board	Last AGM		Chairman	Member
Shri Anurag P. Poddar *	Chairman and Managing Director–Executive & Non-Independent Director	5	Yes	-	-	-
Shri Ankit P. Poddar *	Executive & Non-Independent Director	4	Yes	-	-	-
Shri Sachindra Nath Chaturvedi $	Non-Executive & Independent Director	3	Yes	4	3	4
Shri Harish N. Motiwalla @	Non-Executive & Independent Director	6	Yes	8	5	2
Shri Rakesh N. Garodia @	Non-Executive & Independent Director	6	No	5	-	10
Smt. Meghna S. Shah @	Non-Executive & Independent Director	4	No	-	-	-
Shri Shrutisheel Jhanwar *	Executive & Non-Independent Director	5	yes	-	-	-
Shri Ramanlal B. Golecha #	Non-Executive & Independent Director	3	-	-	-	-

@ Term of office of all above Non-Executive & Independent Directors is of 5 Consecutive years commencing from February 11, 2015 to February 10, 2020.

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

$ Shri Sachindra Nath Chaturvedi, being disqualified under Section 164(2) of the Companies Act, 2013, has vacated his office as a director of the Company w.e.f 13th October, 2017 under Section 167 of the Companies Act, 2013.

\# Appointed as an Independent Director w.e.f. November 20, 2017

** The Directorship held by Directors as mentioned above, do not include Alternate Directorships and Directorships in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

*** Memberships/Chairmanships of only Audit Committee and Stakeholders Relationship Committee in all other listed public limited companies have been considered.

Board Meetings:

During the year, 5 (Five) Board Meetings were held on May 15, 2017, May 27, 2017, September 14, 2017, November 20, 2017 and January 30, 2018. The Annual General Meeting was held on July 19, 2017.

Independent Directors Meeting:

There was one Independent Directors Meeting held on March 23, 2018. All four Independent Directors were present at the said meeting.

Board procedures:

Agenda papers for the Board and committee meeting are finalised in consultation with concern persons. The minutes of proceeding of each board meetings are maintained in terms

of statutory provisions. The minutes of committee are placed before the Board on regular basis. The Agenda and notes to agenda for the Board & Committee meetings are circulated in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under the provision of SEBI (LODR) Regulations, 2015/Uniform Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary. The Chairman & Managing Director/ Executive Director(s), at the Board Meetings, keeps the Board apprised of the overall performance of the Company.

Performance Evaluation:

During the year under review, the Board designed and conducted a formal evaluation mechanism for evaluating performance of the Board, its Committees and individual directors including the Chairman and Managing Director of the Company.

Familiarisation Programme for Board Members:

The Company designed the programmes and measures to familarise Independent Directors regarding Company, its business, updates, growth includes various measures i.e. issue of appointment letters containing the terms of appointment, duties, responsibilities etc. The policy and programme aims to provide insights into the Company to enable independent directors to understand the business, manufacturing, finance and other related matters. The details of such familiarisation programmes have been displayed under the head Investor on the Company's website or link, https://www.bpml.in

III. Audit Committee

Terms of Reference:

The scope of activities of the Audit Committee is as set out in Regulation 18, Part C of Schedule II of SEBI (LODR) Regulations, 2015/ Uniform Listing Agreement read with Section 177 of the Companies Act, 2013. These broadly includes oversights of financial reporting process, review reports of the Internal Auditors and to discuss the same with them periodically, to meet Statutory Auditors to discuss their findings/ suggestions, to review weaknesses in internal controls reported by Internal and Statutory Auditors and internal control systems, appointment and payment to statutory auditors, approval of related party transactions, to review quarterly/half yearly/annual financial results and other matters.

Audit Committee Composition:

The Audit Committee consists 3 (three) Independent Directors and 1 (one) Whole time Director having requisite knowledge of Finance, Accounts and Company Law. The composition of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 (1) of SEBI (LODR) Regulations, 2015. The Company Secretary, Shri Omprakash Singh, acts as the Secretary of the Committee. The Chairman of the Committee was present at the last Annual General Meeting.

Audit Committee Meetings:

During the year under review, the Committee met 5 (five) times on May 15, 2017, May 27, 2017, September 14, 2017, November 20, 2017 and January 30, 2018.

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

Name of the Member	Designation	No. of meeting attended
Shri Ramanlal B. Golecha*	Chairman	1
Shri Harish N. Motiwalla*	Member	5
Shri Rakesh N. Garodia*	Member	5
Shri Shrutisheel Jhanwar*	Member	5
Shri Sachindra Nath Chaturvedi $	-	3

* The above committee was reconstituted on 20th November, 2017. Shri Ramanlal B. Goulecha was appointed as a Chairman w.e.f. November 20, 2017. Shri Harish N. Motiwalla and Shri Rakesh N. Garodia and Shri Shrutisheel Jhanwar as Member of the Committee.

$ Shri Sachindra Nath Chaturvedi, being disqualified under Section 164(2) of the Companies Act, 2013 has vacated his office as a director of the Company and consequently has ceased to be the Chairman of the Committee w.e.f 13th October, 2017.

IV. Nomination and Remuneration Committee:

Terms of Reference:

Terms of reference of the Nomination and Remuneration Committee includes the matters specified under section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015/ Uniform Listing Agreement. The main reference includes formulation of remuneration policy, remuneration payable and determining the package to the Managing Directors, Executive Directors, Whole-time Directors and Senior Employees, commission to be paid to the Directors.

Nomination and Remuneration Committee Composition, Meetings held and Attendance:

Composition:

The Committee consists of three wholly Non-Executive and Independent Directors, as under:

Name of the Committee Members:

Name of the Member	Designation
Shri Ramanlal B. Golecha*	Chairman
Shri Harish N. Motiwalla*	Member
Shri Rakesh N. Garodia*	Member
Shri Sachindra Nath Chaturvedi $	-

* The above committee was reconstituted on 20th November, 2017. Shri Ramanlal B. Goulecha was appointed as as Chairman w.e.f. November 20, 2017. Shri Harish N. Motiwalla and Shri Rakesh N. Garodia as Member of the Committee.

$ Shri Sachindra Nath Chaturvedi, being disqualified under Section 164(2) of the Companies Act, 2013 has vacated his office as a director of the Company and consequently has ceased to be the Chairman of the Committee w.e.f 13th October, 2017.

All the Members of this Committee are an Independent Director.

Meetings:

During the year under review, 2 (Two) Meetings were held on November 20, 2017 and January 30, 2018.

Remuneration Policy:

The Board on recommendation of Nomination and Remuneration Committee approved Remuneration Policy (Nomination and Remuneration Policy has been posted on the website of the Company at: www.bpml.in) for Directors, KMP and Senior Management Employees as numerated below:

Remuneration of Non Executive Directors

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/ Committee meetings and commission, if any, subject to approval of the members.

Remuneration of Managing Director/Whole Time Directors.

1. At the time of appointment or re-appointment of the Managing Director/Executive Director/ Whole Time Director, such remuneration shall be paid as may be mutually agreed between the Company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the Managing Director / Executive Director / Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
2. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
3. The remuneration of the Managing Director/Executive Director/Whole Time Director are broadly divided into Basic Salary, Allowances, perquisites, amenities, retirement benefits and commission (subject to availability of profits).
4. In determining the remuneration the Nomination and Remuneration Committee shall ensure/ consider the following :-
   a. The relationship of remuneration and performance benchmark is clear.
   b. Responsibility required to be shouldered by the Managing Director/ Executive Director/Whole Time Directors, the industry benchmarks and the current trends.
   c. The company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs/KPIs.

Remuneration of Senior Management Employees:

The Board, on the recommendations of the Nomination and Remuneration Committee approves the remuneration payable to the KMP and Senior Management Personnel. The structure of remuneration payable to KMP and Senior Management Personnel will be in accordance with the compensation framework adopted for employees by the HR department of the Company.

Details of Directors' Remuneration * for the year 2017-18 are given below:-

(₹in Lakhs)

Name of Director	Salary & Other Perquisites	Sitting Fees	Commission	Total Remuneration
Shri Anurag P. Poddar	39.79	-	-	39.79
Shri Ankit P. Poddar	38.84	-	-	38.84
Shri Shrutisheel Jhanwar	42.47	-	-	42.47
Shri Sachindra Nath Chaturvedi	-	0.60	-	0.60
Shri Harish N. Motiwalla	-	1.15	-	1.15
Shri Rakesh N. Garodia	-	1.15	-	1.15
Smt. Meghna S. Shah	-	0.40	-	0.40
Shri Ramanlal B. Golecha #	-	0.42	-	0.42
Total	**121.10**	**3.72**	**-**	**124.82**

* Remuneration includes Basic Salary, Allowance, Perquisites, Company's contribution to Provident Fund, Gratuity Fund, Provision for Gratuity and Leave Salary.

$ Shri Sachindra Nath Chaturvedi, being disqualified under Section 164(2) of the Companies Act, 2013 has vacated his office as a director of the Company w.e.f 13th October, 2017.

\# Appointed as an Independed w.e.f. November 20, 2017.

V. Stakeholders Relationship Committee:

Terms of Reference:

Term of Reference and role of the Stakeholders Relationship Committee includes the matters specified under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Stakeholders Relationship Committee deals with all matters relating to Stakeholders/Investors Grievance and its redressal.

Name of the Committee Members:

Name of the Member	Designation
Shri Rakesh N. Garodia	Chairman & Independent Director
Shri Harish N. Motiwalla	Member
Shri Anurag P. Poddar	Member
Shri Shrutisheel Jhanwar	Member

Stakeholders Relationship Committee Meetings:

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

Stakeholders Grievance Redressal:

During the year ended March 31, 2018, no Shareholders' Complaints were received. There were no outstanding complaints at the end of the year.

The Company Secretary, Shri Omprakash Singh, has been designated as Compliance Officer.

VI. Other Committees:

Share Transfer Committee:

Terms of Reference:

The Share Transfer Committee deals with all matters relating to transfer of Shares, issue of duplicate/ new shares, sub-divided and consolidated share certificates, demat / remat.

VII. Independents Directors Meeting.

All the Independents Directors' of the company met once on 23rd March, 2018 during the financial year, inter-alia, to consider:

- the performance for Non-Independent Directors and the Board as a whole.
- the performance of the Chairman and Managing Director of the Company.
- assessing the quality, quantity and timeliness of flow of information.

VIII. Information on Annual General Meeting:

Financial Year	Date	Time	Venue
2014-2015	24th August, 2015	2.30 p.m	Sunville 9, Dr. Annie Besant Road, Worli, Mumbai 400 018.
2015-2016	9th September, 2016	2.30 p.m.	Sunville 9, Dr. Annie Besant Road, Worli, Mumbai 400 018.
2016-2017	19th July, 2017	2.30 p.m.	Sunville 9, Dr. Annie Besant Road, Worli, Mumbai 400 018.

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

Date of AGM/EOGM	Summary of special resolution passed
13.08.2014	Reduction of equity share capital of the company
12.02.2015	• Appointment of Shri Anurag Poddar as Chairman and Managing Director from 11.02.2015 to 10.02.2018. • Appointment of Shri Ankit Poddar as a Whole-time Director designated as an Executive Director from 11.02.2015 to 10.02.2018.
	• Appointment of Shri Shrutisheel Jhanwar as a Whole-time Director from 11.02.2015 to 10.02.2018. • Alteration of Articles viz. Adoption of new set of Articles of Association of the Company. • Alteration of Object Clause viz. Insertion of new clause of "Power Generation and Consumption" in clause objects incidental or ancillary to the attainment of the main objects III (B) 26(a) and 26(b.
	• Increase in Authorised Share Capital of the Company from ₹ 5 Lakhs to ₹ 11 Crores. • Increase in borrowing limit upto ₹200 crores under section 180(1)(c) of the Companies Act, 2013. • Authorised Board to create charges, mortgages and hypothecation on movable and immovable properties of the Company not exceeding ₹ 200 Crores.
24.08.2015	Authority to invite/accept/ renew/receive money by way of unsecured/secured deposits.
19.07.2017	• Increase in Authorised Share Capital of the Company from ₹ 11 Crores to ₹36 crores and amendments of existing clause V (a) of the Memorandum of Association with new clause V(a). • Offer or invite to subscribe, issue and allot 25,00,000 - 9% Cumulative Redeemable Preference Shares of ₹100/- each for cash at par on private placement basis.

