

TWENTY EIGHTH
ANNUAL REPORT
2012-2013



RAMA
PAPER
MILLS
LIMITED

NAJIBABAD ROAD, KIRATPUR (BIJNOR) U.P.

BOARD OF DIRECTORS

Shri Pramod Agarwal – Chairman & Managing Director
Shri Arun Goel – Executive Director
Shri Manish Garg – Director
Shri Prabhat Agarwal – Director
Shri H. S. Bhim Rao – Director
Smt. Sunita Agarwal – Director

BANKERS

Bank of Baroda

AUDITORS

Shiam & Co.
Chartered Accountant
Muzaffarnagar (U.P.)

COST AUDITORS

Jain Sharma & Associates
Cost Accountants
New Delhi

REGISTERED OFFICE & WORKS

4th Km. Stone, Najibabad Road,
Kiratpur-246731
Distt. Bijnor (U.P.)
Email: delhi@ramapaper.com
Website: www.ramapaper.com

CORPORATE OFFICE

12/22 IInd Floor, East Patel
Nagar, New Delhi-110008.

REGISTRAR & TRANSFER AGENT

Indus Portfolio (P) Limited
ISIN INE425E01013
G-65, Bali Nagar, New Delhi
SEBI Registration No. INROOOO03845

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NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Members of RAMA PAPER MILLS LIMITED will be held on Monday, the 30th September, 2013 at 10.00 A.M at the Registered Office of the Company at 4th Km. Stone Najibabad Road, Kiratpur, Distt. Bijnor (U.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the year ended 31st March, 2013, Balance Sheet as at that date together with the Reports of Auditors' and Directors' thereon.
2. To appoint a Director in place of Shri H.S Bhimrao, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS:

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

RESOLVED THAT Sh. Manish Garg, who was appointed as an Additional Director with effect from February 14, 2013 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company.

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

RESOLVED THAT Smt. Sunita Agarwal, who was appointed as an Additional Director with effect from April 01, 2013 on the Board of the Company in terms of Section 260 of the Companies Act, 1956 who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a Member in writing, under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company.

**Place: Kiratpur
Date: 14.08.2013**

**By Order of the Board
For RAMA PAPER MILLS LIMITED**

**SD/-
(PANKAJ MISRA)
Company Secretary**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
Proxy in order to be effective must be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Annual General Meeting.
2. The Explanatory Statement pursuant to the provisions of Section 173 (2) of the Companies Act, 1956 in respect of the Special business(es) under Item Nos. 4 and 5 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, the 27th September, 2013 to Monday, the 30th September, 2013**, both the days inclusive.
4. Members seeking any information regarding Accounts should write to the Company at its Registered Office at least seven days before the date of the Meeting so as to enable the management to keep the information ready, if the Chairman so permits.
5. The Members are requested to intimate to the Registrar of the Company immediately any change in their address alongwith the Pin Code Number and email ID indicating their DPID/ Folio Number to **"M/s Indus Portfolio Private Limited"** G-65, Bali Nagar, New Delhi.
6. The Members holding Shares in the physical form, who are desirous of making nominations as permitted under Section 109A of the Companies Act, 1956 in respect of the Shares held by them may write to the RTA for the prescribed form.
7. Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking re-appointment at the forthcoming Annual General Meeting is given in the Annexure.



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT , 1956

Item No. 4:

Sh. Manish Garg was appointed as an Additional Director by the Board of Director w.e.f. February 14, 2013 in accordance with the provisions of Section 260 of the Companies Act, 1956.

Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956.

The Board feels that presence of Sh. Manish Garg on the Board is desirable and would be beneficial to the company and hence recommend resolution No.4 for adoption.

None of the Directors, except Sh. Manish Garg is concerned or interested in this resolution.

The Board recommends resolution under Item No.4 to be passed as ordinary resolution.

Item No. 5:

Smt. Sunita Agarwal was appointed as an Additional Director by the Board of Director w.e.f. April 01, 2013 in accordance with the provisions of Section 260 of the Companies Act, 1956.

Pursuant to Section 260 of the Companies Act, 1956 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing his candidature for appointment as Director of the Company in accordance with the provisions of Section 257 and all other applicable provisions of the Companies Act, 1956.

The Board feels that presence of Smt. Sunita Agarwal on the Board is desirable and would be beneficial to the company and hence recommend resolution No.5 for adoption.

None of the Directors, except Shri Pramod Agarwal and Smt. Sunita Agarwal is concerned or interested in this resolution.

The Board recommends resolution under Item No.5 to be passed as ordinary resolution.



