

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BILT GRAPHIC PAPER PRODUCTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of M/s BILT Graphic Paper Products Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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.



OFFICES AT :

- 243, " SHRIKA RESIDENCY " CANAL ROAD, DHARAMPETH, NAGPUR - 440 010.
- BLOCK - E, NEW R.D.A. BUILDING, BOMBAY MARKET, G. E. ROAD, RAIPUR - 492001
- A-425, SARITA VIHAR, NEW DELHI - 110076.
- 29, KALIANDAS UDYOG BHAWAN, CENTURY BAZAR LANE, PRABHADEVI, MUMBAI - 400025
- 9, SURYA TOWERS, 3rd FLOOR, NEAR MHATRE BRIDGE, ERANDWANA, PUNE - 411004

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 of pending litigations on its financial position in its financial statements – Refer Note B-20 to the financial statements;
 - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note B-6 and B-10 to the financial statements;



- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

ASHWIN MANKESHWAR

Partner

Membership No. 046219

For and on behalf of

K. K. Mankeshwar & Co.

Chartered Accountants

FRN: 106009W



New Delhi, dated the
30th May, 2016

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" section of our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2016, we report that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The fixed assets were physically verified by the Management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) On examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The inventory, except goods-in-transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. The Company has not granted any loan, secured or unsecured, to Companies, firms or other parties covered in the registers maintained in pursuance of Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
4. According to the information and explanation given to us, the Company has complied with the provision of section 185 and 186 of the Act, in respect of loans, guarantees, investments and securities.
5. According to the information and explanation given to us, the Company has not accepted any deposits during the year.
6. We have broadly reviewed the books of account and records maintained by the Company relating to the products of the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
7. According to the information and explanation given to us, in respect of statutory dues:
 - a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and other material statutory dues with the appropriate authorities though there have been delays in few cases. The Company is not regular in depositing dividend tax with the appropriate authorities.



According to the information and explanations given to us, no undisputed amounts payable in respect Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and other statutory dues as applicable to it were outstanding, as at March 31, 2016 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanations given to us, there are no dues of Income-Tax, Sales tax, Value added tax, Service Tax, Duty of Customs, Duty of Excise, Cess which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in "Annexure A (1)" to this report.
8. According to the information and explanations give to us and based on our examination of the records of the Company has not defaulted in repayment of dues to any financial institutions or banks. The Company has not issued debentures during the year.
9. The Company has not raised money by way of initial public offer or further public offer (including debt instruments). However the moneys raised by way of term loan which were applied for the purpose for which those were obtained.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. As the Company does not pay any managerial remuneration, accordingly clause (xi) of paragraph 3 of the Order is not applicable to the Company.
12. As the Company is not a Nidhi Company, accordingly clause (xii) of paragraph 3 of the order is not applicable to the Company.
13. According to the information and explanation given to us, all transaction with related parties are in compliance with section 177 and 188 of the Act, wherever applicable and the details have been disclosed in the Financial Statement as required by the applicable accounting standards.
14. According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year.
15. 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, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.



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

ASHWIN MANKESHWAR
Partner

Membership No. 046219

For and on behalf of

K. K. Mankeshwar & Co.,

Chartered Accountants

FRN: 106009W



New Delhi, dated the
30th May, 2016

"ANNEXURE A (1)" TO PARA 7 (B) OF ANNEXURE - 'A' OF OUR REPORT OF EVEN DATE

NAME OF THE STATUTE	NATURE OF DUES	AMOUNTS (IN LACS)	PERIOD INVOLVED	FORUM WHERE THE DISPUTE IS PENDING
Central Excise Tariff Act	Excise Duty	74.85	2003-04	CESTAT Mumbai
Central Excise Tariff Act	Excise Duty	445.98	2008-09	Commissioner (Appeals), Central Excise, Nagpur
Central Excise Tariff Act	Excise Duty	7.12	2015-16	Joint Commissioner, Central Excise, Chandrapur
Finance Act, 1994	Service Tax	28.24	2003-04	Mumbai High Court, Bench at Nagpur
Finance Act, 1994	Interest on delayed payment of Service Tax	1.76	2004-05	CESTAT, Mumbai
Sales Tax Act	BST	4.43	2002-03	Joint Commissioner of Sales Tax, Nagpur
Sales Tax Act	CST	95.77	2002-03	Joint Commissioner of Sales Tax, Nagpur
Central Excise and Tarrif Act, 1985	Excise Duty	136.59	1984 to 1986, 1991 to 1994	Assessing Authority
Central Excise and Tarrif Act, 1985	Excise Duty	873.80	1984 to 1986, 1995 to 1996, 2000 to 2003, 2005 to 2006, 2005 to 2009, 2006 to 2007, 2006 to 2013	Appellate Authority
Central Excise and Tarrif Act, 1985	Excise Duty	559.27	1990 to 1991, 1999 to 2000	High Court
Central Excise and Tarrif Act, 1985	Excise Duty	7.28	1988 to 1989	Supreme Court
The Maharashtra Value Added Tax, 2000	Value Added Tax	635.99	2005 to 2006, 2007 to 2008	Assessing Authority
Custom Act, 1962	Custom duty	6.78	1983 to 1984	Hon'ble High Court of Orissa
Central Excise Act, 1944	Excise duty	1,198.93	1999 to 2015	Asst. Commissioner - Central Excise, Customs & Service Tax, Rayagada, Joint Commissioner to Central Excise & Gold(Appellate) Tribunal (CEGAT) & Hon'ble High Court of ODISHA



Central Excise Act,1944	Service Tax	62.32	1997 to 1998, 2005 to 2007	Commissioner of Central Excise & Custom.
Central & Various State Sale Tax.	Sales tax	262.39	1985 to 1987, 1995 to 2007	Assistant Commissioner to Appellate Tribunal, Commissioner of Commercial Tax & Hon'ble High court Odisha
Income Tax Act,1961	Tax deducted at source	27.22	2007 to 2014	Income Tax Officer
Orissa Entry Tax Act,1999	Entry tax	601.60	1999 to 2009	Sale Tax Appellate Tribunal & Hon'ble High Court Odisha
Orissa Irrigation Act,(Amendment 1993)	Water tax	29,837.01	1994 to 2014	Hon'ble High Court of Orissa
Water Prevention & Control of Pollution) Cess (Amendment Act,2003)	Water Cess	82.51	2004 to 2014	State Pollution Control Board Orissa
Payment of Bonus Act, 1965	Bonus	75.00	2014-15	Hon'ble Kerala High Court
Maharashtra Value Added Tax Act	Sales tax	65.11	2005-06	High Court Mumbai
Custom Act	Custom	100.32	2006-07	CESTAT
Custom Act	Custom	474.30	2014-15	CESTAT
Custom Act	Custom	184.11	2013-14	CESTAT
Custom Act	Custom	39.97	2013-14	Commissioner of custom (Appeal)
Service Tax	Service Tax	2.26	2006-07	Commissioner of Central Excise Pune
Excise Act	Demand for penalty on Short receipt	3.97	2015-16	Commissioner of Central Excise Pune
Total		35,894.88		



"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BILT GRAPHIC PAPER PRODUCTS LIMITED

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 M/s BILT Graphic Paper Products Limited ("the Company") as of March 31, 2016 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 Act.