Special Resolutions passed through postal ballot

The Following special resolution passed through Postal Ballot as provided under Section 110 of the Companies Act, 2013:

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

Special Resolution pursuant to the Clause 49(V)(E) and Clause 49 (V)(F) of the Listing Agreement, provisions of Section 180(1)(a), Section 110 and other applicable provisions of the Companies Act, 2013 for Disinvestment of shares of subsidiary company viz. Balkrishna Synthetics Ltd., through postal ballot notice dated 5th November, 2015:

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

Special Resolution pursuant to the section 13 and section 14 of the Companies Act, 2013, Companies (Incorporation) Rules, 2014 and other applicable provisions and rules, if any, of the Companies Act 2013, regulation 45 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for change of the existing name of the Company from "Nirvikara Paper Mills Limited" to "Balkrishna Paper Mills Limited" through postal ballot notice dated 1st July, 2016.

IX. Code of Conduct

The code of conduct for the Directors and the Employees of the Company has been laid down by the Board and it is internally circulated and necessary declaration has been obtained. Declaration regarding compliance by Board Members and Senior Management with the said code is given in Annexure-A to this Report. In addition the Company has framed a Code of Conduct for Prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992. The Code is applicable to all the Directors and Designated Employees. The Code also aims to prevent dealing in the shares by persons having access to unpublished price sensitive information.

XI. Disclosures:

1. During the year under review, there were no materially significant transactions with related parties that may have potential conflict with the interest of the Company All Related party transactions have been disclosed in the notes to financial statements and in Board's Report.
2. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last two years.
3. All Indian Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
4. The Company has a well defined Risk Management Policy covering identifying business risks of the Company and laying procedures for minimizing the risk.
5. No money was raised by the Company through public issue, rights issue, preferential issues etc., in the last financial year.
6. The Company has a Whistle Blower Policy for Directors and Employees for establishing a vigil mechanism to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's code of conduct or ethical policy. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. No employee of the Company was denied access to the Audit Committee. The protected disclosure should be made to the Chairman of the Audit Committee to the email ID: rbgolecha@rediffmail.com.
7. The Company is in compliance with all mandatory requirements of Uniform Listing Agreement/SEBI (LODR) Regulations, 2015 and the adoption non-mandatory requirements are being reviewed by the Board from time-to-time.
8. There were no pecuniary relationships or transactions of non-executive director's vis-à-vis the Company during the year under review, except payment of sitting fees & in the following two cases where the Company has paid professional fees to.
   (i) Advocate Sukesh Shah who is relative of independent director Smt. Meghna Sukesh Shah.
   (ii) Chaturvedi & Co., in which one of the director, Shri Sachindra Nath Chaturvedi, was interested for the part of the year

XII. Means of Communication:

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual results and announces forthwith results to all the Stock Exchanges, where the shares are listed. The same are published in one English daily newspaper and one Marathi newspaper (Mumbai edition) and displayed on the Company's website-www.bpml.in.

Annual Report containing inter-alia, Board's Report, Auditor's Report, Audited Financial Statements etc. circulated to members and others entitled thereto. The Annual Report is also available on the website of the Company.

Website: The Company's website www.bpml.in contains an exclusive head "Investor Relations" where shareholders information is available. Quarterly and annual financial results, annual report, notice of AGM, shareholding pattern, corporate governance etc. are also available on the website.

XIII. General Shareholder Information:

1.	**Annual General Meeting** : Day/ Date: Time : Venue:	Wednesday, 5th September, 2018 2.30 p.m. Walchand Hirachand Hall, 4th floor, IMC Chamber of Commerce and Industry, IMC Building, IMC Marg, Churchgate, Mumbai - 400 020.
2.	**Financial Calendar (Tentative)**	
	Financial Year of the Company	1st April, 2018 to 31st March, 2019.
	Results for the Quarter ending: June 30, 2018 September 30, 2018 December 31, 2018 March 31, 2019	 On or before 14th August, 2018. On or before 14th November, 2018 On or before 14th February, 2019 On or before 15th May, 2019 (Unaudited) Or on or before 30th May, 2019 (Audited).
3.	**Date of Book Closure**:	Saturday, 1st September, 2018 to Wednesday, 5th September, 2018 (both days inclusive).
4.	**Dividend**	The Board has not recommended the dividend for the year under review.
5.	**Listing of Equity Shares on the Stock Exchanges**:	1. BSE Limited, P. J. Towers, Dalal Street, Fort, Mumbai 400 001. 2. National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. The Company has paid annual listing fee for the F.Y. 2018-19 within time.

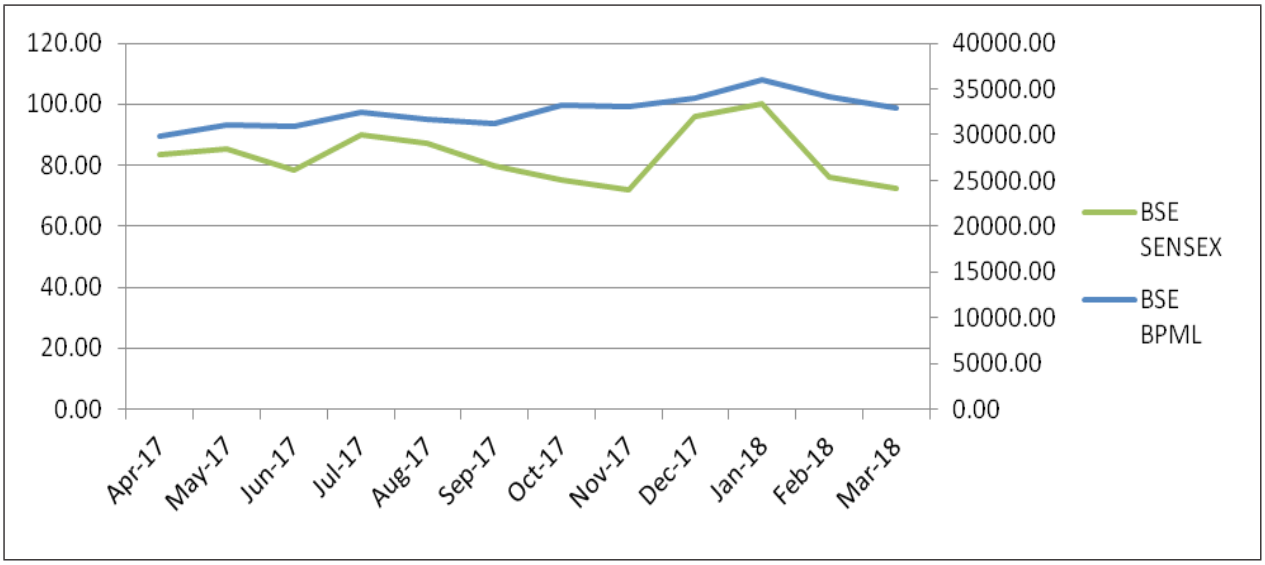
6. Stock Code/Symbol:

	Stock Exchange	Stock Code/ Symbol
	1. Bombay Stock Exchange Ltd.	539251
	2. National Stock Exchange of India Ltd.	BALKRISHNA
(b)	Demat ISIN Number in NSDL & CDSL for Equity Shares	INE875RO1011

7. Stock Market Price Data:

Month	BSE Limited (BSE) *		National Stock Exchange (NSE) *	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April-2017	89.00	78.00	89.00	78.55
May-2017	94.00	77.00	94.15	77.70
June-2017	82.80	73.75	82.85	74.00
July-2017	104.40	75.35	104.65	73.65
Aug-2017	97.00	77.10	94.75	77.00
Sep-2017	85.00	75.00	85.00	73.00
Oct-2017	83.00	67.65	82.00	68.40
Nov-2017	76.95	67.15	75.85	67.40
Dec-2017	124.20	68.10	124.65	67.20
Jan-2018	119.90	80.70	120.45	81.00
Feb-2018	82.00	70.05	84.95	70.05
Mar-2018	77.65	67.60	78.95	67.35

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



9. Registrar and Transfer Agents:

Name & Address:	**Telephone No. :** +91 (022) 2851 5606/5644/6338
Sharex Dynamic (India) Pvt. Ltd. Unit no.1, Luthra Ind.Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400072.	**Fax No.** : +91 (022) 2851 2885. **E-mail** : menon@sharexindia.com **Website** : www.sharexindia.com

10. Share Transfer System:

The shares received for transfers duly completed in all respect in physical form are registered and dispatched normally within three weeks. Demat confirmations are normally sent within two weeks. All transfer requests received are processed and approved by the Shareholders'/ Investors' Grievance Committee.

11. Distribution of Shareholding as on 31st March, 2018.

Sr. No.	No of shares	Holding	Amount (₹)	% to Capital	No of Holders	%to Total Holders
1	1 - 500	748990	7489900	**6.97**	11064	90.45
2	501-1000	418462	4184620	**3.90**	515	4.21
3	1001-2000	455895	4558950	**4.24**	298	2.44
4	2001-3000	310758	3107580	**2.89**	120	0.98
5	3001-4000	203707	2037070	**1.90**	56	0.46
6	4001-5000	238427	2384270	**2.22**	50	0.41
7	5001-10000	424193	4241930	**3.95**	59	0.48
8	10001 and above	7939412	79394120	**73.92**	70	0.57
	TOTAL	**10739844**	**107398440**	**100**	**12232**	**100**

12. Shareholding pattern as on 31st March, 2018.

Sr. No.	Category	No of shares held	Percentage of Shareholding
1.	Promoters	6405875	59.65
2.	Banks/Financial Institutions	10458	0.10
3.	FIIs/OCBs/Foreign Companies	1716	0.02
4.	Private Corporate Bodies	671252	6.25
5	Mutual Funds/UTI/Insurance Cos	-	-
6.	Non Residents Individuals	73588	0.69
7.	Indian Public /Trusts	3528543	32.86
8	**Clearing Members**	48412	0.45
	TOTAL	**10739844**	**100**

13. Dematerialization of shares and liquidity:

98.38% of the Company's paid up Equity Share Capital is held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) as on March 31, 2018.

14. Outstanding GDRs / ADRs / Warrants or any Convertible instruments:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2018, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

15. Commodity price risk or foreign exchange risk and hedging activities.

Risks are associated with various forex exposures like translation, transaction, economic etc. which the Company would have on risk on net import side. Import exposures includes Trade Payables, Trade Buyer's Credit, Interest Payable, CAPEX Buyer's Credit etc. and export exposure includes trade receivable etc.

There are various financial instruments for hedging which are available to mitigate these risks like Forward Contracts, Option Contracts and interest rate swap. Based on the risks involved in the hedging instrument, the Company is normally using Forward Cover as measure for mitigating the Forex Volatility.

The ECB Loan in Foreign Currency are fully hedged. Further, the Company has hedged the interest rate swap on the said ECB Loan also.

16. Plant Locations:

1. **Ambivali Plant:** Unit-1 (Paper/Paper Board & Coating Plant), Village Ambivali P.O. Mohane, Taluka Kalyan, Dist Thane-421102.
2. **Bhiwandi Plant:** Unit- 2 (Cutting & Packing Unit) F3 & F4 Bhiwandi Nashik Road, Village Dhamangoan, Taluka Bhiwandi, Dist. Thane-421302.

17. Address for Correspondence:

BALKRISHNA PAPER MILLS LIMITED

Registered Office

A/7, Trade World, Kamala City, Senapati Bapat Marg,
Lower Parel (W), Mumbai- 400013.
Tel. No: 022-61207900. Fax No.: 022-61207999
Website : www.bpml.in
Email: opsingh@bpml.in

REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Pvt. Ltd.
Unit no.1, Luthra Ind.Premises, Safed Pool,
Andheri Kurla Road, Andheri (East), Mumbai – 400072.
Telephone No. : 91 (022) 2851 5606/5644/6338
Fax No. : 91 (022) 2851 2885.
E-mail : menon@sharexindia.com
Website : www.sharexindia.com

For and on behalf of the Board of Directors

BALKRISHNA PAPER MILLS LIMITED

ANURAG P. PODDAR
Chairman & Managing Director

Place: Mumbai.
Date : 16th May, 2018.

Annexure – A

Declaration

In accordance with the Regulation 26(3) of the SEBI (LODR) Regulation 2015, I, hereby declare that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for them, for the financial year ended March 31, 2018.