DIRECTORS' REPORT

To

The Members,

The Directors are pleased to present their 28th Report alongwith the Audited Accounts for the year ended 31st March, 2013

Financial Results

Particulars	(Rs.in Lacs)	
	2012-13	2011-12
Turnover	15492.63	13815.71
Profit before Financial Charges & Depreciation	977.25	976.78
Less: Financial Charges	904.76	829.66
Less: Depreciation	664.31	662.43
Profit before Tax	-591.82	-515.31
Add/Less: Deferred Tax Liability/Asset	184.92	52.48
Less: Provision for Tax (MAT)	0.00	0.00
Add: MAT Credit Entitlement	0.00	0.00
Profit After Tax	-406.90	-462.83

Operations

During the year under review, your Company has suffered the Net Loss of Rs. 406.90 Lacs against the Net Loss of Rs.462.83 Lacs in the previous year, though the turnover has increased to Rs.154.92 Crores against the previous year turnover of Rs.138.15 Crores. The loss has resulted mainly due to depressed market conditions in paper industry, coupled with increase in raw material cost. Moreover the increased capacity also could not be fully utilized.

Dividend

Since the Company incurred Net Loss during the financial year, your Directors regret their inability to recommend any dividend.

Directors

Shri H.S Bhimrao will retire by rotation and being eligible, offers himself for re-appointment. During the year under review, Shri Manish Garg was appointed as an Additional Director at the meeting of Board held on February 14th 2013. Further Smt Sunita Agarwal was also appointed as additional director on April 01, 2013.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo

The information as required under Section 217(1) (e) of the Companies Act 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 with respect to these matters forms part of this report and is annexed hereto as Annexure A.

Corporate Governance and Management Discussion and Analysis Reports

The Corporate Governance and Management Discussion and Analysis Reports, which form an integral part of this report, are set out as separate annexure to this report together with the Certificate from the Auditors of the Company confirming compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement with the Stock Exchange.



Statutory Auditors and Auditors' Report

M/S Shiam & Co., Chartered Accountants, Statutory Auditors of your Company, retire at the forthcoming Annual General Meeting and are eligible for reappointment. They have confirmed their eligibility for reappointment under the provisions of Section 224(1B) of the Companies Act, 1956.

The Boards recommend their appointment.

The report of the Auditors is self-explanatory, therefore does not require any specific comments.

Directors Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, it is hereby confirmed that:

- a) In the preparation of the Annual Accounts for the year ended 31st March, 2013 the applicable accounting standards have been followed along with proper explanations relating to material departure.
- b) Appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of the Profit of the Company for the year ended 31st March, 2013.
- c) Proper and sufficient care has been taken for the maintenance of accounting records in accordance with the Provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The financial statements have been prepared on a going concern basis.

Particulars of Employees

There is no employee covered under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

Fixed Deposits

Your Company has not accepted any deposits within the meaning of section 58A of the Companies Act 1956.

INSURANCE

All properties and insurable assets of the Company, including Building, Plant & Machinery and Stocks have been adequately insured, wherever necessary

Industrial Relations

During the year under review, the industrial relations in the company continued to be cordial and peaceful.

Acknowledgements

Your Directors wish to place on record their appreciation for the assistance and co- operation that your company has received from the Govt. of India, Govt. of U.P., Bankers, Stakeholders and all others, whose continued support has been a source of strength to the company. Your Directors also wish to place on record their sincere appreciation to the devotion and commitment of every employee of the Company.

Date: 14th August, 2013

Place: Kiratpur

**For and on behalf of the Board of
RAMA PAPER MILLS LTD.**

**Sd/-
PRAMOD AGARWAL
CHAIRMAN & MANAGING DIRECTOR**

Annexure "A" to the report of Board of Directors

Information as required under Section 217(1) (e) of the Companies Act 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31st March 2013

CONSERVATION OF ENERGY

Measures taken, additional investment and impact on reduction of energy consumption.

The Company continued its policy of giving priority to energy conservation measures by regular review of energy generation, distribution & consumption and effective control on utilization of energy. For this purpose, the Company has commissioned 6 MW bio mass based Co-generation Project with latest equipments.



“FORM-A”

Disclosure of Particulars with respect to conservation of energy

Particulars	Current Year 2012-13	Previous Year 2011-12
A. Power & Fuel Consumption		
1. Electricity		
a) Purchased Unit	2378945	287255
Total Amount Rs.	15077569	3730007
Rate/Unit	6.34	12.99
*It includes Minimum Demand Charges due to non-use of Chargeable Demand		
b) Own Generation		
Through Diesel Generator Unit	518400	878400
Unit per Ltr of Diesel Oil	3.6	3.6
Cost/Unit Rs.	11.09	12.72
c) Through Steam Turbine/Generator Unit	40713795	40573500
2. Husk & Buggasse		
Qty (tonnes)	65452.04	72771.84
Total Cost	248498911	264170173
Average Rate	3796.66	3630.12
Consumption Per Unit of Production (in One Ton)		
Product Details & Unit (If Any)		
News Print , Duplex Board and Writing Paper	48817.497	48625.7526
Electricity (Units) - Including Units from Turbine	882.73	840.31
Husk & Buggasse (MT)	1.34	1.50

“FORM-B”

Technology Absorption, Adaptation and Innovation

The Company is taking all the steps to practice the latest technology available in the Industry

“FORM-C”

Research and Development

The research and development activities are on going process in your company.