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 Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial 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 judgement, 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. The 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, 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 March 31, 2016, 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.

ASHWIN MANKESHWAR

Partner

Membership No. 046219

For and on behalf of

K. K. Mankeshwar & Co.,

Chartered Accountants

FRN: 106009W



New Delhi, dated the
30th May, 2016

BILT Graphic Paper Products Limited
Balance Sheet as on 31st March 2016

₹ In Lacs

	NOTE NO.	31.03.2016	31.03.2015
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	B-1	55,005	55,005
Reserves and Surplus	B-2	82,742	89,914
		<u>137,747</u>	<u>144,919</u>
NON - CURRENT LIABILITIES			
Long term borrowings	B-3	317,380	242,650
Deferred tax liabilities (Net)	B-4	21,094	21,881
Other long term liabilities	B-5	4,919	4,732
Long term provisions	B-6	4,734	4,120
		<u>348,127</u>	<u>273,383</u>
CURRENT LIABILITIES			
Short term borrowings	B-7	123,729	121,768
Trade payables	B-8	86,273	72,606
Other current liabilities	B-9	77,099	71,376
Short term provisions	B-10	2,845	2,756
		<u>289,946</u>	<u>268,506</u>
TOTAL		775,820	686,808
ASSETS			
NON - CURRENT ASSETS			
FIXED ASSETS			
Tangible assets	B-11	450,136	449,384
Intangible assets	B-11	4,061	2,167
Capital work in progress		8,434	7,340
Intangible assets under development		1,157	192
		<u>463,788</u>	<u>459,083</u>
Non - current investments	B-12	4,265	3,305
Long term loans and advances	B-13	54,471	34,714
Other non current assets	B-14	18	17
		<u>58,754</u>	<u>38,036</u>
CURRENT ASSETS			
Inventories	B-15	107,227	91,649
Trade receivables	B-16	29,695	24,980
Cash and bank balances	B-17	18,048	20,534
Short term loans and advances	B-18	98,160	51,898
Other current assets	B-19	148	628
		<u>253,278</u>	<u>189,689</u>
TOTAL		775,820	686,808

Significant Accounting Policies
Notes to Financial Statements

"A"
"B"

As per our report attached

ASHWIN MANKESHWAR
Partner
Membership No. 046219
For and on behalf of
K.K. MANKESHWAR & CO.
Chartered Accountants
FRN: 106009W



New Delhi, dated the
30th May 2016

For BILT Graphic Paper Products Limited

B.HARIHARAN
Director

R R VEDERAH
Director

DEEPAK BANSAL
Company Secretary

[Handwritten signatures of B. Hariharan, R.R. Vederah, and Deepak Bansal]

BILT Graphic Paper Products Limited
Statement of Profit And Loss for the year ended March 31, 2016

₹ In Lacs

	NOTE NO.	For the Year Ended 31.03.2016	For The Period Ended 31.03.2015
REVENUE			
Sales		378,371	287,966
Less:- Excise Duty		20,453	16,210
Net sales		357,918	271,756
Other operating revenue		4,762	4,013
Revenue from operations	B-21	362,680	275,769
Other Income	B-22	2,705	2,600
TOTAL		365,385	278,369
EXPENSES			
Cost of materials consumed	B-23	210,522	158,167
Purchases of stock in trade		7,551	5,915
Changes in inventories of finished goods, work in progress and stock in trade	B-24	1,126	(7,854)
Employee benefits expenses	B-25	22,272	17,250
Finance cost	B-26	42,490	29,013
Depreciation and amortizations expenses	B-11	20,437	15,708
Other expenses	B-27	59,136	55,758
TOTAL		363,534	273,957
Exceptional Items	B-35	-	255
Profit before tax		1,851	4,157
Tax expense:			
Current tax/MAT (Including Wealth Tax)		387	872
MAT Credit Entitlement available for set off in subsequent years		(342)	(770)
Deferred tax		(787)	181
		(742)	283
Profit/(Loss) after tax for the year		2,593	3,874
Earning per equity share:	B-28		
(1) Basic (In ₹)		0.47	0.70
(2) Diluted (In ₹)		0.71	0.81

Significant Accounting Policies
Notes to Financial Statements

"A"
"B"

As per our report attached

ASHWIN MANKESHWAR
Partner
Membership No. 046219
For and on behalf of
K.K. MANKESHWAR & CO.
Chartered Accountants
FRN: 106009W



New Delhi, dated the
30th May 2016

For BILT Graphic Paper Products Limited

B. HARIHARAN
Director

R R VEDERAH
Director

DEEPAK BANSAL
Company Secretary

[Handwritten signatures in blue ink: Hariharan, Vederah, and Bansal]

BILT Graphic Paper Products Limited
Cash Flow Statement for the financial year ended March 31, 2016

₹ In Lacs

	For the Year Ended	For The Period Ended
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before exceptional items, tax, and appropriations	1,851	4,157
Adjustments for:		
(Profit) / Loss on sale of Assets (net)	(12)	(27)
Unspent Liabilities and Excess Provisions of earlier years written back	(22)	(161)
Depreciation & amortisation expenses	20,437	15,708
Interest received	(33)	(28)
Finance costs (net)	42,490	29,013
	62,860	44,505
Operating Profit before Working Capital Changes	64,711	48,662
Adjustment for Working Capital Changes :		
(Increase)/decrease in trade receivable	(4,715)	(4,298)
(Increase)/decrease in loans, advances and other current assets	(65,701)	(4,430)
(Increase)/decrease in inventory	(15,578)	(6,149)
Increase/(decrease) in Trade payable, other liabilities and provisions	9,640	15,886
	(76,354)	1,009
Cash generated from operations	(11,643)	49,673
Direct tax (net)	(242)	(2,238)
Net cash flow inflow from operating activities(A)	(11,885)	47,435
CASH FLOW FROM INVESTING ACTIVITIES		
Increase in fixed assets, capital work-in-progress and capital advances	(25,442)	(7,338)
Proceed from Sale of fixed assets(net)	67	29
Interest received	12,755	626
Purchase in Investment	(960)	-
(Increase)/decrease in other bank balances	18,936	(6,390)
	5,356	(13,073)
Net cash flow from investing activities(B)		
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(decrease) in long-term borrowings and other borrowings	84,458	(5,616)
Interest paid (Net)	(51,713)	(31,315)
Dividend paid(including dividend tax)	(9,765)	(4,620)
Net cash flow from financing activities(C)	22,980	(41,551)
Net increase/(decrease) in cash and cash equivalents(A+B+C)	16,451	(7,189)
Cash and cash equivalents (opening balance)	499	7,688
Cash and cash equivalents (closing balance)	16,950	499



Significant Accounting Policies
Notes to Financial Statements
As per our report attached

"A"
"B"

ASHWIN MANKESHWAR
Partner
Membership No. 046219
For and on behalf of
K.K. MANKESHWAR & CO.
Chartered Accountants
FRN: 106009W



New Delhi, dated the
26th May 2016

For BILT Graphic Paper Products Limited

B.HARIHARAN
Director

R R VEDERAH
Director

DEEPAK BANSAL
Company Secretary

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BILT Graphic Paper Products Limited
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

Company Overview

The Company operates in the business of manufacturing and selling of Paper, Pulp and Paper Products and its manufacturing operations are spread over four units namely Ballarpur (Maharashtra), Bhigwan (Maharashtra), Ashti (Maharashtra) and Sewa (Orissa).

A. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. USE OF ESTIMATES

The preparation of Financial Statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as at the date of the Financial Statements and the reported amount of revenues and expenses during the reporting Period. The differences between the actual results and estimates are recognised in the period in which the results are known/materialise.

3. CASH FLOW STATEMENT

The Cash flow Statement has been prepared under 'Indirect Method' in accordance with the requirement of Accounting Standard-3 "Cash Flow Statement" issued by Institute of Chartered Accountants of India.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and demand deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

5. FIXED ASSETS - TANGIBLE ASSETS

- i) Fixed Assets are stated at cost net of CENVAT/Value Added Tax, rebates, less accumulated depreciation and impairment loss, if any.
- ii) All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contract and adjustments arising from exchange rate variations attributable to fixed assets are capitalized.
- iii) Preoperative expenditure: Indirect expenditure incurred during construction period is capitalized under the respective asset head as a part of the indirect construction cost, to the extent to which the expenditure is indirectly related to the assets head. Other Indirect expenditure incurred during the construction period, which is not related to the construction activities or which is not incidental thereto is written off in the Statement of Profit and Loss.

6. DEPRECIATION

- i) Depreciation of the assets acquired on or after 1st July 2014 is provided on straight line method over useful life of the assets as prescribed in schedule II to the Companies Act, 2013.
- ii) On other fixed assets, depreciation is provided on Straight Line Method over the useful life of the assets based on internal assessment and independent technical evaluation carried out by external valuers. The management believes that the life ascertained by the valuers best represents the period over which management expects to use these assets. Hence the useful lives for these assets are as follows -

S. No.	Fixed Assets	Balance remaining useful life as on 1st July, 2014
1	Factory Building	2-60
2	Office Building	2-60
3	Equipments	1-15
4	Furniture & Fixtures	1-10
5	Plant & Machinery	1-40
6	Vehicles	1-10
7	Computers & Peripherals	1-6



7. INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

(a) Specialized Software

Expenditure on specialised software are amortised over a period of seven years.

(a) Research and development cost:

1. Research Cost:

Revenue expenditure on research is expensed under the respective heads of accounts in the period in which it is incurred.

2. Development Cost:

Development expenditure on new product is capitalized as intangible assets, if all of the following can be demonstrated.

- (I) the technical feasibility of completing the intangible asset so that it will be available for the use or sale;
- (II) the Company has intention to complete the development of intangible asset and use or sell it;
- (III) the company has ability to use or sell the intangible asset;
- (IV) the manner in which the probable future economic benefit will be generated including the existence of a market for output of the intangible asset or the Intangible asset itself or if it is to be used internally, the usefulness of the Intangible asset;
- (V) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (VI) the company has ability to measure the expenditure attributable to the intangible asset during the development reliably.

Development cost on the Intangible asset, fulfilling the criteria are amortised over a period of five years, otherwise are expensed in the period in which they are incurred.

8. INVENTORY VALUATION

Raw Materials, Stores, Spare Parts, Chemicals etc., are valued at cost, computed on weighted average basis. Finished goods and work in process are valued at cost or net realisable value, whichever is lower. In the case of finished goods and work in process cost comprises of material, direct labour and applicable overhead expenses. The cost of finished goods also includes applicable excise duty.

9. INVESTMENTS

Investments are classified into current and Non Current investments. Current investments are stated at lower of cost and fair value. Non Current investments are stated at cost less any provision for diminution in value other than temporary in nature.

10. FOREIGN CURRENCY TRANSACTIONS

(i) Initial Recognition

Foreign currency transaction are recorded in Indian rupees being the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the respective dates of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate as at the year end. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting the company's monetary items at rates different from those at which they were initially recorded during the financial year are recognized as income or as expenses in the financial year in which they arise except for adjustment of exchange difference arising on reporting of long term foreign currency monetary items in so far they related to the acquisition of a depreciable capital assets which are adjusted to the cost of the assets.



11. REVENUE RECOGNITION

(i) SALES

Sales are recognised when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognised net of trade discounts, rebates and sales taxes and excise duties.

(ii) INCOME FROM INVESTMENTS

Income from Investments, where appropriate, is taken to revenue in full on declaration or receipt and tax deducted at source thereon is treated as advance tax.

(iii) ADVANCE LICENSE, IMPORT ENTITLEMENTS, ETC.

Advance license ,Import Entitlements, etc. are recognized at the time of export and the benefit in respect of advance License received by the company against export made by it are recognized as and when goods are imported against them.

12. EMPLOYEE BENEFITS

Short term employee benefits are recognised as an expense in the year in which the related services are rendered.

Post employment and other long term employee benefits recognised as an expense in the year in which the employee has rendered services. The amount charged off is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to Statement of Profit and Loss.

13. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss.

14. TAXATION

Provision for Current Tax is made on the basis of estimated taxable income for the relevant accounting year in accordance with the Income Tax Act, 1961.

Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

The deferred tax liability on account of timing differences between the book profits and the taxable profits for the year is accounted by applying the tax rates as applicable as on the balance sheet date.

Deferred Tax assets arising from timing differences are recognised on the principles of virtual certainty that these would be realised in future.

15. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

16. PROVISION AND CONTINGENCIES

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are not recognised but are disclosed in the Notes when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed in the financial statements.

17. EARNING PER SHARE

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.



B-1 SHARE CAPITAL:

	₹ In Lacs	
	31.03.2016	31.03.2015
Authorised Share Capital		
85,01,00,000 equity shares of ₹ 10/- each	85,010	85,010
(Previous Year 85,01,00,000)	<u>85,010</u>	<u>85,010</u>
Issued, Subscribed and Paid-Up Share Capital		
55,00,50,000 (Previous Year 55,00,50,000) equity shares of ₹ 10/- each	55,005	55,005
	<u>55,005</u>	<u>55,005</u>

1.1 Reconciliation of number of shares

EQUITY SHARES:	As on March 31, 2016		As on March 31, 2015	
	No. of shares	Amount(Rs. In Lacs)	No. of shares	Amount(Rs. In Lacs)
Balance as at the beginning of the year/period	550,050,000	55,005	550,050,000	55,005
Balance as at the end of the year/period	550,050,000	55,005	550,050,000	55,005

1.2 Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, the holder of the equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts.