For **BALKRISHNA PAPER MILLS LIMITED**

ANURAG P. PODDAR
Chairman & Managing Director

Place: Mumbai.
Date : 16th May, 2018.

CERTIFICATION BY CHAIRMAN AND MANAGING DIRECTOR / CHIEF FINANCIAL OFFICER TO THE BOARD

We, the undersigned, in our respective capacities as Chairman and Managing Director and Chief Financial Officer of the Company to the best of knowledge and belief certify that:

(a) We have reviewed financial statements for the year and that to the best of our knowledge and belief :

i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) these statements give a true and fair view of the state of affairs of Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept overall responsibility for the Company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and report significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.

We indicate to the Auditors and to the Audit Committee:

i) significant changes in internal control over financial reporting during the year;

ii) significant changes in accounting policies during the year.

iii) instances of significant fraud of which we have become aware of and which involve management or other employees who have a significant role in the Company's internal control system over the financial reporting. However, during the year there were no such changes or instances.

For **BALKRISHNA PAPER MILLS LIMITED**

ANURAG P. PODDAR — Chairman & Managing Director
SHRUTISHEEL JHANWAR — Whole Time Director & CFO

Place: Mumbai
Date: 16th May, 2018.

INDEPENDENT AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Balkrishna Paper Mills Limited

1. This certificate is issued in accordance with the terms of our Engagement Letter dated 15th September, 2017.

2. This report contains details of compliance of conditions of Corporate Governance by Balkrishna Paper Mills Limited ('the Company') for the year ended 31st March, 2018, as stipulated in Regulations 17-27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock exchanges.

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

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

Auditor's Responsibility

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

5. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations for the year ended 31st March, 2018.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations.

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

Restriction on use

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

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

VIRAL A. MERCHANT
Partner
Membership No.116279

Place : Mumbai,
Dated : 16th May, 2018

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

BALKRISHNA PAPER MILLS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Balkrishna Paper Mills Limited ('the Company'), which comprise the balance sheet as at 31st March 2018, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.In conducting 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 and the Order issued under section 143(11) of the Act.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31stMarch, 2018, and its loss, total comprehensive income, the 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 of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) the balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
   (d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
   (e) on the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
   (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. the Company has disclosed the impact, if any, of pending litigations on its financial position in its financial statements; Refer Note No.43 to the financial statements.
      ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and.
      iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

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

VIRAL A. MERCHANT
Partner
Membership No.116279

Place: Mumbai
Dated: 16TH MAY, 2018

ANNEXURE - A TO AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2018, we report that:

(i) (a) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, physical verification of these fixed assets has been conducted by the management at intervals during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.

(iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties as covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans, investments and guarantees made.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder.

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government, the maintenance of cost records have been prescribed under Section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.

(vii) (a) According to the records of the Company and the information and explanations given to us, the Company has been generally regularly depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales-Tax, Service tax, Duty of Customs, Duty of Excise, Value added Tax, Goods and Service Tax, Cess and any other statutory dues applicable to it. There are no material undisputed statutory dues as referred to above as at 31st March, 2018 outstanding for a period of more than six months from the date they become payable.

(b) According to the information and explanations given to us, the dues in respect of Sales Tax, Cess and Excise Duty that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below :-

Name of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the Amount Relates	Forum where dispute is pending
Sales Tax Act	Sales Tax (Including Interest and Penalty)	34.81	1991-1992	Jt. Commissioner of Sales Tax (Appeals)
		228.22	2002-2003	Assessing Authority
Water Cess	Cess	242.23	1992-2018	Court of Civil Judge, Senior Division, Thane
Central Excise Act	Excise Duty (Including Interest and Penalty)	10.75	2000-2006,	Tribunal
		1.22	2008-2015	Assessing Authority

(viii) Based on our audit procedures and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans from bank.

Further as per the records of the Company, during the year there were no loans or borrowings from any financial institution, government or debenture holders.

(ix) In our opinion and according to the information and the explanations given to us, the term loans have been applied for the purposes for which they were obtained. Further as per the records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments).

(x) Based upon the audit procedures performed and to the best of our knowledge and belief and according to the information and explanations given to us no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable

and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

VIRAL A. MERCHANT
Partner
Membership No.116279

Place Mumbai
Dated: 16th May, 2018

ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

VIRAL A. MERCHANT
Partner
Membership No.116279

Place: Mumbai
Dated: 16th May, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ in Lakhs)

PARTICULARS		Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 31st March, 2016
I	**ASSETS**				
1	**Non-current Assets**				
(a)	Property, plant and equipment	2	**15,507.52**	15,597.87	7,710.37
(b)	Capital work-in-progress		**113.40**	444.37	8,016.60
(c)	Intangible assets	3	**8.33**	7.59	13.89
(d)	Financial Assets				
	- Other financial assets	4	**92.19**	167.92	53.00
(e)	Income tax assets (Net)	5	**92.57**	89.92	139.93
(f)	Other non-current assets	6	**10.29**	105.24	**63.29**
	Total Non-current assets		**15,824.30**	16,412.91	15,997.08
2	**Current assets**				
(a)	Inventories	7	**2,581.83**	1,623.52	1,329.54
(b)	Financial assets				
	(i) Investments	8	**-**	-	1,217.62
	(ii) Trade receivables	9	**1,631.85**	1,391.14	1,040.01
	(iii) Cash and cash equivalents	10	**9.51**	11.10	359.55
	(iv) Bank balance other than (iii) above	11	**10.00**	-	-
	(v) Other financial assets	12	**25.88**	83.71	31.95
(c)	Other current assets	13	**2,544.63**	1,013.29	755.56
	Total current Assets		**6,803.70**	4,122.76	4,734.23
	Total Assets		**22,628.00**	20,535.67	20,731.31
II.	**EQUITY AND LIABILITIES**				
1	**Equity**				
(a)	Equity share capital	14	**1,073.98**	1,073.98	1,073.98
(b)	Other equity	15	**(185.36)**	3,839.12	**6,188.79**
	Total Equity		**888.62**	4,913.10	7,262.77
2	**Non-current liabilities**				
(a)	Financial liaiblities				
	(i) Borrowings	16	**8,727.67**	4,180.34	4,851.53
	(ii) Other financial liabilities	17	**325.42**	30.81	18.57
(b)	Deferred tax liabilities (Net)	18	**2,022.65**	1,796.02	1,425.10
(c)	Provisions	19	**43.16**	38.89	**14.03**
	Total Non-current liabilities		**11,118.90**	6,046.06	6,309.23
3	**Current liabilities**				
(a)	Financial Liaiblities				
(i)	Borrowings	20	**3,453.59**	2,812.67	1,879.34
(ii)	Trade payables	21	**4,420.94**	5,014.59	2,890.05
(iii)	Other financial liabilities	22	**909.96**	1,583.89	2,120.49
(b)	Other current liabilities	23	**1,764.92**	100.23	188.51
(c)	Provisions	24	**71.07**	65.13	**80.92**
	Total Current liabilities		**10,620.48**	9,576.51	7,159.31
	Total Equity and liabilities		**22,628.00**	**20,535.67**	20,731.31

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS **1 to 47**

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.

Chartered Accountants

(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

VIRAL A. MERCHANT	**ANURAG P. PODDAR**	**SHRUTISHEEL JHANWAR**	**OMPRAKASH SINGH**
Partner	Chairman & Managing Director	Whole-time Director & CFO	Company Secretary

Membership No. 116279

Place: Mumbai
Dated: 16th May, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakhs)

PARTICULARS		Note No.	Current Year	Previous Year
I	Revenue from operations	25	**21,104.79**	19,096.88
II	Other Income	26	**238.78**	540.42
III	**Total Revenue (I+II)**		**21,343.57**	19,637.30
IV	**Expenses :**			
	Cost of materials consumed	27	**14289.88**	11940.02
	Changes in inventories of finished goods and work-in-progress	28	**(346.08)**	(313.97)
	Excise duty	29	**294.28**	1147.49
	Employee benefits expense	30	**1214.72**	1169.92
	Finance cost	31	**1064.69**	722.58
	Depreciation and other amortisation expense	32	**682.90**	577.04
	Other expenses	33	**7932.79**	6369.18
	Total expenses (IV)		**25133.18**	21612.26
V	Loss before tax (III-IV)		**(3,789.61)**	(1,974.96)
VI	Tax expense:			
	- Current tax- MAT		**-**	-
	- Deferred tax		**229.17**	370.92
VII	(Loss)/Profit after Tax (V-VI)		**(4,018.78)**	(2,345.88)
VIII	**Other comprehensive Income (OCI)**			
	Items that will not be reclassified to Profit and Loss (net of tax)		**(8.25)**	(4.94)
	Income Tax		**2.55**	1.17
	Total comprehensive income for the period (VII + VIII)		**(4,024.48)**	(2,349.65)
IX	Earnings per equity share:			
	Basic and Diluted	38	**(37.42)**	(21.84)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 1 to 47

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.

Chartered Accountants

(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

VIRAL A. MERCHANT	ANURAG P. PODDAR	SHRUTISHEEL JHANWAR	OMPRAKASH SINGH
Partner Membership No. 116279	Chairman & Managing Director	Whole-time Director & CFO	Company Secretary

Place: Mumbai
Dated: 16th May, 2018

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

(₹ in Lakhs)

PARTICULARS	Current Year		Previous Year	
A. CASH FLOW FROM OPERATING ACTIVITIES :				
Loss before Tax		**(3789.61)**		(1974.96)
Adjustment for :				
Depreciation and Amortisation	**682.90**		577.04	
Finance Cost	**1064.69**		722.58	
Interest Income	**(26.98)**		(13.03)	
Profit on Sale of Current Investment	**(19.29)**		(3.64)	
Loss on Sale of Fixed Assets (Net)	**3.91**		9.71	
Unrealised Foreign Exchange differences (Gain) / Loss	**(192.46)**		(271.36)	
Retiring Gratuities	**14.98**		12.24	
Leave Encashment	**13.10**		1.31	
		1540.85		1034.85
Operating (loss) before working capital changes		**(2,248.76)**		(940.11)
Adjustment for:				
Trade and other receivables	**(1443.44)**		(501.80)	
Inventories	**(958.31)**		(293.98)	
Trade payables	**1036.97**		2090.55	
		(1,364.78)		1,294.77
Cash generated from operations		**(3,613.54)**		354.66
Direct taxes refund (paid)/received		**(2.66)**		49.99
Gratuity paid		**(16.06)**		-
Leave Encashment paid		**(10.06)**		(8.25)
Net cash from Operating Activities		**(3,642.32)**		396.40
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of current Investment	**(1,875.00)**		-	
Sale of current Investment	**1894.29**		1221.26	
Purchase of Fixed Assets & Capital Work in Progress	**(262.63)**		(952.38)	
Sale of Fixed Assets	**1.07**		7.72	
Investment In Fixed Deposit	**(10.00)**		-	
Interest received	**26.69**		14.74	
Net cash used in Investing Activities		**(225.58)**		291.34
C. CASH FLOW FROM FINANCING ACTIVITIES :				
(Repayment)/ Proceeds of Short Term Borrowings (Net)	**640.92**		933.33	
(Repayment) of Long Term Borrowings (Net)	**(1067.96)**		(1825.70)	
Proceeds of Long Term Borrowings (Net)	**5200.00**		600.00	
Finance Cost Paid	**(906.65)**		(743.82)	
Net Cash from Financing Activities		**3866.31**		(1036.19)
Net Decrease in cash and cash equivalent		**(1.59)**		(348.45)
Cash and cash equivalent as at the beginning of the year		**11.10**		359.55
Cash and cash equivalent as at the end of the year		**9.51**		11.10

Note :

Direct Taxes paid on income are treated as arising from Operating Activities and are not bifurcated between Investing and Financing Activities.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.