“FORM-D”

Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings and Outgo during the year under review was NIL.

For and on Behalf of the Board of
RAMA PAPER MILLS LTD.

Sd/-
PRAMOD AGARWAL
CHAIRMAN & MANAGING DIRECTOR

Date: - 14th August, 2013
Place: - Kiratpur



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

SALES

During the year ended 31st March, 2013 your Company has gross sales of Rs. 1,54,92,63,598/- as against Rs. 1,38,15,71,602/- during the previous year. This represents 12.13% growth of the Company.

PRODUCT CHARACTERISTICS

Paper is totally customized product. Main characteristics of paper are brightness, grammage and bursting factor. Since we produce material as per order received from customers in advance, hence our product can be said to be customer friendly. In such a situation aspects like product range, product quality, support service facilities and customizations of product are very favorable for us as well as for entire paper industry.

COMPETITIVE SITUATION

Competitiveness would harm only in such a situation when demand of product is very low and supply is high. In the case of paper industry no such adverse demand and supply ratio exist. Even gap in demand and supply is met out by high cost imports. Hence if we look at our position, we don't have to face much number of competitors. There is no much parallel market, hence this may be treated as neutral of runs. As far as cost of product is concerned, we are efficient Company due to our experience in the segment. For our product one can see brand royalty also as in our customer portfolio, we have about 80% customers who are with us for more than 5 years. This happens only due to brand royalty.

IMPACT OF GOVERNMENT REGULATIONS / LEGISLATION / DIRECTIVES

Our main product is Newsprint that is totally exempted from Central Excise and Sales tax. Import of Newsprint is already allowed under OGL. Secondly newsprint linked with mass media hence newsprint product concerned is totally unaffected by government policies. Other products of Company viz. duplex board, writing and printing paper and MG Poster/ Tissue are also not exposed to any type of threat due to government policies

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

Company Philosophy

The Company has complied in all material aspects with the Corporate Governance in terms of clause 49 of the listing agreement. The Company endeavors to maintain the highest business ethics and complies with all statutory and regulatory requirements. The Company believes that all the operations and actions must serve the underlying goal of enhancing the interest of all its stakeholders.

Board of Directors

The Company believes that an active, independent and participative board is a pre-requisite to achieve and maintain the highest level of Corporate Governance. At RPML, the Board approves and reviews strategy and oversees the actions and results of Management.

The management team of the Company is headed by the Managing Director & Executive Director.

Composition of the Board

The Board comprises of a total of Six Directors, out of which three are Non- Executive Directors.

Board Procedures

Detailed agenda with explanatory notes and all other related information is circulated to the members of the Board in advance of each meeting. The meetings of the Board are usually held at RPML Works. Detailed presentations are made to the Board covering all major functions and activities. The requisite strategic and material information is made available to ensure transparent decision making process by the Board.

Number of Board Meetings

During the financial year 2012-13, the Board of Directors of the Company met seven times on 15.05.2012, 30.06.2012, 14.08.2012, 14.11.2012, 07.01.2013, 14.02.2013, 30.03.2013.



Information relating to Directors

The composition of the Board of Directors and related information as on 31st March, 2013 is as follows:

Name of the Directors & Designation	Executive/ Non Executive/ Independent	No of Board Meeting Attended	Attendance at the last AGM on 29.09.2012	Directorship in other Companies Incorporated in India	No of Board Committees of which Member/ Chairman
Shri Pramod Agarwal (Chairman & Managing Director)	Executive	7	Present	7	2
Shri Arun Goel (Executive Director)	Executive	7	Present	1	2
Shri Prabhat Agarwal (Director)	Non Executive	4	Absent	Nil	3
Shri H. S. Bhim Rao (Director)	Non Executive	4	Absent	Nil	2
Shri Manish Garg (Director)	Independent	4	Absent	3	1

None of the Directors on the Board holds the office of Director in more than 15 Companies.

Information provided to the Board

- Annual operating plans, budgets and any update thereof;
- Capital budgets and any update thereof;
- Minutes of the meetings of the Committees of the Board.
- Non-compliance of any regulatory/statutory nature of listing requirements and shareholder services such as non-payment of dividend, delay in share transfer, etc.

Details of Directors being appointed / re- appointed

Shri H.S Bhimrao, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for the re-appointment. He is associated with the Company since 2006. His Directorship and membership in other Public Limited Companies and/or its Committees are reported to be NIL. Shri Manish Garg was appointed as an Additional Director at meeting of the Board held on 14th February, 2013 and Smt Sunita Agarwal was also appointed as Additional Director at the meeting of Board held on 01st April, 2013. A notice under section 257 of the Companies Act' 1956 has been received from Shri Manish Garg and Smt. Sunita Agarwal; proposing their candidature for office of Director, liable to retire at the ensuing annual general meeting and now put before the members for their approval.