1.3 Shares held by holding company and Ultimate holding company:

	31.03.2016	31.03.2015
55,00,00,000 Shares (March 31, 2015 : 55,00,00,000 Shares) held by Ballarpur Paper Holdings B.V., the Holding Company	55,000	55,000
50,000 Shares (March 31, 2015:50,000 Shares) held by Ballarpur Industries Limited , Ultimate Holding Company and its nominee	5	5

1.4 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

NAME OF SHAREHOLDER	As on 31.03.2016		As on 31.03.2015	
	No. of shares	Holding (%)	No. of shares	Holding (%)
55,00,00,000 Shares (March 31, 2015 : 55,00,00,000 Shares) held by	55,00,00,000	99.99	55,00,00,000	99.99

1.5 Shares reserved for issue under options :-

Equity Shares at two times of par value (refer note 1.6 below)	150,000,000	150,000,000
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1.6 Terms of securities convertible into equity shares :-

3,00,00,000 Nos. Compulsorily Convertible Debentures (CCD) of ₹ 100/- each will be converted in equity shares of an amount equal to two times the par value i.e ₹ 20 per Share of the relevant conversion shares and/or the minimum price that can be paid for the conversion shares in accordance with applicable Law on or before June 15, 2020 , whichever is higher.

B-2 RESERVE AND SURPLUS

	₹ In Lacs	
	31.03.2016	31.03.2015
Capital Reserve		
As per the last financial statement	939	939
At the close of the reporting year/period	<u>939</u>	<u>939</u>
Share Premium reserve		
As per the last financial statement	9,191	9,191
At the close of the reporting year/period	<u>9,191</u>	<u>9,191</u>
Debenture Redemption Reserve		
As per the last financial statement	12,750	14,625
Less: Transferred to balance in Statement of Profit and Loss	3,500	1,875
At the close of the reporting year/period	<u>9,250</u>	<u>12,750</u>
Balance in Statement of Profit and Loss		
As per the last financial statement	67,034	66,604
Add:		
Net Profit for the year/period	2,593	3,874
Transfer from Debenture Redemption Reserve	3,500	1,875
Less:		
Adjustment for Depreciation in accordance with schedule II of the Companies Act, 2013	-	699
Dividend on 55,00,50,000 equity shares @ 14.75% (31.03.2015: @6.5%)	8,113	3,850
Tax on distributed profits	1,652	770
At the close of the reporting year/period	<u>63,362</u>	<u>67,034</u>
Total	<u>82,742</u>	<u>89,914</u>



B-3 LONG TERM BORROWINGS:

₹ In Lacs

31.03.2016

31.03.2015

1. Secured Loans:

Non Convertible Debentures	11,000	37,000
External commercial borrowings	20,996	23,385
Term Loans :		
Financial Institutions	50,758	40,989
Banks	135,636	49,374
Total (A)	218,390	150,748

2. Unsecured Loans:

Compulsorily convertible debentures	30,000	30,000
Deferred payment liabilities	6,047	4,858
External Commercial Borrowings	62,943	57,044
Total (B)	98,990	91,902

Total long term borrowings (A+B)

317,380

242,650

Secured Loan:-**3.1 NON-CONVERTIBLE DEBENTURES**

The Company had issued non convertible debentures (NCD) of ₹ 75,000 Lacs, which carrying an interest rate ranging from 8.75% to 9.90% depending upon the date and amount drawn. The debenture is secured by first pari-passu charge on fixed assets of the company both present and future except for NCD of ₹ 25,000 Lacs allotted on 29th September 2010 which is secured by Pari-Passu first charge on Movable fixed assets of the company, both present and future. NCD are repayable in installments starting from September 2012 to September 2017. Maturity profile and rate of interest of Non Convertible Debentures are as set out below :

₹ In Lacs

Rate of Interest	Current Maturity Profile	Non-Current Maturity Profile
	2016-17	2017-18
9.65%	12500	-
9.75%	7500	5000
9.90%	6000	6000

3.2 EXTERNAL COMMERCIAL BORROWINGS

- (a) The Company has obtained a ECB loan from RABO Bank for USD 25 Million at LIBOR plus margin of 3.3%. The loan is repayable by nine equal semi annual installments first installment must be repaid 36 months after the utilisation date. The loan is secured by pari-passu first charge on movable fixed assets of the Company.
- (b) The Company has obtained a External Commercial Borrowings (ECB) loan from DBS Bank Limited for USD 20 Million at 3 Month Libor plus margin 2.7%. The loan is repayable in eight semi-annual instalments starting from 07th February, 2016 to 07th August, 2019. The loan is secured by way of first pari-passu charge over all Moveable Fixed Assets of the Company.



3.3 TERM LOANS FROM BANKS & FINANCIAL INSTITUTIONS

- (a) The Company has obtained a Term Loan from IDFC Limited of ₹ 25,000 Lacs. The loan is repayable in 26 equal quarterly instalments starting from October 15, 2014 to January 15, 2021. The Loan is secured by way of hypothecation of the entire movable properties (excluding current assets and non-current assets (in the nature of current assets)), both present and future of The Company.
- (b) The Company has obtained a Term loan from GE Money Financial Services Private Limited of ₹ 15,000 Lacs is repayable in 22 equal quarterly installments starting from March 27, 2014 to June 27, 2019. The Loan is secured by way of a first pari-passu charge over all moveable fixed assets of the company.
- (c) The Company has obtained a Term loan from State Bank of India of ₹ 30,000 Lacs. The loan is repayable in quarterly Instalments starting from 30th June, 2014 to 30th June, 2023. The loan is secured by way of first pari passu charge over all Moveable Fixed Assets of the Company.
- (d) The loan of ₹ 12,692.94 Lacs has been transferred to the company from Avantha Power & Infrastructure Limited, the loan is availed from IDFC Limited. The repayment of the loan is already started and the loan is divided into two parts, the final repayment of Loan 1 and Loan 2 is 15th July, 2020 & 15th September, 2022. The loan is secured by way of first pari-passu charge over all Moveable Fixed Assets of the Company.
- (e) The Company has obtained a Term loan from GE Money Financial Services Private Limited of ₹ 5,000 Lacs is repayable in 22 equal quarterly installments starting from August 14, 2015 to November 13, 2020. The Loan is secured by way of a first pari-passu charge over all moveable fixed assets of the company.
- (f) The Company has obtained a Term loan from Axis Bank Limited of ₹ 20,000 Lacs. The loan is repayable in 20 equal quarterly installments starting from December 31, 2016 to September 30, 2021. The Loan is secured by way of a first pari-passu charge over all moveable fixed assets of the company.
- (g) The Company has obtained a Term loan from Aditya Birla Finance Ltd. of ₹ 25,000 Lacs and against this 5,000 Lacs downsell/assigned to State Bank of Patiala. The loan is repayable in 31 Instalments starting from 30 Sept., 2015 to 31 Mar., 2023. The loan is secured by way of first pari passu charge on all Moveable Fixed Assets of the Company.
- (h) The Company has obtained a Term loan from Axis Bank of ₹ 70,284 Lacs. The loan is repayable in 40 equal quarterly Instalments starting from 23rd Dec., 2015 to 29th Dec., 2025. The loan is secured by way of first pari passu charge on all Fixed Assets of the Company.
- (i) The Company has obtained a Term loan from ICICI Bank of ₹ 32,500 Lacs. The loan is repayable in 20 equal quarterly Instalments starting from 30 Mar., 2018 to 30 Dec., 2022. The loan is secured by way of first pari passu charge on all Fixed Assets of the Company.