Chartered Accountants

(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

VIRAL A. MERCHANT	ANURAG P. PODDAR	SHRUTISHEEL JHANWAR	OMPRAKASH SINGH
Partner Membership No. 116279	Chairman & Managing Director	Whole-time Director & CFO	Company Secretary

Place: Mumbai
Dated: 16th May, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

(a) Equity share capital

(₹ in Lakhs)

	No. of Shares	Amount
Balance as at 1st April 2016	10,739,844	1,073.98
Changes in equity share capital	-	-
Balance as at 31st March 2017	10,739,844	1,073.98
Changes in equity share capital	-	-
Balance as at 31st March 2018	10,739,844	1,073.98

(b) Other Equity

	Reserves and Surplus		Statement of other comprehensive Income	
Particulars	**Capital reserve**	**Retained earnings**	**Remeasurements of the net defined benefit Plans**	**Total Other Equity**
Balance as at 1st April 2016	**5,092.25**	**1,096.54**	**-**	**6,188.79**
Total Comprehensive				
Profit /(Loss) for the year	-	(2,345.88)	-	(2,345.88)
Other comprehensive income for the year	-	-	(3.77)	(3.77)
Income Tax of Earlier Years	-	(0.02)	-	(0.02)
Balance as at 31st March 2017	**5,092.25**	**(1,249.36)**	**(3.77)**	**3,839.12**
Total Comprehensive				
Profit /(Loss) for the year	-	(4,018.78)	-	(4,018.78)
Other comprehensive income for the year	-	-	(5.70)	(5.70)
Income Tax of Earlier Years	-	-	-	-
Balance as at 31st March 2018	**5,092.25**	**(5,268.14)**	**(9.47)**	**(185.36)**

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.

Chartered Accountants

(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

VIRAL A. MERCHANT	**ANURAG P. PODDAR**	**SHRUTISHEEL JHANWAR**	**OMPRAKASH SINGH**
Partner Membership No. 116279	Chairman & Managing Director	Whole-time Director & CFO	Company Secretary

Place: Mumbai
Dated: 16th May, 2018

NOTES FORMING PART OF THE FINANCIAL STATEMENT

1 (a) General information

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

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

1 (b) Significant Accounting policies

(a) Basis of preparation

(i) The financial statements have been prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements up to year ended 31st March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provision of that. These financial statement are the first financial statement of the Company under Ind AS. The date of transition to Ind AS is 1st April, 2016. Refer note no. 34 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and its net loss.

(ii) The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

1. Financial instruments measured at fair value through profit and loss
2. Defined benefit plans – plan assets measured at fair value

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss.

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

(c) Revenue recognition

Sale of goods

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

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

Export Benefits

Export Incentive under Duty Drawback Scheme and MEIS- Merchandise Exporters from India Scheme under the EXIM Policy is accounted for in the year of Export.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit and loss on a systematic basis as and when export obligation are fulfilled.

(d) Property, Plant and Equipment (PPE)

i. Recognition and measurement

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

The cost of an item of PPE comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to

the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in statement of profit and loss.

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

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

ii. Subsequent expenditure

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

iii. Depreciation

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

Depreciation on PPE (other than leasehold land) has been provided based on useful life of the assets in accordance with Schedule II to the Companies Act, 2013, on Straight Line Method except in respect of Plant and Equipment where the useful life is considered differently based on an independent technical evaluation as 9 to 30 years.

Leasehold land are amortised over the lease period.

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

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

(e) Intangible assets

Intangible assets comprise application software purchased, which are not an integral part of the related hardware, and are amortized on a straight line basis over a period of 6 years, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

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

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

(f) Impairment of non-financial assets

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

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

(g) Borrowing cost

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

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

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

(h) Leases

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

(i) Income Tax

Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961. Deferred tax is recognised for timing differences between the carrying amount of assets and liabilities based on tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets, subject to the consideration of prudence, are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realised. At Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure its realisation.

(j) Inventories

Inventories are valued at lower of the cost and net realizable value. Cost of inventories is computed on first in first out (FIFO) basis. Cost comprises of all costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

(k) Financial instruments

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

i. Financial assets

Classification

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

Initial recognition and measurement

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

De-recognition

- A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:
- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
- Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance

b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ii. Financial liabilities

Classification

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

Initial recognition and measurement

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

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

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

Financial liabilities at fair value through profit and loss

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

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

Loans and borrowings

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

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

Derecognition

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

Offsetting of financial instruments

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

Derivative financial instruments

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

(l) Employee benefits

i. Short term employee benefits

Short term employee benefits consisting of wages, salaries, social security contributions, ex-gratia and accrued leave, are benefits payable and recognised in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the year as the related service are rendered by the employee.

ii. Defined contribution plans

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

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

iii. Defined benefit plans

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

(m) Provisions, Contingent Liabilities and Contingent Assets

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

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

(n) Earnings per share (EPS)

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

(o) Key estimates and assumptions

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

Estimates and assumptions are required in particular for:

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

  Useful lives of tangible assets and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimate, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated

technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalised.

- Recognition and measurement of defined benefit obligations

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

- Provisions and contingent liabilities

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

- Measurement of fair values

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

  They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

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

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

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

(p) Rounding of amounts

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

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

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency The amendment will come into force from 1 April 2018. The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 21 is expected to be insignificant."

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting

Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1st April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognized when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach) The Company is evaluating the requirement of the amendment and the impact on the financial statements. The effect on adoption of Ind AS 115 is expected to be insignificant"

NOTE NO.2

Property Plant & Equipement as on 31st March 2018

(₹ in Lakhs)

Particulars	GROSS BLOCK (AT COST)				Depreciation (Including Amortisation)				Net Block	
	Balance As at 01.04.2017	Additions During the year	Deductions During the year	Balance As at 31.03.2018	Balance As at 01.04.2017	For the Year	Deductions During the year	Total upto 31.03.2018	As At 31.03.2018	As At 31.03.2017
Property Plant & Equipement										
(a) Land										
-Free Hold	37.43	0.00	0.00	37.43	0.00	0.00	0.00	0.00	37.43	37.43
-Lease Hold	32.00	0.00	0.00	32.00	0.24	0.52	0.00	0.76	31.24	31.76
(b) Buildings	1903.96	0.00	0.00	1903.96	82.02	82.46	0.00	164.48	1739.48	1821.94
(c) Plant and Equipment	13952.89	550.40	0.00	14503.29	426.17	546.20	0.00	972.37	13530.92	13526.72
(d) Factory Equipment	48.78	31.85	0.00	80.63	16.09	9.80	0.00	25.89	54.74	32.69
(e) Furniture and Fixtures	29.27	0.23	0.00	29.50	3.83	3.82	0.00	7.65	21.85	25.44
(f) Vehicles	70.50	0.00	6.83	63.67	16.53	13.42	1.84	28.11	35.56	53.97
(g) Office Equipment	10.15	0.15	0.00	10.30	4.90	2.35	0.00	7.25	3.05	5.25
(h) Others										
-Electric Installations	59.11	0.00	0.00	59.11	12.05	8.35	0.00	20.40	38.71	47.06
-Air Conditioners	5.14	1.63	0.00	6.77	1.36	1.45	0.00	2.81	3.96	3.78
-Computer	18.69	5.60	0.00	24.29	6.86	6.85	0.00	13.71	10.58	11.83
Total Property plant and equipment	**16167.92**	**589.86**	**6.83**	**16750.95**	**570.05**	**675.22**	**1.84**	**1243.43**	**15507.52**	**15597.87**
Capital Work-in-Progress									113.40	444.37

(₹ in Lakhs)

Particulars	GROSS BLOCK (AT COST)				Depreciation (Including Amortisation)				Net Block	
	Balance As at 01.04.2016	Additions During the year	Deductions During the year	Balance As at 31.03.2017	Balance As at 01.04.2016	For the Year	Deductions During the year	Total upto 31.03.2017	As At 31.03.2017	As At 31.03.2016
Property Plant & Equipement										
(a) Land										
-Free Hold	37.43	-	-	37.43	-	-	-	-	37.43	37.43
-Lease Hold	0.28	31.72	-	32.00	-	0.24	-	0.24	31.76	0.28
(b) Buildings	1,585.88	318.08	-	1,903.96	-	82.02	-	82.02	1,821.94	1,585.88
(c) Plant and Equipment	5,878.96	8,091.91	17.98	13,952.89	-	426.73	0.56	426.17	13,526.72	5,878.96
(d) Factory Equipment	40.27	8.51	-	48.78	-	16.09	-	16.09	32.69	40.27
(e) Furniture and Fixtures	21.59	7.68	-	29.27	-	3.83	-	3.83	25.44	21.59
(f) Vehicles	70.50	-	-	70.50	-	16.53	-	16.53	53.97	70.50
(g) Office Equipment	9.44	0.71	-	10.15	-	4.90	-	4.90	5.25	9.44
(h) Others					-					
-Electric Installations	45.76	13.35	-	59.11	-	12.05	-	12.05	47.06	45.76
-Air Conditioners	3.51	1.63	-	5.14	-	1.36	-	1.36	3.78	3.51
-Computer	16.75	1.94	-	18.69	-	6.86	-	6.86	11.83	16.75
Total Property plant and equipment	**7,710.37**	**8,475.53**	**17.98**	**16,167.92**	**-**	**570.61**	**0.56**	**570.05**	**15,597.87**	**7,710.37**
Capital Work-in-Progress									444.37	8,016.60

The Company has availed the deemed cost exemption in relation to the Tangible assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Refer note below for the gross block value and the accumulated depreciation as on 1st April, 2016 under the previous GAAP.

(₹ in Lakhs)

Particulars	Gross Block as at 1st April 2016	Accumulated Depreciation as at 1st April 2016	Net Block as at 1st April 2016
Property plant and equipment			
(a) Land			
- Free Hold	37.43	-	37.43
- Lease Hold	0.42	0.14	0.28
(b) Buildings	1,806.89	221.01	1,585.88
(c) Plant and Equipment	6,901.96	1,023.00	5,878.96
(d) Factory Equipment	104.45	64.18	40.27
(e) Furniture and Fixtures	34.88	13.29	21.59
(f) Vehicles	126.42	55.92	70.50
(g) Office Equipment	33.51	24.07	9.44
(h) Others			
- Electric Installations	80.47	34.71	45.76
- Air Conditioners	11.36	7.85	3.51
- Computer	66.71	49.96	16.75
Total Property plant and equipment	**9,204.50**	**1,494.13**	**7,710.37**
Capital Work-in-Progress	8,016.60		8,016.60

NOTE NO. 3

Intangible assets As on 31st March 2018

(₹ in Lakhs)

	GROSS BLOCK (AT COST)				Depreciation (Including Amortisation)				Net Block	
	Balance As at 01.04.2017	Additions During the year	Deductions During the year	Balance As at 31.03.2018	Balance As at 01.04.2017	For the Year	Deductions During the year	Total upto 31.03.2018	As At 31.03.2018	As At 31.03.2017
(a) Computer software	14.02	8.42	-	22.44	6.43	7.68	-	14.11	8.33	7.59
TOTAL INTANGIBLE - CURRENT YEAR	**14.02**	**8.42**	**-**	**22.44**	**6.43**	**7.68**	**-**	**14.11**	**8.33**	**7.59**

Intangible assets As on 31st March 2017

(₹ in Lakhs)

	GROSS BLOCK (AT COST)				Depreciation (Including Amortisation)				Net Block	
	Balance As at 01.04.2016	Additions During the year	Deductions During the year	Balance As at 31.03.2017	Balance As at 01.04.2016	For the Year	Deductions During the year	Total upto 31.03.2017	As At 31.03.2017	As At 31.03.2016
(a) Computer software	13.89	0.13	-	14.02	-	6.43	-	6.43	7.59	13.89
TOTAL INTANGIBLE - CURRENT YEAR	**13.89**	**0.13**	**-**	**14.02**	**-**	**6.43**	**-**	**6.43**	**7.59**	**13.89**

The Company has availed the deemed cost exemption in relation to the Intangible Assets on the date of transition and hence the net block carrying amount has been considered as the gross block carrying amount on that date.

Refer note below for the gross block value and the accumulated depreciation as on 1st April 2016 under the previous GAAP.