Code of Conduct

RPML Board has adopted a Code of Conduct for members of the Board and senior management. The Code lays down, in detail, the standard of conducting business, its ethics and corporate governance.

COMMITTEES OF BOARD

A. AUDIT COMMITTEE

The Audit Committee of the Board was first constituted in the year 2001 with Shri Pramod Agarwal as the Chairman. The



terms of reference of the Audit Committee are as per the guidelines set out in the listing agreement with the Stock Exchange that inter alia include the overview of the company's financial reporting process, review of the quarterly and annual financial statements, review of adequacy of internal control system, review of the financial and risk management policies and review of significant findings and adequacy of internal function etc. During the financial year 2012-13, the Audit Committee met five times on 15.5.2012, 30.06.2012, 14.08.2012, 14.11.2012 and 14.02.2013.

Composition and Attendance

The Audit Committee consists of three Directors named Shri Pramod Agarwal (Managing Director), Shri Prabhat Agarwal and Shri Manish Garg (Independent Directors). During the year ended 31st March, 2012, five meetings of Audit Committee were held.

The attendance of each member of the committee at its meeting held is as under.

Sl. No.	Name of Member	No. of Meetings Attended
1	Shri Pramod Agarwal	5
3	Shri Prabhat Agarwal	5
4	Shri Manish Garg	5

B. REMUNERATION COMMITTEE

The Remuneration Committee consists of three Directors including two independent Directors.

During the year ended March 31st, 2013, One Meeting of Remuneration Committee was held.

The attendance of each member of the committee at its meeting held is as under.

Sl. No.	Name of Member	No of Meeting Attended
1	Shri Arun Goel	1
2	Shri Prabhat Agarwal	1
3	Shri H.S.Bhimrao	1

Details of Remuneration paid/ payable to the Directors for the year ended 31st March, 2013.

Name of Director's	Remuneration (Rs)
Shri Pramod Agarwal	33,00,000/-
Shri Arun Goel	NIL

C. INVESTOR GRIEVANCE COMMITTEE

The members of the committee are Shri Pramod Agarwal, Shri Arun Goel, Shri Prabhat Agarwal and Shri Pankaj Misra. During the year ended March 31, 2013. Four meeting of Investor Grievance Committee were held. The attendance of each member of the committee at the Investors Grievance Committee meeting held is as under:

Sl. No.	Name of Members	No. of Meeting Attended
1	Shri Pramod Agarwal	4
2	Shri Arun Goel	4
3	Shri Prabhat Agarwal	4
4	Shri Pankaj Misra	4



Compliance Officer

Mr. Pankaj Misra is the Compliance Officer of the Company.

General Body Meetings

The last three Annual General Meeting were held at the Registered Office of the Company at 4th KM Stone Najibabad Road, Kiratpur, Dist. Bijnor (U.P.) as per the details given below:

Year	Day	Date	Time
2012	Saturday	September 29, 2012	02.00 P.M
2011	Friday	September 30, 2011	10.00 A.M
2010	Thursday	September 30, 2010	10.00 A.M

Details of Special Resolutions:

(a) The following are the Special Resolutions passed at the previous three Annual General Meetings including Extra-ordinary General Meetings of the Company:

29.09.2012	Yes	Re-appointment of Chairman & Managing Director for a period of three Year.
29.09.2012	Yes	Re-appointment of Executive Director for a period of three years.

Postal Ballot

During the period under review, no resolution was passed through Postal Ballot.

Disclosure of related party transactions

There were no transactions of materially significant nature with the promoters, the Directors or the Management or their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. However, the disclosures of related party transactions has been made in the Auditor's Report.

Details of non-compliance by the Company

During the last three years, there has been no instance of non-compliance by the Company on any matter related to capital market.

CEO Certification

The Chairman & Managing Director has certified to the Board with respect to the financial statements, internal control and other matters as required under Clause 49 of the listing agreement with Stock Exchange.

Means of Communication of Financial Results

The Quarterly Financial Results are uploaded at Bombay Stock Exchange Listing Centre, where the Company's Shares are listed, after the conclusion of the Board Meeting at which the results are taken on record.



Declaration under Clause 49-I (D) of the Listing Agreement

To,

The Members of Rama Paper Mills Ltd.

I hereby declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the provisions of the **CODE OF CONDUCT** during the financial year ended 31st March, 2013.

**For and on Behalf of the Board of
RAMA PAPER MILLS LTD.**

**Date: - 14th August, 2013
Place: - Kiratpur**

**Sd/-
PRAMOD AGARWAL
CHAIRMAN & MANAGING DIRECTOR**

CHIEF EXECUTIVE OFFICER CERTIFICATION

To,
The Board of Directors
Rama Paper Mills Ltd.