Unsecured Loan:-

3.4 COMPULSORILY CONVERTIBLE DEBENTURES

3,00,00,000 Nos. Compulsorily Convertible Debentures (CCD) at interest rate of 10% per annum, held Ballarpur Paper Holdings B.V., of ₹ 100/- each will be converted in equity shares of an amount equal to two times the par value of the relevant conversion shares and/or the minimum price that can be paid for the conversion shares in accordance with applicable Law on or before June 15, 2020.

3.5 EXTERNAL COMMERCIAL BORROWINGS

The Company obtained a loan from Ballarpur Paper Holdings B.V. of USD 95,000,000 at interest rate of 7.679 % per annum. The loan is repayable in full on the date falling 10 years after and including the first Utilization Date i. e. 12 August 2011.

3.6 DEFERRED PAYMENT LIABILITIES

The Company has opted for the deferral scheme of sales tax, which is payable as per the scheme framed by the State Government.



B-4 DEFERRED TAX LIABILITIES (NET)

₹ In Lacs

31.03.2016 31.03.2015

Deferred Tax Liability :

Higher depreciation claimed under tax laws (net off unabsorbed depreciation & c/f losses) 23,294 28,707

Total 23,294 28,707**Deferred Tax Asset :**

Disallowance under Income Tax Act 1961 2,200 6,826

TOTAL 2,200 6,826**Net Deferred Tax Liability** 21,094 21,881**B-5 OTHER LONG TERM LIABILITIES:**

₹ In Lacs

31.03.2016 31.03.2015

Security Deposit 4,919 4,732

TOTAL 4,919 4,732**B-6 LONG TERM PROVISIONS:**

₹ In Lacs

31.03.2016 31.03.2015

Provisions for employee benefits

Provision for gratuity 4,318 3,767

Provision for leave encashment 416 353

TOTAL 4,734 4,120**B-7 SHORT TERM BORROWINGS:**

₹ In Lacs

31.03.2016 31.03.2015

Unsecured Loans:

Working Capital Loan 123,729 121,768

TOTAL 123,729 121,768

B-8 TRADE PAYABLES:

	₹ In Lacs	
	31.03.2016	31.03.2015
To micro,small and medium enterprises(Refer Note 8.1)	836	210
Payable to Related Parties	166	154
Trade Payable-Others	85,271	72,242
TOTAL	86,273	72,606

Note 8.1: Dues to Micro and Small Enterprises Under Micro Small and Medium Enterprises Development Act , 2006 (MSMED ACT) have been determined to the extent such parties have been identified on the basis of information collected by the management are as under:

	₹ In Lacs	
Particular	31.03.2016	31.03.2015
Principal amount due and remaining unpaid	111	79
Interest due on above and the unpaid interest	10	1
Interest paid on all delayed payments under the MSMED Act	-	-
Payment made beyond the appointed day during the year/period	4	1
Interest due and payable for the period of delay other than above	4	1
Interest accrued and remaining unpaid	10	1
Amount of further interest remaining due and payable in succeeding years	-	-

B-9 OTHER CURRENT LIABILITIES:

	₹ In Lacs	
	31.03.2016	31.03.2015
Current maturities of long term debt	55,886	46,930
Interest accrued but not due on deposits	248	163
Interest accrued but not due on borrowings	4,021	1,861
Interest accrued but not due on borrowings (Related Party)	1,367	635
Security deposits	891	1,028
Advance received from customers	2,851	7,407
Payables for capital goods	3,009	3,091
Bank book overdrawn	199	4,714
Statutory dues	4,788	3,363
Payable to employee	3,722	2,114
Other payables	117	70
TOTAL	77,099	71,376



B-10 SHORT TERM PROVISIONS:

₹ In Lacs

	31.03.2016	31.03.2015
Provisions for employee benefits :		
- Provision for gratuity	607	768
- Provision for leave encashment	60	81
Others provisions (Net of payment) (Refer Note 10.1)	2,178	1,907
TOTAL	2,845	2,756

10.1) The company is carrying provision for obligation as on balance sheet date, which may result in outflow of resources. The following is the disclosure of such provisions covered under accounting standard 29-Provisions, Contingent Liabilities and Contingent Asset issued by Institute of Chartered Accountants of India.

	AS AT 1ST APRIL 2015	PROVISION DURING THE YEAR	PROVISION UTILISED/ REVERSED DURING THE YEAR	AS AT 31ST MARCH,2016
Anti-dumping duty *	27	-	-	27
Water cess	1,880	391	120	2,151

* Represent provision against anti-dumping duty, case for which appeal has been filed before CESTAT



PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	AS ON 01.04.15	ADDITIONS FOR THE YEAR/PERIOD	DELETIONS DURING THE YEAR/PERIOD	AS ON 31.03.16	AS ON 01.04.15	ADDITIONS FOR THE YEAR/PERIOD	DELETIONS DURING THE YEAR/PERIOD	ADJUSTMENT ON ACCOUNT OF SCHEDULE II	AS ON 31.03.16	AS ON 31.03.15
A. Tangible Assets										
Free Hold Land	3,148	67	-	3,215	-	-	-	-	-	3,215
Lease Hold Land	2,650	-	-	2,650	95	13	-	-	108	2,542
Buildings	67,862	363	-	68,225	6,825	2,373	-	-	9,198	59,027
Plant & Equipments	485,586	19,943	34	505,495	103,896	17,205	20	-	121,081	384,415
Furniture & Fixtures	373	7	3	377	176	45	2	-	219	158
Vehicles	904	171	42	1,033	395	122	2	-	515	518
Office equipment	411	1	2	410	177	34	2	-	209	201
Computer	184	99	-	283	170	53	-	-	223	60
	561,118	20,651	81	581,688	111,734	19,845	26	-	131,553	450,136
B. Intangible assets										
Computer Software	1,458	524	-	1,982	311	293	-	-	604	1,378
Product Development	1,410	1,962	-	3,372	390	299	-	-	689	2,683
	2,868	2,486	-	5,354	701	592	-	-	1,293	4,061
TOTAL	563,986	23,137	81	587,042	112,435	20,437	26	-	132,846	454,197
Previous Year	559,685	4,304	3	563,986	96,029	15,708	1	699	112,435	451,551

1. Capitalisation of Exchange loss amounting to ₹ 9640 Lacs (Previous Year ₹ 131 lacs)

2. The Lease agreement in respect of 5.04 Acres of land in possession of the company is yet to be executed in favour of the company.