(₹ in Lakhs)

Intangible Assets	Gross Block as at 1 April 2016	Accumulated Depreciation as at 1 April 2016	Net Block as at 1 April 2016
Computer software	60.50	46.61	13.89

	Current Year ₹	Previous Year ₹	Previous Year ₹
NOTE NO. 4			
Other financial assets			
Security Deposits	**50.53**	98.52	12.68
Derivative Assets	**41.66**	37.48	28.06
Trade Receivables - Unsecured	**-**		
- Considerd Good	**-**	31.92	12.26
- Considerd Doubtful	**40.80**	40.80	40.80
	132.99	208.72	93.80
Less:- Provision for Doubtful Debts	**(40.80)**	(40.80)	(40.80)
	92.19	167.92	53.00
NOTE NO. 5			
Income tax assets (Net)			
Advance Payments of Taxes and Tax deducted at source (Net of Provisions)	**92.57**	89.92	139.93
	92.57	89.92	139.93
NOTE NO. 6			
Other non-current assets			
Capital Advances	**2.83**	95.50	48.21
Advance payment to suppliers	**7.46**	9.74	15.08
	10.29	105.24	63.29
NOTE NO. 7			
Inventories			
(At lower of Cost and Net Realisable Value)			
Raw materials	**631.08**	332.79	373.78
Work-in-Progress	**48.71**	11.31	2.09
Finished Goods	**961.94**	653.26	348.50
Stores and Spares	**671.69**	523.45	548.87
Others - Packing Material & Fuel	**268.41**	102.71	56.30
	2,581.83	1,623.52	1,329.54
NOTE NO. 8			
Investments			
[Carried at Fair value through Profit and Loss]			
In Mutual Funds : Quoted	**-**	-	1,217.62
BOI Axa Treasury Advantage Fund-Growth & BOI Axa Liquid Fund-Growth			
	-	-	1,217.62
NOTE NO.9			
Trade receivables			
Secured Considered good	**-**	-	-
Unsecured Considered good	**1,631.85**	1,391.14	1,040.01
	1,631.85	1,391.14	1,040.01

	Current Year ₹	Previous Year ₹	Previous Year ₹
NOTE NO.10			
Cash and cash equivalents			
Cash on hand	**7.71**	4.07	3.65
Balances with banks	**1.80**	7.03	5.90
Fixed Deposit	**-**	-	350.00
	9.51	11.10	359.55
NOTE NO.11			
Other Bank balance			
Fixed Deposit	**10.00**	-	-
(Held against guarantee)			
	10.00	-	-
NOTE NO.12			
Other financial assets			
Interest Accrued on others	**0.29**	-	1.71
Loans and advances to employees	**10.90**	12.91	16.99
Derivative Assets	**14.69**	70.80	13.25
	25.88	83.71	31.95
NOTE NO.13			
Other current assets			
Export Incentive Receivables	**32.94**	32.32	23.24
Advance payment to suppliers	**240.99**	103.86	112.79
Excise/Sales Tax/Service Tax/Custom Duty etc receivables	**2,270.70**	877.11	619.53
	2,544.63	1,013.29	755.56
NOTE NO.14			
Equity share capital			
Authorised :			
1,10,00,000 (Previous Year 1,10,00,000) Equity Shares of ₹10 each	**1,100.00**	1,100.00	1,100.00
Issued Subscribed and fully paid up:			
1,07,39,844 (Previous Year 1,07,39,844) Equity Shares of ₹10 each, fully paid up	**1,073.98**	1,073.98	1,073.98
	1,073.98	1,073.98	1,073.98
All the above shares are alloted as fully paid up pursuant to scheme of Arrangement, without payment being received in cash			
Terms/rights attached to equity shares:			
All the Equity Shares have equal rights in respect of distribution of dividends and the repayment of capital			
Shareholder's holding more than 5% Shares in the Company			
Name of Shareholders			
AKP EnterprisesLLP	**2,666,493**	2,666,493	2,666,493
% holding	**24.83%**	24.83%	24.83%
RAP Enterprises LLP	**2,663,110**	2,663,110	2,663,110
% holding	**24.80%**	24.80%	24.80%

	Current Year ₹	Previous Year ₹	Previous Year ₹
NOTE NO.15			
Other equity			
a. Capital Reserves			
Opening Balance	**5,092.25**	5,092.25	5,092.25
Add: Addition during the year	**-**	-	-
Closing Balance	**5,092.25**	5,092.25	5,092.25
b. Retained Earnings			
Opening Balance	**(1,249.36)**	1,096.54	(310.33)
(Loss)/Profit for the year	**(4,018.78)**	(2,345.88)	1,400.32
(Add) : Income Tax of Earlier year	**-**	(0.02)	6.55
	(5,268.14)	(1,249.36)	1,096.54
c. OCI Acturial Gain/Loss			
Opening Balance	**(3.77)**	-	-
Add:OCI during the year	**(5.70)**	(3.77)	-
	(9.47)	(3.77)	-
Closing Balance	**(185.36)**	3,839.12	6,188.79
NOTE NO.16			
Borrowings			
(a) Secured			
Term loans from Bank			
- External Commercial Borrowings	**1,463.49**	1,600.57	2,693.06
- Working Capital Term Loan	**4,429.78**	2,304.17	1,900.00
(b) Unsecured			
9% Cumulative redeemable preference shares			
(25,00,000 9% Cumulative redeemable preference shares of ₹ 100/- each)	**2,475.43**	-	-
Distributors/Dealers Deposit	**358.97**	275.60	258.47
	8,727.67	4,180.34	4,851.53
NOTE NO.17			
Other financial liabilities			
Security Deposits	**30.92**	30.81	18.57
Dividend accured but not due	**144.86**	-	-
Derivative Liabilities	**149.64**	-	-
	325.42	30.81	18.57
NOTE NO.18			
Deferred tax liabilities (Net)			
Deferred Tax Liability on account of :			
Property, plant and equipment	**2,090.15**	1,858.47	1,459.37
Deferred Tax Assets on account of :			
Derivatives	**29.82**	25.38	-
Employee benefits	**25.07**	24.46	21.66
Other items	**12.61**	12.61	12.61
Net Deferred Tax Liability	**2,022.65**	1,796.02	1,425.10

	Current Year ₹	Previous Year ₹	Previous Year ₹
NOTE NO.19			
Provisions			
Provision for employee benefits - Leave	**8.95**	11.85	3.00
Provision for employee benefits - Gratuity	**34.21**	27.04	11.03
	43.16	38.89	14.03
NOTE NO.20			
Borrowings			
Secured Loan From Banks			
Loans repayable on demand (Cash Credit)	**887.05**	286.61	123.82
Other Loans	**1,498.61**	1,391.36	754.60
Unsecured			
Loans repayable on demand			
- from Related Party	**1,067.93**	1,134.70	1,000.92
	3,453.59	2,812.67	1,879.34
NOTE NO.21			
Trade payables	**4,420.94**	5,014.59	2,890.05
(Refer Note No. 41 for details of Dues to Micro and Small Enterprises)			
NOTE NO.22			
Other financial liabilities			
Current Maturity of Long Term Debt	**691.03**	1,106.32	1,660.83
Interest accrued but not due on borrowings	**52.30**	39.12	60.37
Others - Payable towards Capital Goods	**19.93**	129.37	131.01
Security Deposits	**2.40**	4.14	2.57
Derivative Liabilities	**3.23**	164.54	103.87
Other Liabilities	**141.07**	140.40	161.84
	909.96	1,583.89	2,120.49
NOTE NO.23			
Other current liabilities			
Income received in advance	**28.32**	30.96	38.74
Statutory dues towards TDS/VAT/GST etc.	**1,715.17**	69.27	149.77
Deffered Income (EPCG)	**21.43**	-	-
	1,764.92	100.23	188.51
NOTE NO.24			
Provisions			
Provision for employee benefits			
- Leave encashment	**71.07**	65.13	80.92
	71.07	65.13	80.92

NOTE NO.25

	Current Year ₹	Previous Year ₹
Revenue from operations		
Sale of Products	**20,786.18**	18,785.55
Other Operating Revenue:		
- Export Incentives	**214.71**	240.81
- Scrap Sales	**69.33**	46.89
- Others	**34.57**	**23.63**
	318.61	311.33
	21,104.79	**19,096.88**
NOTE NO.26		
Other Income		
Interest Income from:		
- Deposits, Customers and Income tax	**26.98**	13.03
Profit on sale of Current Investments	**19.29**	3.64
Surrender of keyman insurance policy	**-**	252.39
Net Foreign Exchange Gain	**192.46**	271.36
Miscellenous Income	**0.05**	-
	238.78	540.42
NOTE NO.27		
Cost of materials consumed		
Raw Material Consumed	**14,289.88**	11,940.02
NOTE NO.28		
Changes in inventories of finished goods and work-in-progress		
Opening Stock :		
Work-in-Progress	**11.31**	2.09
Finished Goods	**653.25**	348.50
	664.56	350.59
Less : Closing Stock :		
Work-in-Progress	**48.71**	11.31
Finished Goods	**961.93**	653.25
	1,010.64	664.56
Net (Increase)/Decrease in Inventories	**(346.08)**	(313.97)
NOTE NO.29		
Excise duty	**294.28**	1,147.49
NOTE NO.30		
Employee benefits expense		
Salaries and wages	**1,099.49**	1,066.21
Contribution to provident and other funds	**90.97**	76.78
Staff welfare expenses	**24.26**	26.93
	1,214.72	1,169.92
NOTE NO.31		
Finance cost		
Interest expenses	**742.97**	505.31
Other borrowing costs	**176.86**	217.27
Dividend on Redeemable Preference share	**144.86**	-
	1,064.69	722.58

	Current Year ₹	Previous Year ₹
NOTE NO.32		
Depreciation and other amortisation expense		
Depreciation and amortisation	**682.90**	577.04
NOTE NO.33		
Other expenses		
Consumption of stores and spare parts	**744.22**	570.99
Packing expenses	**486.11**	443.42
Power and fuel	**3,981.60**	3026.70
Freight and forwarding	**453.65**	248.61
Labour/Job Charges	**876.00**	759.95
Water charges	**18.61**	15.72
Repairs and Maintenance to Buildings	**29.50**	51.26
Repairs and Maintenance to Machinery	**149.45**	93.13
Repairs and Maintenance to Others	**50.66**	35.99
Insurance Charges	**21.20**	101.62
Rates and Taxes excluding taxes on income	**59.95**	83.31
Rent	**75.27**	45.30
Legal and Professional charges	**234.37**	172.59
Commission	**176.53**	105.68
Travelling Expenses	**51.46**	38.63
Directors Meeting Fees	**3.73**	2.90
Interest Others	**1.11**	10.58
Loss on Sale of Fixed Assets	**3.91**	9.71
Miscellaneous expenses	**515.46**	553.09
	7932.79	6369.18

NOTE NO. 34

First time adoption of Ind AS

I. Transition to Ind AS

These are the company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1(b) have been applied in preparing the financial statements for the year ended 31st March 2018, the comparative information presented in these financial statements for the year ended 31st March 2017 and in the presentation of an opening Ind AS balance sheet at 1st April 2016 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amount reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position and financial performance is set out in the following tables and notes.

II. Exemptions from retrospective application

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

a) Deemed cost for Property, Plant and Equipment (PPE) and Intangible assets

Ind AS 101 permits a first time adopters to continue with the carrying value for all its property, plant and equipment and intangible asset as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Accordingly, the company has elected to measure all of its PPE and intangible asset at their previous GAAP carrying values.

The remaining voluntary exemptions as per Ind AS 101 - First time adoption either do not apply or are not relevant to the Company

III. Exceptions from full retrospective application:

a) Estimates

Upon an assessment of the estimates made under Indian GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except where estimates were required by Ind AS and not required by Indian GAAP.

The company made estimate for following items in accrodance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in mutual funds carried at FVTPL.

b) Classification and measurement of financial assets

The Company has classified and measured the financial assets (investment in mutual funds) on the basis of facts and circumstances that exist at the date of transition to Ind AS.

The remaining mandatory exceptions either do not apply or are not relevant to the Company.