We have reviewed the financial statements, read with the cash flow statement of Rama Paper Mills Ltd., for the financial year ended March 31, 2013 and to the best of our knowledge and belief, we state that;

- a. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
- b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations; and
- c. No transaction was entered into by the Company during the above said year, which, are fraudulent, illegal or violative of the Company's code of conduct.

Further, we accept responsibility for establishing and maintaining internal controls for financial reporting. Accordingly, we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the statutory auditors and the Audit Committee, wherever applicable:

- a. deficiencies in the design or operation of internal controls, if any, which came to our notice and steps taken / proposed to be taken to rectify these deficiencies;
- b. significant changes, if any, in the internal controls over financial reporting during the year;
- c. significant changes, if any, in accounting policies during the year; and
- d. instances of significant fraud of which we became aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on Behalf of the Board of
RAMA PAPER MILLS LTD.**

**Date: - 14th August, 2013
Place: - Kiratpur**

**Sd/-
PRAMOD AGARWAL
CHAIRMAN & MANAGING DIRECTOR**



Shareholders Information

The Annual General Meeting Date & Time : Monday, the 30th September 2013 at 10:00 A.M.
Venue : Rama Paper Mills Ltd.
: 4th Km. Stone, Najibabad Road;
: Kiratpur - 246 731 Distt. Bijnor (U.P)

Financial Calendar : 1st April 2012 to 31st March 2013

Adoption of Quarterly Results for the Quarter ending

1st Quarter ended 30th June, 2012 : 14th August 2012 (6th Week)
2nd Quarter ended 30th September, 2012 : 14th November 2012 (6th Week)
3rd Quarter ended 31st December, 2012 : 14th February, 2013 (6th Week)
Year ended 31st March, 2013 : 30th May 2013 (8th Week)

Book Closure Date

: Friday the 27th September, 2013 to Monday the
30th September, 2013 both the days inclusive

Stock Exchange where Company shares are listed.

: Mumbai Stock Exchange In Demat Mode

ISIN No.
Scrip Code

: INE 425E01013
: 500357 (BSE)

Registrar and Transfer Agents.

M/s Indus Portfolio Pvt. Ltd. continue to be the Registrar and Transfer Agents for processing transfer, sub-division, consolidation, splitting of shares and for rendering depository services such as dematerialization and rematerialization of the Company's shares.

As the Company's shares are compulsorily to be traded in dematerialized form, members holding shares in physical form are requested to send the share certificate directly to the Registrar and Transfer Agents of the Company for dematerialization. Members have the option to open their accounts in Central Depository Services (India) Limited (CDSL) or National Services Depository Limited (NSDL) as the company has entered into agreements with both the depositories.

The Address of the Registrar and Transfer Agents is as under.

M/s Indus Portfolio (P) Limited
G-65, Bali Nagar
New Delhi-110 015.
Tel No. 011-47671200 DP ID 12026000
Person to contact: Mr. Bharat Bhushan

Connectivity in National Services Depository Limited (NSDL)

The company has got connectivity from NSDL for activation of ISIN under the ISIN No. INE425E01013, which company already possess, dated 12th May, 2005.

Share Transfer System

All Physical share transfers are effected within 15 days of lodgment, subject to the documents being in order. The Investor Grievance Committee meets as and when required.



RAMA PAPER MILLS LIMITED

Distribution of Shareholding as on 30th June, 2013

SI.No.	CATEGORY	No. of Shareholders	No. of Shares	% of Total
1.	Promoters, Relatives & their Associates	11	1466751	19.347
2.	Corporate Bodies	120	968360	12.773
3.	Mutual Fund	1	3600	0.047
4.	NRI	17	39904	0.526
5.	Other Public	9799	5102785	67.307
	Total	9948	7581400	100.00

NOTE: Company's Equity Shares of Rs. 758.14 Lacs are listed with BSE, However the Company has applied for further listing of its Shares of Rs. 208.33 Lacs.

Communication

Communication regarding share transfer, change of address, dividend, etc. can be addressed to the RTA at the address given above. Shareholders' correspondence / communication is acknowledged and attended to within the stipulated time, as applicable.

Dematerialization of Shares & liquidity

83.82% of the shares of the company have been dematerialized as on 30.06.2013.

Market Price Data:

Monthly highest and lowest share price during the financial year 2012-13 at Mumbai Stock Exchange.

Month	High Price	Low Price
Apr 12	16.87	12.05
May 12	13.90	10.46
Jun 12	10.95	8.90
Jul 12	13.25	9.32
Aug 12	11.50	9.01
Sep 12	10.36	8.71
Oct 12	10.60	8.86
Nov 12	9.78	7.84
Dec 12	9.20	7.68
Jan 13	9.66	7.45
Feb 13	8.10	6.15
Mar 13	7.00	4.78

*Source : Mumbai Stock Exchange

For and on Behalf of the Board of Directors
RAMA PAPER MILLS LTD.