B-12 NON CURRENT INVESTMENTS:

₹ In Lacs

	31.03.2016	31.03.2015
Unquoted, Non-trade investments:		
Associate Companies:		
Avantha Power & Infrastructure Limited		
3,12,26,754 (March 31, 2015: 3,12,26,754) Fully paid Equity shares of ₹ 10/- each	3,305	3,305
Government Securities		
6 Year National certificate		
(Face value ₹ 5,000 (previous Year ₹ 5,000))	0	0
Quoted, Non-trade investments:		
Investments in Mutual Funds		
Birla Sun Life Savings Fund	960	-
Units 344294.449 NAV 278.8311(March 31, 2015: Nil):		
Total	4,265	3,305
Additional Information:		
Aggregate value of unquoted investments:	3,305	3,305
Book value of quoted investments:	960	-
Market value of quoted investments:	1,012	-

NOTE:

12.1 '0' represent amount below ₹ 50,000/-

B-13 LONG TERM LOANS AND ADVANCES:

₹ In Lacs

	31.03.2016	31.03.2015
Unsecured, considered good		
Security Deposits	1,118	1,163
Mat Credit Entitlement	18,018	17,676
Capital advances	520	356
Prepaid Expenses	9,123	2,405
Balance with Govt Authorities	25,060	12,337
Advance Tax, Tax Deducted at Source (Net of provision for tax)	632	777
Total	54,471	34,714



B-14 OTHER NON CURRENT ASSETS:

	₹ In Lacs	
	31.03.2016	31.03.2015
Long term deposits with banks with maturity period more than 12 months	18	17
Total	18	17

B-15 INVENTORIES:

	₹ In Lacs	
	31.03.2016	31.03.2015
Raw materials (See Note 15.1)	15,466	38,993
Work in progress	9,996	11,764
Finished goods	18,494	17,852
Stores and spares (See Note 15.2)	40,119	13,991
Block Stores	178	193
Chemicals (See Note 15.3)	21,100	6,463
Packing material (See Note 15.4)	1,874	2,393
Total	107,227	91,649

Note:-

- 15.1) Includes raw material-in-transit of ₹ 5,917 Lacs (Previous Year ₹ 8,860 Lacs)
15.2) Includes stores & spares-in-transit of ₹ 1,121 Lacs (Previous Year ₹ 1,753 Lacs)
15.3) Includes Chemicals-in-transit of ₹ 1,109 Lacs (Previous Year ₹ 939 Lacs)
15.4) Includes packing material-in-transit of ₹ 30 Lacs (Previous Year ₹ 40 Lacs)



B-16 TRADE RECEIVABLES:

	₹ In Lacs	
	31.03.2016	31.03.2015
Trade receivables -exceeding six months from the date they are due for payment		
Secured, considered good	65	1,008
Unsecured, considered good	3,625	1,402
Trade receivables -others		
Secured, considered good	762	3,723
Unsecured, considered good	25,243	18,821
Unsecured, considered good (Related parties)	-	26
Total	29,695	24,980

B-17 CASH AND BANK BALANCE :

	₹ In Lacs	
	31.03.2016	31.03.2015
Cash & cash equivalents		
Balances with banks		
- In current accounts	16,937	487
Cash on hand	13	12
	16,950	499
Other bank balance		
In margin money, security for borrowings, guarantees and other commitments	1,061	1
In deposit accounts exceeding three months but less than twelve months	37	20,034
	1,098	20,035
TOTAL	18,048	20,534



B-18 SHORT TERM LOANS AND ADVANCES:

	₹ In Lacs	
	31.03.2016	31.03.2015
Unsecured, considered good		
Advances recoverable in cash or kind for value to be received	17,634	2,260
Loans and advances (Related Parties)	29,860	9,402
Balance with government authorities	31,314	30,629
Prepaid expenses	2,877	1,632
Advances to Suppliers	16,431	7,921
Advances to employees	38	49
Insurance claim receivables	6	5
TOTAL	98,160	51,898

B-19 OTHER CURRENT ASSETS:

	₹ In Lacs	
	31.03.2016	31.03.2015
Unsecured, Considered Good		
Interest accrued on deposits	44	566
Assets held for sale (at lower of cost and net realizable value)	2	2
Export incentive under duty draw back recoverable	31	23
Other current assets	71	37
TOTAL	148	628

B-20 CONTINGENT LIABILITIES AND COMMITMENTS:

	₹ In Lacs	
	31.03.2016	31.03.2015
(to the extent not provided for)		
1) Contingent Liabilities:		
Claims against the Company not acknowledged as debts	24,730	24,533
Guarantees	5,557	6,665
TOTAL (A)	30,287	31,198
2) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,705	1,794
3) Odisha Pollution Control Board issued a notice to Unit sewa for recovery of Rs.298 Crore for water drawn from Kolab river upto the end of Dec-2008 for which reply has been filed. Currently, the challenge against the constitutional validity of this recovery is still pending before High Court of Orissa.		



B-21 REVENUE FROM OPERATIONS:

	₹ In Lacs	
	For The Year Ended	For The Period Ended
	31.03.2016	31.03.2015
Sale of products		
Paper (including coated)	377,351	287,236
Others	1,020	730
	378,371	287,966
Less:		
Excise duty	20,453	16,210
Sub Total	357,918	271,756
Other operating Revenue		
Export incentive	477	460
Scraps sale	635	932
Mega project benefit	3,650	2,621
Sub Total	4,762	4,013
TOTAL	362,680	275,769

B-22 OTHER INCOME:

	₹ In Lacs	
	For The Year Ended	For The Period Ended
	31.03.2016	31.03.2015
Interest income on Deposits	33	28
Rent and license fee	109	84
Unspent liabilities and excess provisions of earlier years written back	22	161
Profit on sale of fixed assets (Net)	12	27
Gain on foreign currency fluctuations	266	442
Miscellaneous Income	2,263	1,858
TOTAL	2,705	2,600

B-23 COST OF MATERIALS CONSUMED:

	₹ In Lacs	
	For The Year Ended	For The Period Ended
	31.03.2016	31.03.2015
Bamboo	8,475	7,173
Wood and wood species	49,518	39,730
Wood pulp	82,795	55,514
Chemicals	60,317	48,497
Packing materials	9,417	7,253
TOTAL	210,522	158,167



B-24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE:

₹ In Lacs

	For The Year Ended 31.03.2016	For The Period Ended 31.03.2015
Stocks at the beginning of the year		
Finished goods	17,852	12,938
Work in progress	11,764	8,824
TOTAL (A)	29,616	21,762
Stocks at the end of the year		
Finished goods	18,494	17,852
Work in progress	9,996	11,764
TOTAL (B)	28,490	29,616
Net (Increase)/Decrease in Stocks (A-B)	1,126	(7,854)