IV. Reconciliations under Ind AS 101

(a) Reconciliation of Equity as at 31st March 2017

(₹ in Lakhs)

Particulars	Notes to first-time adoption	I GAAP*	Effects of transition to Ind AS	Ind AS
ASSETS				
Non current assets:				
Property, Plant and Equipment		15597.87	-	15597.87
Capital work-in-progress		444.37	-	444.37
Intangible assets		7.59	-	7.59
Financial Assets:				
i.Investments		-	-	-
ii.Other financial assets	2	130.45	37.47	167.92
Income tax assets (Net)		89.92	-	89.92
Other non current assets		105.24	-	105.24
Total non current assets		**16375.44**	**37.47**	**16412.91**
Current assets:				
Inventories		1623.52	-	1623.52
Financial Assets:				
i. Investments		-	-	-
ii. Trade receivables		1391.14	-	1391.14
iii. Cash and cash equivalents		11.10	-	11.10
iv. Bank balances other than (iii) above		-	-	-
v. Loans		-	-	-
vi. Other current financial assets	2	12.91	70.80	83.71
Other current assets		1013.29	-	1013.29
Total current assets		**4051.96**	**70.80**	**4122.76**
Total assets		**20427.40**	**108.27**	**20535.67**

(₹ in Lakhs)

Particulars	Notes to first-time adoption	I GAAP*	Effects of transition to Ind AS	Ind AS
EQUITY AND LIABILITIES				
Equity:				
Equity Share Capital		1073.98	-	1073.98
Other Equity	1,2,4,5	3895.88	(56.76)	3839.12
Total equity		**4969.86**	**(56.76)**	**4913.10**
LIABILITIES				
Non-current Liabilities				
Financial liabilities:				
i. Borrowings	2,3	4190.63	(10.29)	4180.34
ii. Other financial liabilities		30.81	-	30.81
Deferred tax liabilities	4	1821.41	(25.39)	1796.02
Provisions		38.89	-	38.89
Total non current liabilities		**6,081.74**	**(35.68)**	**6,046.06**
Current Liabilities:				
Financial liabilities				
i. Borrowings		2812.67	-	2812.67
ii. Trade payables		5014.59	-	5014.59
iii. Other financial liabilities	2	1383.18	200.71	1583.89
Other current liabilities		100.23	-	100.23
Provisions		65.13	-	65.13
Total current liabilities		**9,375.80**	**200.71**	**9,576.51**
Total liabilities		**15,457.54**	**165.03**	**15,622.57**
Total equity and liabilities		**20,427.40**	**108.27**	**20,535.67**

* The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

(b) Reconciliation of Equity as at 1st April 2016

(₹ in Lakhs)

Particulars	Notes to first time adoption	I GAAP*	Effects of transition to Ind AS	Ind AS
ASSETS				
Non current assets				
Property, Plant and Equipment		7710.37	-	7710.37
Capital work-in-progress		8016.60	-	8016.60
Other Intangible assets		13.89	-	13.89
Financial Assets:				
i. Investments		-	-	-
ii. Other financial assets	2	24.94	28.06	53.00
Income tax assets (Net)		139.93	-	139.93
Other non current assets		63.29	-	63.29
Total non current assets		**15969.02**	**28.06**	**15997.08**

(₹ in Lakhs)

Particulars	Notes to first time adoption	I GAAP*	Effects of transition to Ind AS	Ind AS
Current assets				
Inventories		1329.54	-	1329.54
Financial Assets				
i. Investments	1	1209.98	7.64	1217.62
ii. Trade receivables		1040.01	-	1040.01
iii. Cash and cash equivalents		359.55	-	359.55
iv. Bank balances other than (iii) above		-	-	-
v. Loans		-	-	-
vi. Other current financial assets	2	18.70	13.25	31.95
Other current assets		755.56	-	755.56
Total current assets		**4713.34**	**20.89**	**4734.23**
Total assets		**20682.36**	**48.95**	**20731.31**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		1073.98	-	1073.98
Other Equity	1,2,4,5	6436.69	(247.90)	6188.79
Total equity		**7510.67**	**(247.90)**	**7262.78**
LIABILITIES				
Non-current Liabilities				
Financial liabilities				
i. Borrowings	2,3	4658.54	192.99	4851.53
ii. Other financial liabilities		18.57	-	18.57
Deferred tax liabilities		1425.10	-	1425.10
Provisions		11.03	3.00	14.03
Other non current liabilities		-	-	-
Total non current liabilities		**6113.24**	**195.99**	**6309.23**
Current Liabilities				
Financial liabilities				
i. Borrowings		1879.34	-	1879.34
ii. Trade payables		2890.05	-	2890.05
iii. Other financial liabilities	2	2016.63	103.86	2120.49
Other current liabilities		188.51	-	188.51
Provisions		83.92	(3.00)	80.92
Total current liabilities		**7058.45**	**100.86**	**7159.31**
Total liabilities		**13171.68**	**296.85**	**13468.53**
Total equity and liabilities		**20682.36**	**48.95**	**20731.31**

* The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

(c) Reconciliation of profit or loss for the year ended 31st March 2017

(₹ in Lakhs)

	Particulars	Notes to first time adoption	I GAAP*	Effects of transition to Ind AS	Ind AS
I	Revenue from operations		19,096.88	-	19,096.88
II	Other income	1,2	374.67	165.75	540.42
III	**Total Income (I + II)**		**19,471.55**	**165.75**	**19,637.30**
IV	**Expenses**				
	Cost of material consumed		11,940.02	-	11,940.02
	Purchase of stock in trade			-	
	Changes in inventories of finished goods and work in progress		(313.97)	-	(313.97)
	Excise Duty		1,147.49	-	1,147.49
	Employee Benefits Expenses	5	1,173.69	(3.77)	1,169.92
	Finance costs		722.58	-	722.58
	Depreciation and amortisation expense		577.04	-	577.04
	Other expenses		6,369.18	-	6,369.18
	Total Expenses (IV)		**21,616.03**	**(3.77)**	**21,612.26**
V	**Profit before tax (III-IV)**		**(2,144.48)**	**169.52**	**(1,974.96)**
VI	**Income Tax expense**				
	Current tax		-	-	-
	Deferred tax	4	396.31	(25.39)	370.92
	Total tax expense		**396.31**	**(25.39)**	**370.92**
VII	**Profit after tax (V-VI)**		**(2,540.79)**	**194.91**	**(2,345.88)**
VIII	**Other Comprehensive Income/(loss)**			-	
A	(i) Items that will not be reclassified to profit or loss				
	Remeasurement of defined benefit obligations	5	-	(4.94)	(4.94)
	(ii) Income tax relating to above items that will not be reclassified to profit or loss		-	1.17	1.17
	Other Comprehensive Income/(loss) (Net of tax)		**-**	**(3.77)**	**(3.77)**
IX	**Total Comprehensive Income/(loss) (VII+VIII) (Comprising Profit and Other Comprehensive Income for the period)**		**(2,540.79)**	**191.14**	**(2,349.65)**

* The Indian GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

(d) Reconciliation of Total Equity as at 31st March 2017 and 1st April 2016

(₹ in Lakhs)

Particulars	Footnote ref.	As on 31 March 2017	As on 1 April 2016
Net worth under IGAAP		4,969.86	7,510.67
Summary of Ind AS adjustments			
Fair valuation of investments in mutual funds	1	-	7.64
Accounting for derivative and foreign exchange differences	2	(48.56)	(274.44)
Deferred tax on above adjustments	4	(8.20)	18.90
Total Ind AS adjustments		(56.76)	(247.90)
Net worth under Ind AS		4,913.10	7,262.77

(e) Reconciliation of Comprehensive income for the year ended on 31st March 2017

(₹ in Lakhs)

Particulars	Footnote ref.	As on 31st March 2017
Comprehensive income under IGAAP		(2,540.79)
Summary of Ind AS adjustments		
Accounting for derivative and foreign exchange differences	2	165.75
Deferred tax on above adjustments	4	25.39
Total Ind AS adjustments		191.14
Comprehensive income under Ind AS		(2,349.65)

(f) Reconciliation of statement of Cash Flow :

There are no material adjustments to the statement of cash flow as reported under previous GAAP "

(g) Notes to the reconciliation:

1 Fair valuation of investments in mutual funds

Under previous GAAP, invesments in mutual funds were classified as current investments based on the intended holding period and realisability. Current investments were measured at lower of cost or market price as of each reporting date. Under Ind AS, these invesments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in retained earnings as at the date of transition and subsequently in the profit or loss for the year ended 31st March 2017.

2 Accounting for derivative and foreign exchange differences

a) Ind AS 109 requires all derivatives to be measured at fair value as per Ind AS 113 on the reporting date with both unrealised gains and losses being recognised in the statement of profit and loss for the period in which such changes arise, unless hedge accounting is applied. Accordingly the company has fair valued foreign currency forward contracts outstanding as at transition date and as at 31st March 2017 and recognised gain / loss in the retained earnings and statement of profit and loss respectively and corresponding effect is given to asset or liability for gain and loss respectively, as Derivative Asset and Derivative liability.

b) The company has also transalated all financial assets / financial liabilities denominated in foreign currency at the year end rates.

3 Interest bearing loans and borrowings

Under Indian GAAP, transaction costs incurred in connection with interest bearing loans and borrowings are amortised upfront and charged to profit or loss for the period. Under Ind-AS, transaction costs are included in the initial recognition amount of financial liability and charged to profit or loss using the effective interest method or amortised on straight line basis over the period of loan.

4 Other deferred tax adjustments

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temprorary differences which was not required under Indian GAAP.

5 Remeasurement of post employment benefit obligation

Under Ind AS,remeasurements i.e. acturial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit and loss under the previous GAAP.

NOTE NO.35

i) Tax Reconciliation

(a) The Income tax expense consists of the following:

(₹ in Lakhs)

	Year ended 31st March, 2018	Year ended 31st March, 2017
Current income tax	-	-
Deferred tax expense	**229.17**	370.92
Tax expense for the year	**229.17**	370.92

(b) Amounts recognised in other comprehensive income

(₹ in Lakhs)

	Year ended 31st March, 2018			Year ended 31st March, 2017		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to profit or loss						
- Remeasurement of post employment benefit obligations	**(8.25)**	**2.55**	**(5.70)**	(4.94)	1.17	(3.77)
	(8.25)	**2.55**	**5.70)**	(4.94)	1.17	(3.77)

ii) Deferred Tax Disclosure

(a) Movement in deferred tax balances

(₹ in Lakhs)

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

(b) Movement in deferred tax balances

(₹ in Lakhs)

	Net balance as at 1st April, 2016	Recognised in profit or loss	Recognised in OCI	Net balance as at 31st March, 2017
Deferred tax assets/ (liabilites)				
Property, plant and equipment	(1,459.37)	(399.10)	-	(1,858.47)
Derivatives	-	25.38	-	25.38
Employee benefits	21.66	2.80	-	24.46
Other items	12.61	-	-	12.61
Tax assets/ (liabilities)	(1,425.10)	(370.92)	-	(1,796.02)

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

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

NOTE NO.36

Financial instruments – Fair values and risk management

A. Accounting classification and fair values

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

(₹ in Lakhs)

Particulars	As at 31 March 2018							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents (Including other bank balances)			19.51	19.51				-
Mutual Fund	-			-	-	-		-
Trade receivables			1,631.85	1,631.85				-
Other financial assets			11.19	11.19				-
Foreign exchange forward contracts	56.35			56.35		56.35		56.35
Security deposit			50.53	50.53				-
Total	**56.35**	**-**	**1,713.08**	**1,769.43**	**-**	**56.35**	**-**	**56.35**
Financial liabilities								**-**
Long term borrowings (Including current maturity of Long term borrowings)		-	9,418.70	9,418.70				-
Other financial liabilities			358.17	358.17				-
Foreign exchange forward contracts	152.87			152.87		152.87		152.87
Short term borrowings			3,453.59	3,453.59				-
Trade payables			4,420.94	4,420.94				-
Security deposit			33.32	33.32				-
Total	**152.87**	**-**	**17,684.23**	**17,837.10**	**-**	**152.87**	**-**	**152.87**

(₹ in Lakhs)

Particulars	As at 31 March 2017							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents(Including other bank balances)			11.10	11.10				-
Mutual Fund				-				-
Trade receivables			1,423.06	1,423.06				-
Other financial assets			12.90	12.90				-
Foreign exchange forward contracts	108.28			108.28		108.28		108.28
Security deposit			98.52	98.52				-
Total	**108.28**	**-**	**1,545.58**	**1,653.86**	**-**	**108.28**	**-**	**108.28**
Financial liabilities								**-**
Long term borrowings (Including current maturity of Long term borrowings)			5,286.66	5,286.66				-
Other financial liabilities			308.89	308.89				-
Foreign exchange forward contracts	164.54			164.54		164.54		164.54
Short term borrowings			2,812.67	2,812.67				-
Trade payables			5,014.59	5,014.59				-
Security deposit			34.95	34.95				-
Total	**164.54**	**-**	**13,457.76**	**13,622.30**	**-**	**164.54**	**-**	**164.54**

(₹ in Lakhs)

Particulars	As at 1 April 2016							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents (Including other bank balances)			359.55	359.55				-
Mutual Fund			1217.62	1217.62				-
Loans			16.99	16.99				-
Trade receivables			1052.27	1052.27				-
Other financial assets			1.71	1.71				-
Foreign exchange forward contracts	41.31			41.31		41.31		41.31
Security deposit			12.68	12.68				-
Total	**41.31**	**-**	**2660.82**	**2702.13**	**-**	**41.31**	**-**	**41.31**