Sd/-
PRAMOD AGARWAL
CHAIRMAN & MANAGING DIRECTOR

Date: - 14th August, 2013
Place: - Kiratpur



RAMA PAPER MILLS LIMITED

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Rama Paper Mills Limited,

We have examined the compliance of conditions of Corporate Governance by RAMA PAPER MILLS LIMITED for the year ended on March 31, 2013 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of Conditions of Corporate Governance is the responsibility of the management. Our examination is limited to procedures and implementation thereof, adopted by the Company of ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors grievance Committee.

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

**For SHIAM & CO.
Chartered Accountants,
Registration No.000030C**

**Sd/-
Rajesh Kumar Jain
PARTNER
Membership No. 073352**

**Place: Muzaffarnagar
Date: 30.05.2013**



AUDITORS' REPORT

The Members of
RAMA PAPER MILLS LIMITED,
KIRATPUR, DISTT.BIJNOR

Gentlemen,

We have audited the accompanying financial statements of **RAMA PAPER MILLS LIMITED, KIRATPUR, DISTT. BIJNOR** ("Company") which comprise the Balance sheet as at **31 March 2013**, the Statement of Profit and Loss and the 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

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at **31 March 2013**;
- (ii) in the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.



RAMA PAPER MILLS LIMITED

2. As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
- e. on the basis of written representations received from the directors as on **31 March 2013**, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For SHIAM & CO.
Chartered Accountants,
Registration No.000030C**

**Sd/-
Rajesh Kumar Jain
PARTNER
Membership No. 073352**

**Place: Muzaffarnagar
Date: 30.05.2013**



ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date)

- (i) **In respect of fixed assets:**
- (a) The Company has maintained records showing full particulars including quantitative details and situation of fixed assets however the fixed assets register is not upto date.
 - (b) As explained to us, the fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its business. No Material discrepancies were noticed on such verification.
 - (c) During the year, the Company has not made any substantial disposals of fixed assets.
- (ii) **In respect of inventories:**
- (a) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of inventories. The discrepancies noticed on verification between the physical stock and the book records were not material.
- (iii) In respect of loans, secured or unsecured, granted/taken by the company to or from companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956:
- (a) The Company has not granted any loan secured and unsecured to any company, firm, or other parties covered under register maintained u/s 301 of Companies Act 1956. In view of clause (iii) (a) above, the clause (iii) (b),(iii) (c) and (iii) (d) are not applicable.
 - (b) The Company had taken loan from one parties. The maximum amount involved during the year was Rs 433.00 Lacs and the year-end balance of loans taken from such parties was Rs.433.00 Lacs.
 - (c) In our opinion and according to the information and explanations given to us, the rate of interest wherever applicable and other terms and conditions of loans taken by the company are not, prima facie, prejudicial to the interest of the Company.
 - (d) The Company is regular in repaying the principal amounts and interest as stipulated.
 - (e) There is no overdue amount in respect of loans taken by the company.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal controls.
- (v) In respect of transactions covered u/s 301 of the Companies Act, 1956: -
- (a) According to the information and explanations give to us, we are of the opinion that the particulars of contracts or arrangements have been entered in the register maintained under that section.
 - (b) In view and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act,



RAMA PAPER MILLS LIMITED

1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.

- (vi) According to the information and explanations given to us, the company has complied with the provisions of Section 58 A and 58 AA of the Companies Act, 1956 and the rules framed there under with regard to the deposits accepted from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) As informed by the management, cost records for the year are under preparation.
- (ix) In respect of statutory dues: -
- (a) According to the records of company and information and explanation to us, the company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee State Insurance, Income-tax, Trade-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and any other statutory dues with appropriate authorities during the year. Except Water Cess Rs. 1.59 lacs there is no undisputed amounts payable, as at 31.03.2013 for a period of more than six months from the date they became payable.
- (b) According to information and explanations given to us, there is no undisputed amount payable in respect of dues of income tax wealth tax, Trade Tax , Customs duty, Service Tax, Custom Duty, Excise Duty, cess which have not been deposited on account of any dispute.
- (c) According to information and explanations given to us, the disputed dues in respect of Trade Commercial is as under :-

NAME	AMOUNT	FORUM WHERE IS DISPUTE IS PENDING STATUTE
Trade Tax	3061083.00	Appellate Tribunal, Moradabad.
Service Tax	1683603.00	Customs, Excise & Service Tax Appellate Tribunal