B-25 EMPLOYEE BENEFITS EXPENSES:

₹ In Lacs

	For The Year Ended 31.03.2016	For The Period Ended 31.03.2015
Salaries and wages	20,470	15,819
Contribution to provident and other funds	823	629
Staff welfare expenses	979	802
Total	22,272	17,250

The disclosure required under Accounting Standard 15 "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2014, are given below:

Defined contribution plan*

Contribution to defined contribution Plan is recognized and charged off for the year, are as under :

	For The Year Ended 31.03.2016	For The Period Ended 31.03.2015
Employer's contribution to provident fund	343	305
Employer's contribution to superannuation fund	32	31
Employer's contribution to pension scheme	398	263

* Includes charged to other accounts



Defined benefit plan

The present value of obligation is determined based on actuarial valuation using Projected Unit Credit Method, which recognizes each period of service as giving rise to additional

Defined Benefit Plan: Particulars	2015-16			2014-15		
	Gratuity (Funded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)	Gratuity (Funded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)
a. Reconciliation of Opening and closing balance of Defined Benefit Obligation						
Defined benefit obligation at beginning of the year/period	587	4,154	434	393	3,742	342
Transferred in as pursuance to scheme	-	-	-	-	-	-
Current service cost	47	284	50	31	184	32
Past service cost	-	-	-	-	-	-
Interest cost	45	321	33	26	244	22
Actuarial (gain)/loss	(0)	328	130	155	394	145
Benefit paid	(26)	(617)	(171)	(18)	(425)	(107)
Acquisitions	-	1	0	-	15	0
Plan amendments	-	-	-	-	-	-
Transferred out as pursuance to scheme	-	-	-	-	-	-
Defined benefit obligation at year/period end	653	4,471	476	587	4,154	434
b. Reconciliation of opening and closing balance of fair value of plan assets						
Fair value of plan assets at beginning of the year/period	206	-	-	178	-	0
Expected return on plan assets	16	-	-	9	-	-
Actuarial gain/ (loss)	0	-	-	2	-	-
Employer contribution	4	617	171	35	425	107
Benefit paid	(26)	(617)	(171)	(18)	(425)	(107)
Fair value of plan assets at year /perid end	199	-	-	206	-	0
Actual return on plan assets	-	-	-	-	-	-
c. Reconciliation of fair value of assets and						
Fair value of plan assets as on 31st March 2016	199	-	-	206	-	-
Present value of obligation as on 31st March 2016	653	4,471	476	587	4,154	434
Amount recognized in balance sheet	454	4,471	476	381	4,154	434
d. Expenses recognized during the year/period (under the Note "Employee Benefits Expense")						
Current service cost	47	284	50	31	184	32
Interest cost	45	321	33	26	244	22
Expected return on plan assets	(16)	-	-	(9)	-	-
Actuarial (gain)/loss	(0)	328	130	155	394	145
Net cost	76	933	213	203	822	198
e. Discount rate (per annum)	7.70%	7.70%	7.70%	7.75%	7.75%	7.75%
Expected rate of return on plan assets (per annum)	7.70%	7.70%	7.70%	7.75%	7.75%	7.75%



B-26 FINANCE COSTS:

	₹ In Lacs	
	For The Year Ended	For The Period Ended
	31.03.2016	31.03.2015
Interest expenses	47,979	27,324
Other borrowing costs	247	113
Net loss / (gain) in foreign currency transaction and translation	6,464	2,715
	54,690	30,152
Less : Interest earned	12,200	1,139
TOTAL	42,490	29,013

B-27 OTHER EXPENSES:

	₹ In Lacs	
	For The Year Ended	For The Period Ended
	31.03.2016	31.03.2015
Consumption of stores and spare parts	5,889	4,385
Power and fuel	36,403	33,747
Excise duty on year end inventory of finished goods	(87)	183
Rent	979	687
Repairs to buildings	292	172
Repairs to machinery	2,611	1,451
Repairs others	505	323
Insurance	365	318
Rates and taxes	388	129
Other manufacturing expenses	439	302
Office & other expenses	167	4,905
Corporate Social responsibility Expense	261	219
Selling expenses	215	316
Commission	2,497	1,749
Carriage and freight	7,567	6,332
Legal and professional charges (See Note 27.1)	641	540
Directors sitting fees	4	-
TOTAL	59,136	55,758

Note : 27.1) Legal & Professional Charges include auditors' remuneration as under :

	31.03.2016	31.03.2015
Auditor's Remuneration		
- Statutory audit fees (including cost audit fees)	60	60
- Tax audit fees	12	12
- Certification fees	4	3
- Other capacity	15	5
- Reimbursement of expenses	4	3
TOTAL	95	83



B-28 EARNINGS PER SHARE:

	₹ In Lacs	
	For The Year Ended	For The Period Ended
	31.03.2016	31.03.2015
I Profit Computation Basic and Diluted Earnings Per Share of ₹ 10/- each		
Net Profit after Tax available to Equity Shareholders for Basic EPS (₹ in Lacs)	2,593	3,874
Adjustment for the purpose of Diluted EPS:-		
Add: Effect of potential equity shares on conversion of Compulsorily Convertible Debentures (CCD)	2,411	1,805
Net Profit available to equity shareholders for Diluted EPS (₹ in Lacs)	5,004	5,679
II Weighted Average number of Equity Share for Earnings Per Share Computation		
A) No. of shares for Basic Earnings Per Share	550,050,000	550,050,000
Add: Effect of potential equity shares on conversion of Compulsorily Convertible Debentures (CCD)	150,000,000	150,000,000
B) No. of Shares for Diluted Earnings Per Share	700,050,000	700,050,000
III Earnings Per Share		
Basic (In ₹)	0.47	0.70
Diluted (In ₹)	0.71	0.81

B-29 VALUE OF IMPORTED AND INDIGENEOUS RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED :

	₹ In Lacs			
	Amount		Percentage	
	Year Ended	Year Ended	Year Ended	Year Ended
	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Raw Material				
-Imported	97,539	65,855	46	42
-Indigeneous	112,983	92,312	54	58
Total	210,522	158,167	100	100
Spare Parts & Components*				
-Imported	2,190	1,668	25	30
-Indigeneous	6,422	3,897	75	70
Total	8,612	5,565	100	100

* Including charged to other accounts

B-30 VALUE OF IMPORT CALCULATED IN CIF BASIS:

	₹ In Lacs	
	For The Year Ended	For The Period Ended
	31.03.2016	31.03.2015
Raw Material	76,002	80,382
Component and Spare Parts	10,796	12,838
Capital Goods	503	529
Total	87,301	93,749



B-31 EXPENDITURE IN FOREIGN CURRENCY (NET OF WITHHOLDING TAX):

₹ In Lacs

	For The Year Ended	For The Period Ended
	31.03.2016	31.03.2015
(i) Interest on foreign currency Loans		
-Debenture	3,050	2,283
-Others	6,298	4,451
(ii) Foreign Travel commission claims, consultancy fees etc.	88	109
TOTAL	9,436	6,843

B-32 EARNING IN FOREIGN EXCHANGE:

₹ In Lacs

	For The Year Ended	For The Period Ended
	31.03.2016	31.03.2015
Export of Good calculated on FOB basis	27,617	20,136
TOTAL	27,617	20,136

B-33 SEGMENT REPORTING:
(a) The Company has identified business segment as the primary segment after considering all the relevant factors

The Expenses, which are not directly identifiable to a specific business segment are clubbed under "Unallocated Corporate Expenses" and similarly, the common assets and liabilities, which are not identifiable to a specific segment are clubbed under "unallocated corporate Assets/Liabilities" on the basis of reasonable estimates.