Particulars	As at 1 April 2016							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities								
Long term borrowings (Including current maturity of Long term borrowings)			6512.36	6512.36				-
Other financial liabilities			353.22	353.22				-
Short term borrowings			1879.34	1879.34				-
Trade payables			2890.05	2890.05				-
Foreign exchange forward contracts	103.87			103.87		103.87		103.87
Security deposit			21.14	21.14				-
Total	**103.87**	**-**	**11656.11**	**11759.98**	**-**	**103.87**	**-**	**103.87**

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

B. Measurement of fair values

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

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

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

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

Transfers between Levels

There have been no transfers between Levels during the reporting periods

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

Financial instruments measured at fair value

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

There are no transfers betweeen the levels

C. Financial risk management

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

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

i. Risk management framework

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

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

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

ii. Credit risk

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

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

Trade receivables

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

Impairment

The ageing of trade receivables that were not impaired was as follows:

(₹ in Lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Neither past due nor impaired	**1403.60**	819.96	838.07
Past due but not impaired			
Past due 1–90 days	**228.25**	571.18	168.42
Past due 91–180 days	**-**	-	15.60
Past due 181–270 days	**-**	-	17.92
Past due 271–365 days	**-**	-	-
Past due more than 365 days	**-**	31.92	12.26
	1631.85	**1423.06**	**1052.27**

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

Provision for doubtful debts movement (₹ in Lakhs)

Balance as at April 1, 2016	40.80
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2017	40.80
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2018	40.80

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

Concentration of credit risk

At 31 March 2018, the carrying amount of the Company's most significant customer is INR 1600.36 lakhs (31st March, 2017 : INR 1301.26 lakhs; 1st April, 2016 : INR 1700.70 lakhs)

Investment in mutual funds

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

Derivatives

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

Cash and cash equivalents

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

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

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

As at 31st March, 2017, the Company had working capital of INR (5453.75) lakhs , including cash and cash equivalents of INR 11.10 lakhs.

As at 1st April, 2016 the Company had working capital of INR (2397.01) lakhs, including cash and cash equivalents of INR 359.55 lakhs and highly marketable current investments of INR 1217.62 lakhs.

Exposure to liquidity risk

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

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

Contractual cash flows As at 31st March 2018

Particulars	Carrying amount	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current					
Secured Long term loans and borrowings	5893.27	-	1046.64	3874.82	971.81
Unsecured Long term loans and borrowings	2834.40	-	-	-	2834.40
Other financial liabilities	175.78	-	-	-	175.78
Current					
Secured Short term loans and borrowings	2385.66	2385.66	-	-	-
Unsecured Short term loans and borrowings	1067.93	1067.93	-	-	-
Trade payables	4420.94	4420.94	-	-	-
Other financial liabilities	854.43	854.43	-	-	-
Interest accrued but not due	52.30	52.30	-	-	-
Derivative financial liabilities					
Non Current					
Foreign currency forward contract	149.64	-	45.46	104.18	-
Current					
Foreign currency forward contract	3.23	3.23	-	-	-

Contractual cash flows As at 31st March 2017

Particulars	Carrying amount	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current					
Secured Long term loans and borrowings	3904.74	-	691.03	2920.60	293.11
Unsecured Long term loans and borrowings	275.60	-	-	-	275.60
Other financial liabilities	30.81	-	-	-	30.81
Current					
Secured Short term loans and borrowings	1677.97	1677.97	-	-	-
Unsecured Short term loans and borrowings	1134.70	1134.70	-	-	-
Trade payables	5014.59	5014.59	-	-	-
Other financial liabilities	1380.23	1380.23	-	-	-
Interest accrued but not due	39.12	39.12	-	-	-
Derivative financial liabilities					
Current					
Foreign currency forward contract	164.54	164.54	-	-	-

Contractual cash flows As at 1sth April 2016

Particulars	Carrying amount	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Non Current					
Secured Long term loans and borrowings	4593.06	-	1032.65	2243.02	1317.39
Unsecured Long term loans and borrowings	258.47	-	-	-	258.47
Other financial liabilities	18.57	-	-	-	18.57
Current					
Secured Short term loans and borrowings	878.42	878.42	-	-	-
Unsecured Short term loans and borrowings	1000.92	1000.92	-	-	-
Trade payables	2890.05	2890.05	-	-	-
Other financial liabilities	1956.24	1956.24	-	-	-
Interest accrued but not due	60.37	60.37	-	-	-
Derivative financial liabilities					
Current					
Foreign currency forward contract	103.87	103.87	-	-	-

iv. Market risk

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

a) Currency risk

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

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

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

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

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

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

Following is the derivative financial instruments to hedge the foreign exchange rate risk as at 31st March, 2017:

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	USD 1.85 Mio	Sell
Hedges of External Commercial Borrowings	Forward contract	USD	INR	USD 2.50 Mio	Buy

Exposure to currency risk

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

₹ In Lakhs

	As at 31st March 2018		As at 31st March, 2017		As at 1st April, 2016	
	USD	Others	USD	Others	USD	Others
Financial assets (A)						
Trade receivables	1,071.52	-	760.76	-	352.85	-
Cash and cash Equivalents	-	0.22	-	1.66	-	0.60
	1071.52	**0.22**	**760.76**	**1.66**	**352.85**	**0.60**
Financial liabilities(B)						
Secured Loans	2,692.71		3,530.00		4,940.78	
Interest on loans	13.53		39.12		60.37	
Trade payables	18.00		-		-	
	2724.24	-	3569.12	-	5001.15	-
Net statement of financial position exposure (A-B)	**(1652.72)**	**0.22**	**(2808.36)**	**1.66**	**(4648.30)**	**-**

Sensitivity analysis

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

Effect in INR As at 31st March, 2018

(₹ in lakhs)

Currency		Profit / (loss)	
	Strengthening / Weakening %	Strengthening	Weakening
USD	3%	(49.58)	49.58
Others	10%	0.02	(0.02)

Effect in INR As at 31st March, 2017

(₹ in lakhs)

Currency		Profit / (loss)	
	Strengthening / Weakening %	Strengthening	Weakening
USD	3%	(84.25)	84.25
Others	10%	0.17	(0.17)

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

b) Interest rate risk

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

For details of the Company's short-term and long term loans and borrowings, including interest rate profiles, refer to Note 46 of these financial statements.

(₹ in lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Fixed-rate instruments			
Financial assets	**10.00**	-	350.00
Financial liabilities	**(7006.72)**	(5328.56)	(6367.88)
	(6996.72)	(5328.56)	(6017.88)
Variable-rate instruments			
Financial assets	**-**	-	-
Financial liabilities	**(5,865.57)**	(2,770.77)	(2,023.82)
	(5865.57)	(2,770.77)	(2,023.82)

Interest rate sensitivity - fixed rate instruments

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

Interest rate sensitivity - variable rate instruments

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

(₹ in lakhs)

	Profit / (loss)	
	100 bps increase	100 bps decrease
As at 31/03/2018		
Variable-rate instruments	(58.66)	58.66
sensitivity (net)	**(58.66)**	**58.66**
As at 31/03/2017		
Variable-rate instruments	(27.71)	27.71
sensitivity (net)	**(27.71)**	**27.71**

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

Offsetting financial assets and financial liabilities

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31st March 2018, 31st March 2017 and 1st April 2016. The column 'net amount' shows the impact on the company's balance sheet if all set-off rights were exercised.

(₹ in lakhs)

	Effects of offsetting on the balance sheet			Related amounts and offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
As at 31 March, 2018						
Financial assets						
Derivative financial instruments	56.35	-	56.35	56.35	-	56.35
Total	**56.35**	**-**	**56.35**	**56.35**	**-**	**56.35**
Financial liabilities						
Derivative financial instruments	152.87	-	152.87	152.87	-	152.87
Total	**152.87**	**-**	**152.87**	**152.87**	**-**	**152.87**
As at 31st March, 2017						
Financial assets						
Derivative financial instruments	108.28	-	108.28	108.28		108.28
Total	**108.28**	**-**	**108.28**	**108.28**	**-**	**108.28**
Financial liabilities						
Derivative financial instruments	164.54	-	164.54	164.54		164.54
Total	**164.54**	**-**	**164.54**	**164.54**	**-**	**164.54**
As at 1st April, 2016						
Financial assets						
Derivative financial instruments	41.31	-	41.31	41.31		41.31
Total	**41.31**	**-**	**41.31**	**41.31**	**-**	**41.31**
Financial liabilities						
Derivative financial instruments	103.87	-	103.87	103.87		103.87
Total	**103.87**	**-**	**103.87**	**103.87**	**-**	**103.87**

NOTE NO. 37

Capital Management

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

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

The Company's net debt to equity ratio as at 31st March 2018, 31st March 2017 and 1st April 2016 was as follows.

(₹ in lakhs)

	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Non-Current Borrowings	**8,727.67**	4,180.34	4,851.53
Current Borrowings	**3,453.59**	2,812.67	1,879.34
Current maturity of long term debt	**691.03**	1,106.32	1,660.83
Gross Debt	**12,872.29**	8,099.33	8,391.70
Less - Cash and Cash Equivalents	**9.51**	11.10	359.55
Less - Current Investments	**-**	-	1,217.62
Net debt	**12,862.78**	8,088.23	6,814.53
Total equity	**888.62**	4,913.10	7,262.77
Net debt to Equity ratio	**14.47**	1.65	0.94

NOTE NO.38

Earning Per Share (EPS):

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

(₹ in lakhs)

Particulars	**Year ended 31st March, 2018**	Year ended 31st March, 2017
Profit attributable to equity holders	**(4,018.78)**	(2,345.88)
Weighted average number of shares oustanding during the year	**10739844**	10739844
Nominal Value of Equity Shares (in INR)	**10**	10
Earning Per Share Basic and Diluted (in INR)	**(37.42)**	(21.84)

NOTE NO.39

Related Party Disclosures *

(Where transactions have taken place)

I Related Party Relationships

a) Key Management Personnel (KMP)

Shri Anurag P. Poddar - Chairman & Managing Director , Shri Ankit P. Poddar - Executive Director, Shri Shrutisheel Jhanwar - Whole-time Director & CFO and Shri. Ompraksh Singh - Company Secretary.

b) Other Related Parties -(Enterprises-KMP having significant influence/owned by major shareholders) Siyaram Silk Mills Ltd., S P Finance & Trading Ltd., Sanchana Trading & Finance Ltd., SPG Power Ltd. , SPG Infrastructure Ltd., Vishal Furnishing Ltd., Wavelink Commercial P Ltd.,MMI Foods

II Related Party Transactions *

(₹ in Lakhs)

	As at 31st March 2018	As at 31st March 2017
Transactions	**Other related Party**	**Other related Party**
Purchase of Goods/ Materials	**821.11**	825.92
Rent/Lease Rent Paid	**46.02**	45.10
Reimbursement of Expenses	**5.35**	0.32
Sale of Goods/ Materials	**13.96**	71.98
Intercorporate Loan Received	**450.00**	3125.00
Intercorporate Loan Repayment	**575.00**	3000.00
Interest paid on Intercorporate Loan	**170.18**	10.61
Interest Payables	**67.93**	9.70
Paybles Intercorporate Loan	**1000.00**	1125.00
Allotement Of Preference Shares	**2500.00**	-
Dividend accrued on Preference Shares (Provision)	**144.86**	-

(₹ in Lakhs)

Particulars	**Other related Party**		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Outstanding Balances			
9% cummulative redeemable Preference share of ₹ 100 each	**2500.00**	-	-
Dividend accrued on above	**144.86**	-	-

(₹ in Lakhs)

Particulars	**Key Management Personnel (KMP)**		
	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Outstanding Balances			
Remuneration payable	**1.67**	-	-
Outstanding Personal Guarantee against Working Capital Term Loan	**6612.86**	4115.42	4,131.25

III Key management personnel compensation

Key management personnel compensation comprised the following :

(₹ in Lakhs)

Particulars	As at 31st March, 2018	As at 31st March, 2017
Short term employee benefits	**119.96**	115.70
Post-employment benefits	**2.32**	2.70
Other long-term benefits	**(1.17)**	3.58
Total	**121.10**	121.98

In the financial year 2016-17 an amount of ₹ 252.39 Lakhs was received as surrender of keyman insurance policy from KMP

Terms and conditions of transactions with related parties

* All the related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.
* Parties identified by the Management and relied upon by the auditors.