- (x) The company has accumulated losses as at 31.03.2013 and has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, there is no default in repayment of dues to bank as the bank has restructured the term loan as well as working capital loan.
- (xii) In our opinion, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore the provision of clause 4(xii) of the Companies (Auditors' Report) Order, 2003, as amended by Companies (Auditors Report) (Amendment) Order, 2004 are not applicable to the company.
- (xiii) In our opinion, the company is not a chit fund or nidhi mutual benefit fund/ society. Therefore the provision of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003, as amended by Companies (Auditors Report) (Amendment) Order, 2004 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments. Therefore the provision of clause 4(xiv) of the Companies (Auditors' Report) Order, 2003, as amended by Companies (Auditors Report) (Amendment) Order, 2004 are not applicable to the company.
- (xv) In our opinion, the Company has not given any guarantee for loans taken by others from bank.
- (xvi) In our opinion, no term loan have been raised during the year



RAMA PAPER MILLS LIMITED

- (xvii) According to the Cash Flow Statement and records examined by us and according to information and explanations given to us, on an overall basis, funds raised on short-term basis have, prima facie, not been used during the year for long-term investments.
- (xviii) According to information and explanation given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to information and explanation given to us, the company has not issued any debentures during the year.
- (xx) According to information and explanation given to us, the company has not raised any money from public issue during the year.
- (xxi) According to information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

Place: Muzaffarnagar
Date: 30.05.2013

For SHIAM & CO.
Chartered Accountants,
Registration No.000030C

Sd/-
Rajesh Kumar Jain
PARTNER
Membership No. 073352



RAMA PAPER MILLS LIMITED

**RAMA PAPER MILLS LIMITED, KIRATPUR (BIJNOR)
BALANCE SHEET AS AT 31st MARCH 2013**

(Amount in Rs.)

Particulars	Note No.	FOR THE YEAR ENDED 31.03.2013	FOR THE YEAR ENDED 31.03.2012
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share capital	2	146647330	146647330
Reserve and surplus	3	95306317	135996345
		241953647	282643675
<u>Non-current liabilities</u>			
Long-term borrowings	4	559343986	635837946
Long term liabilities	5	102024000	22024000
Deferred tax liabilities (Net)		56098000	74590000
		717465986	732451946
<u>Current liabilities</u>			
Short-term borrowings	6	180080625	179909931
Trade payable	7	270592650	265668628
Other current liabilities	8	107153937	26938712
Short-term provisions	9	492999	526720
		558320211	473043991
TOTAL		1517739844	1488139612
<u>ASSETS</u>			
<u>Non-current assets</u>			
Fixed assets			
(i) Tangible assets	10	764256131	827784975
(ii) Capital work-in-progress		10570317	9891483
Long-term loans and advances	11	9974046	7022141
Other non-current assets	12	6919744	6726060
		791720238	851424659
<u>Current assets</u>			
Inventories	13	189447500	227644793
Trade receivable	14	489446092	373627590
Cash and cash equivalents	15	15211543	6763031
Short-term loans and advances	16	31914471	28679539
		726019606	636714953
TOTAL		1517739844	1488139612

The accompanying notes form an integral part of the Financial Statements.

CHAIRMAN CUM MANAGING DIRECTOR

EXECUTIVE DIRECTOR

COMPANY SECRETARY

In terms of our separate
report of even date
For SHIAM & CO.
Chartered Accountants,
Registration No.000030C

Sd/-

Rajesh Kumar Jain

PARTNER

Membership No. 073352

Place: Muzaffarnagar

Date: 30.05.2013



RAMA PAPER MILLS LIMITED

**RAMA PAPER MILLS LIMITED, KIRATPUR (BIJNOR)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2013**

(Amount in Rs.)

Particulars	Note No.	FOR THE YEAR ENDED 31.03.2013	FOR THE YEAR ENDED 31.03.2012
REVENUE			
Revenue from Operations			
Sales (Gross)	17	1549263598	1381571602
Less : Excise Duty		16390589.38	12339033
Sales (Net)		1532873009	1369232569
Other Income	18	640052	36668100
Total Revenue		1533513061	1405900669
EXPENSES			
Cost of material consumed	19	936985927	842681362
Changes in inventories of finished goods and stock-in-progress	20	15005708	(18443293)
Excise duty related to the difference between closing stock and opening stock		(33721)	103783
Employee benefits expense	21	46419061	43791845
Finance Costs	22	90476300	82966834
Depreciation	10	66431436	66243438
Other expenses	23	437410378	440087961
Total Expenses		1592695089	1457431930
Profit/(Loss) before tax		(59182028)	(51531261)
Tax Expense			
Deferred tax assets		18492000	5248000
Profit/(Loss) after tax		(40690028)	(46283261)
Earnings per equity share (Basic)		(4.21)	(4.79)

The accompanying notes form an integral part of the Financial Statements.