Particulars	YEAR	PAPER	PAPER PRODUCTS & OFFICE SUPPLIES	OTHERS	TOTAL
Revenues					
Gross Sale to External Customers	2015-16	330,419	46,932	1,020	378,371
Excise Duty	2015-16	(18,294)	(2,159)	-	(20,453)
Gross Sale to External Customers	2014-15	254,234	33,002	730	287,966
Excise Duty	2014-15	(14,623)	(1,587)	-	(16,210)
Total Segment Revenues (Net of Excise)	2015-16	312,125	44,773	1,020	357,918
	2014-15	239,611	31,415	730	271,756
Segment Results					
	2015-16	42,591	1,791	(41)	44,341
	2014-15	32,197	1,257	(29)	33,425
Profit Before Interest, Tax and exceptional items	2015-16				44,341
	2014-15				33,425
Interest & Finance cost(Net of Income)	2015-16				42,490
	2014-15				29,013
Profit Before Tax & Exceptional Items	2015-16				1,851
	2014-15				4,412
Exceptional Items	2015-16				-
	2014-15				255
Profit Before Tax after Exceptional Items	2015-16				1,851
	2014-15				4,157
Provision For Tax					
-Current Tax (Net of MAT Credit Entitlement)	2015-16				45
	2014-15				102
-Deferred Tax	2015-16				(787)
	2014-15				181
Net Profit	2015-16				2,593
	2014-15				3,874



Other Information					
Segmental Assets	2015-16	697,593	37,264	-	734,857
	2014-15	599,099	45,417	-	644,516
Unallocated Corporate assets	2015-16				40,963
	2014-15				42,292
Total Assets	2015-16				775,820
	2014-15				686,808
Segmental Liabilities	2015-16	117,559	8,472	-	126,031
	2014-15	104,929	8,589	-	113,518
Unallocated Corporate Liabilities	2015-16				-
	2014-15				-
Total Liabilities	2015-16				126,031
	2014-15				113,518
Capital Expenditure during the period (Including Movements in CWIP & Capital Advances)	2015-16				25,442
	2014-15				7,313
Depreciation	2015-16				20,437
	2014-15				16,407
Total Liabilities Exclude					
Long term borrowings	2015-16				311,333
	2014-15				237,792
Short term borrowings	2015-16				123,729
	2014-15				121,768
Current Maturities of Long Term Debts	2015-16				55,886
	2014-15				46,930
Deferred tax liabilities (Net)	2015-16				21,094
	2014-15				21,881

(b) Geographical Segments

The analysis of geographical segment is based on the geographical locations of consumers

₹ In Lacs

Revenue by geographical Market	31.03.2016	31.03.2015
India	350,130	267,237
Outside India	28,241	20,729
TOTAL	378,371	287,966



Information on Related Parties as required by Accounting Standard-AS 18 "Related Party Disclosures":

a) Control Exist

Holding Company	Ballarpur Paper Holdings B.V.
Ultimate Holding Company	Ballarpur Industries Limited
Subsidiaries (including step down subsidiaries) of ultimate Holding Company	Ballarpur International Holdings B.V. BILT Tree Tech Limited Premier Tissues (India) Limited Ballarpur Speciality Paper Holdings B.V. Sabah Forest Industries Sdn. Bhd. BILT Paper B.V.

b) Key Management Personnel

Mr. Yogesh Agarwal

(c) Details of transaction with related parties:-

(Financial transactions have been carried out in the ordinary course of business and/or in discharge of contract obligation)

	31.03.2016	₹ In Lacs 31.03.2015
i) Interest Paid on Debentures		
<i>Holding Company</i>		
-Ballarpur Paper Holding B.V.	3,050	2,283
ii) Interest Paid on External Commercial Borrowings		
<i>Holding Company</i>		
-Ballarpur Paper Holding B.V.	5,477	3,864
iii) Purchase of Goods and Services & Royalty fee		
<i>Ultimate Holding Company</i>		
-Ballarpur Industries Limited	79	3,424
<i>Fellow Subsidiary</i>		
-Bilt Tree Tech Limited	5,895	6,150
-Sabah Forest Industries Sdn Bhd	12,271	21,998
-Premier Tissues(India) Limited	7	-
iv) Sale of goods & services and allocation of common expenses for rendering corporate service:		
<i>Ultimate Holding Company</i>		
-Ballarpur Industries Limited	2,259	2,153
<i>Fellow Subsidiary</i>		
-Bilt Tree Tech Limited	23	9
-Premier Tissues(India) Limited	-	26
-Sabah Forest Industries Sdn Bhd	-	2
v) Interest received / receivable on Advances		
<i>Fellow Subsidiary</i>		
-Sabah Forest Industries Sdn Bhd	1,617	-
vi) Remuneration to Key Management Personnel :		
Mr. Yogesh Agarwal	921	281
vii) Outstanding Balances(Net)		
<i>Holding Company</i>		
-Ballarpur Paper Holding B.V.	(1,367)	(635)
<i>Ultimate Holding Company</i>		
-Ballarpur Industries Limited	12	4,637
<i>Fellow Subsidiary</i>		
-Bilt Tree Tech Limited	880	967
-Sabah Forest Industries Sdn Bhd	28,805	3,644
-Premier Tissues(India) Limited	(3)	26

B-35 During the Financial Year ended 31st March 2016, the company has paid a sum of Nil(previous Year Rs. 255 Lacs) on account of Voluntary Retirement scheme shown as exceptional item in the statement of profit and loss.

B-36 In the opinion of the board, all assets other than fixed assets and non-current investments are realisable in the ordinary course of business at the value at which they are stated in the Financial Statements.



B-37 Previous Period financial statements is for a period of 9 months i.e. from 1st July, 2014 to 31st March, 2015. Therefore the figures of the current Year are not comparable with those of the previous Year.

B-38 Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our report attached

ASHWIN MANKESHWAR
Partner
Membership No. 046219
For and on behalf of
K.K. MANKESHWAR & CO.
Chartered Accountants
FRN: 106009W



New Delhi, dated the
30th May 2016

For BILT Graphic Paper Products Limited

B.HARIHARAN
Director

R R VEDERAH
Director

DEEPAK BANSAL
Company Secretary