No amount in respect of related parties have been written off/back or are provided for.

NOTE NO.40

(₹ in Lakhs)

Leases - Operating leases as lessee:	**Year ended 31st March, 2018**	Year ended 31st March, 2017
The company has taken commercial and residential premises under cancellable operating leases:		
The rental expenses recognised in the statement of Profit and Loss for operating leases :		
(a) Minimum Rent	**75.27**	45.30
(b) Contingent Rent	**-**	-

Leases - Finance leases as lessee:

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

NOTE NO.41

a) As at 31st March,2018, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

b) The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

NOTE NO.42

Employee Benefit obligations

(A) Defined Contribution Plan

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

(₹ in Lakhs)

Particulars	**As at 31st March, 2018**	As at 31st March, 2017
Charge to the Statement of Profit and Loss based on contributions:		
Employees' Provident fund	**50.55**	47.54

(B) Defined Benefit Plan

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. Trustees adminster the contributions made by the Company to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2018. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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

(₹ in Lakhs)

	Particulars	As at 31st March, 2018	As at 31st March, 2017
		Gratuity (Funded plan)	Gratuity (Funded plan)
(i)	**Change in Defined Benefit Obligation**		
	Opening defined benefit obligation	**164.46**	152.22
	Amount recognised in profit and loss :		
	Current service cost	**13.03**	11.35
	Interest cost	**11.84**	12.24
	Amount recognised in other comprehensive income		
	Actuarial loss / (gain) arising from:		
	Demographic assumptions		
	Financial assumptions	**(5.34)**	7.10
	Experience adjustment	**13.28**	(3.54)
	Other		
	Benefits paid	**(29.46)**	(14.91)
	Closing defined benefit obligation	**167.81**	164.46
(ii)	**Change in Fair Value of Assets**		
	Opening fair value of plan assets	**137.43**	141.19
	Amount recognised in profit and loss		
	Interest income	**9.89**	11.35
	Amount recognised in other comprehensive income		
	Actuarial gain / (loss)	**-**	-
	Return on Plan Assets, Excluding Interest Income	**(0.31)**	(0.21)
	Other		
	Contributions by employer	**16.06**	-
	Benefits paid	**(29.46)**	(14.91)
	Closing fair value of plan assets	**133.60**	137.43
	Actual return on Plan Assets		
(iii)	**Plan assets comprise the following**		
	Insurance fund (100%)	**133.60**	137.43
(iv)	**Principal actuarial assumptions used**	**%**	%
	Discount rate	**7.78**	7.20
	Rate of employee turnover	**2.00**	2.00
	Future Salary growth rate	**4.50**	4.50

(₹ in Lakhs)

(v)	Amount recognised in the Balance Sheet	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Present value of obligations as at year end	**167.81**	164.46	152.22
	Fair value of plan assets as at year end	**133.60**	137.43	141.19
	Net (asset) / liability recognised as at year end	**34.21**	27.04	11.03
	Recognised under :			
	Long term provisions	**34.21**	27.04	11.03
		34.21	27.04	11.03

(vi) Sensitivity analysis

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

(₹ in Lakhs)

	As at 31st March, 2018		As at 31st March, 2017	
	Increase	**Decrease**	Increase	Decrease
Discount rate (1% movement) - Gratuity	**(8.19)**	**9.52**	(8.36)	9.63
Employee turnover (1% movement) - Gratuity	**2.46**	**(2.82)**	1.77	(2.04)
Future salary growth (1% movement) - Gratuity	**9.74**	**(8.50)**	9.80	(8.64)

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

(vii) Expected future cash flows

(₹ in Lakhs)

Particulars	**Less than a year**	**Between 1-2 years**	**Between 2-5 years**	**Over 5 years**	**Total**
As at 31st March , 2018					
Defined benefit obligations (Gratuity)	60.29	3.54	49.68	198.59	312.10
Total	**60.29**	**3.54**	**49.68**	**198.59**	**312.10**
As at 31st March , 2017					
Defined benefit obligations (Gratuity)	34.81	6.43	75.43	171.29	287.96
Total	**34.81**	**6.43**	**75.43**	**171.29**	**287.96**

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily basic salary for each day of accumulated leave partially at the year end and partially on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31st March, 2018 based on actuarial valuation using the projected accrued benefit method is INR (1.17) lakhs (31st March 2017 : INR 3.58 lakhs).

NOTE NO.43

Contingent Liabilities and Commitments (₹ in Lakhs)

Particulars	**As at 31st March 2018**	As at 31st March 2017	As at 1st April 2016
(i) Contingent Liabilities			
a) Claims against the Company not acknowledge as debts			
- Disputed claims for excise, sales tax, customs and service tax	**275.00**	275.00	487.76
- other	**807.58**	817.36	589.92
b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	**81.17**	71.17	171.15
(ii) Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for	**2.83**	5.35	80.16

NOTE NO.44

(₹ in Lakhs)

Legal and professional charges includes payment to auditors:	Year ended 31st March 2018	Year ended 31st March 2017
Statutory Auditors		
- Audit Fees	**5.50**	5.00
- For Tax Audit	**1.50**	1.15
- For Taxation Matters	**0.75**	0.75
- For Company Law matters	**0.50**	0.50
- For Other services - Certification, etc.	**1.46**	1.97
	9.71	9.37
Cost Auditors		
- Audit Fees	**0.35**	0.75
	0.35	0.75
Total	**10.06**	10.12

NOTE NO.45

(₹ in Lakhs)

Borrowing Cost	Year ended 31st March 2018	Year ended 31st March 2017
a) -Amount of Borrowing Cost capitalised (Net)	**-**	165.57
Total of Borrowing Cost/Expenditure	**-**	**165.57**

NOTE NO.46

(₹ in Lakhs)

	Nature of Security in respect of secured Loan (Long Term/Short Term):	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
I	**Working Capital Loans from Banks Repayable on Demand:**	**2,385.66**	1,677.97	878.42
	Secured by first pari-passu charge by way of hypothecation of inventory, receivable and movable fixed assets of the company.			
II	**Term Loan from Banks:**			
a)	**ECB Loan USD 3 million**	**-**	-	529.93
	Exclusive mortgage charge over the immoveable Fixed Assets and hypothecation charge by way of pari-passu over the movable Fixed Assets of the Company.			
	Repayment in 15 Quarterly Equal Installments starting from September, 2013, Rate of Interest LIBOR + 350 bppa)			
b)	**ECB Loan USD 7 million**	**-**	905.92	2,165.64
	Exclusive mortgage charge over the immoveable Fixed Assets and hypothecation charge by way of pari-passu over the movable Fixed Assets of the Company.			
	(Repayment in 15 Quarterly Equal Installments starting from June 2014, Rate of Interest LIBOR + 350 bppa)			
c)	**ECB Loan USD 2.50 million**	**1,605.78**	1,620.97	1,658.32
	Exclusive mortgage charge over the immoveable Fixed Assets and hypothecation charge by way of pari-passu over the movable Fixed Assets of the Company			
	Personal Guarantee given by the Promotor Directors			
	(Repayment in 20 Quarterly Installments starting from January, 2018, Rate of Interest LIBOR + 350 bppa)			

(₹ in Lakhs)

	Nature of Security in respect of secured Loan (Long Term/Short Term):	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
d)	**Working Capital Term Loan 2500 Lakhs**	**2,307.08**	2,484.17	1,900.00
	To be secured by immovable and movable fixed Assets, Repayment Schedule from year 3- 5%, year 4- 20%, year 5 to year 7- 25%, rate of interest 12% or such other rate as may be specified by the bank from time to time.			
	Personal Guarantee given by the Promotor Directors			
e)	**Working Capital Term Loan 2700 Lakhs**	**2,700.00**	-	-
	Scured by immovable and movable fixed Assets, Repayment in 60 monthly equal installments begining from Feb 2020, rate of interest 10.20% or such other rate as may be specified by the bank from time to time.			
	Personal Guarantee given by the Promotor Directors			

NOTE NO.47

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date attached

For JAYANTILAL THAKKAR & CO.

Chartered Accountants

(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

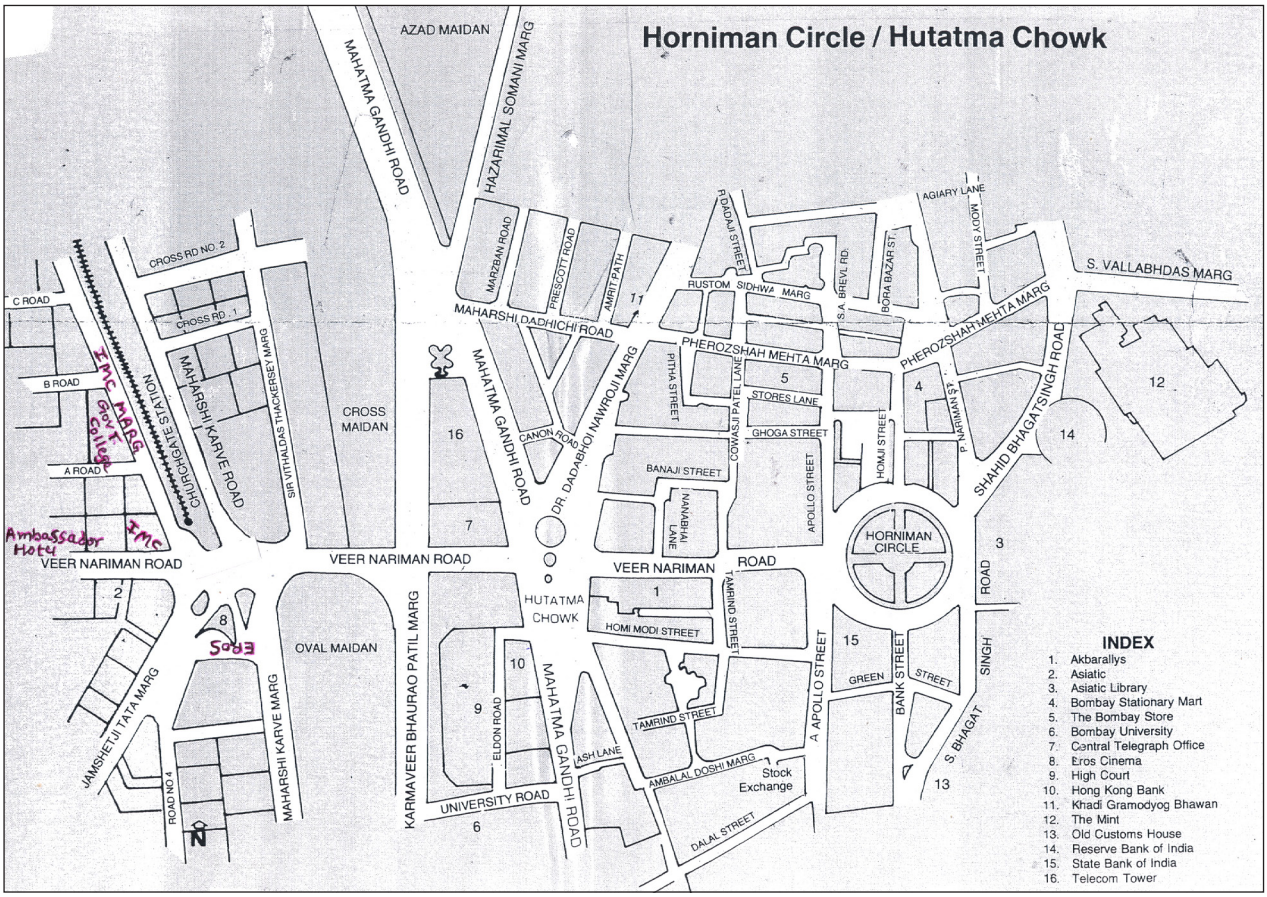
VIRAL A. MERCHANT	**ANURAG P. PODDAR**	**SHRUTISHEEL JHANWAR**	**OMPRAKASH SINGH**
Partner Membership No. 116279	Chairman & Managing Director	Whole-time Director & CFO	Company Secretary

Place: Mumbai
Dated: 16th May, 2018

Notes

Route Map for AGM Hall

Walchand Hirachand Hall, 4th floor, IMC Chamber of Commerce and Industry, IMC Building, IMC Marg, Churchgate, Mumbai - 400 020,
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