CHAIRMAN CUM MANAGING DIRECTOR

EXECUTIVE DIRECTOR

COMPANY SECRETARY

In terms of our separate
report of even date
For SHIAM & CO.
Chartered Accountants,
Registration No.000030C

Sd/-
Rajesh Kumar Jain
PARTNER
Membership No. 073352

Place: Muzaffarnagar
Date: 30.05.2013



1. SIGNIFICANT ACCOUNTING POLICIES

(1) BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

- i) The financial statements have been prepared under the historical cost conventional method in accordance with the generally accepted accounting principles and provisions of the Companies Act, 1956 as adopted consistently by the company.
- ii) The Company generally follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

(2) USE OF ESTIMATES

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amount reported in the financial statement and notes thereto. Differences between actual and estimates are recognized in the period in which the results are known/ materialized.

(3) FIXED ASSETS

Fixed Assets are stated at cost. Cost includes installation Charges and allocated expenditure (including Finance Charges) during construction/installation period wherever applicable.

(4) DEPRECIATION

Depreciation on fixed assets is provided on straight-line method at the rates and in the manner prescribed in schedule XIV of the Companies Act 1956.

(5) IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(6) VALUATION OF INVENTORIES

Inventories are valued at the lower of the cost and estimated net realisable value. Cost of inventories is computed on a weighted average/FIFO basis. Finished Goods and Work in process includes Raw Material Cost, Cost of conversion and other costs in bringing the inventories to their present location and conditions.

(7) FOREIGN CURRENCY TRANSACTIONS

Foreign Currency transactions are accounted at the exchange rates prevailing on the date of transactions. Foreign Currency assets and current liabilities outstanding at the Balance Sheet date are translated at the exchange rate prevailing on that the date and the resultant gain or loss is recognized in the Statement of Profit & Loss. In cases where they relate to the acquisition / construction of fixed assets, they are adjusted to the carrying cost of fixed assets.

(8) SALES & EXCISE

- (a) Sales are inclusive of excise duty.
- (b) Income from carbon credit is recognised on the delivery of the carbon credits to the customers' account as evidenced by the receipt of confirmation of execution of delivery instructions.
- (c) Excise Duty has been accounted for on the basis of both payments made in respect goods cleared as also provision made for the goods lying in the bonded warehouses. Amount of Excise Duty deducted from sale is relatable to the sale made during the year and the amount recognized separately in the Statement of Profit & Loss is relatable to difference between closing stock and opening stock. Amount of Cenvat credits in respect of material consumed is deducted from cost of material.

(9) RETIREMENT BENEFIT

- (i) Contribution to Provident Fund is accounted for on accrual basis.
- (ii) Gratuity under the Payment of Gratuity Act is provided for on actuarial basis.

(10) BORROWING COST

Borrowing costs directly attributable to the acquisition or construction of fixed assets are capitalised as part of the cost of assets and upto the date, the asset is put to use. Other borrowing costs are charged to the Statement of Profit and Loss under the head, they are incurred.

(11) TAX ON INCOME

- (a) Current Tax
Provision for Income Tax is determined in, accordance with the provisions of Income Tax Act, 1961
- (b) Deferred Tax
Deferred Tax is recognised on timing differences being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s).

(12) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized not disclosed in the financial statement.

**2. Share Capital**

Authorised, Issued, Subscribed and paid-up share capital and par value per share

Particulars	(Amount in Rs.)	
	As at 31.03.2013	As at 31.03.2012
Authorised Share Capital		
2,20,00,000 Equity Shares of Rs.10/- each	2200,00,000	2200,00,000
5,00,000 Preference Shares of Rs.100/- each	500,00,000	500,00,000
Issued, Subscribed and Paid-up Share Capital		
96,64,733 Equity Shares of Rs.10/- each fully paid-up	966,47,330	966,47,330
5,00,000 Cumulative Redeemable Preference Shares of Rs.100/- each fully paid-up	500,00,000	500,00,000
Total	1466,47,330	1466,47,330

(i) The Equity Shareholders have:

The right to receive dividend out of balance of net profits remaining after payment of dividend to the preference shareholders. The dividend proposed by Board of Directors is subject to approval of shareholders in the ensuing general meeting.

The Company has only one class of Equity Shares having face value of Rs. 10/- each and each shareholder is entitled to one vote per share.

In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets if any, after preferential payments and to have a share in surplus assets of the Company, proportionate to their individual shareholding in the paid up equity capital of the Company.

(ii) Preference Shares:-

The cumulative redeemable preference shareholders have:-

-The right to receive a fixed cumulative preferential dividend at specified rate on the paid up capital.

-The right to receive arrears of cumulative dividend, if any, whether earned or declared, at the time of redemption of the said shares, and,

-The right in a winding up to have the capital paid up on such shares and the arrears, if any, of the said preferential dividend, whether earned or declared, be paid off in priority to any payment of capital on equity shares. However, it shall not confer the right to any further participation in the profits or assets of the Company.

Terms of Redemption:- The company has preference shares having a par value of Rs. 100 per share. Resolution passed by the shareholders of the company at their annual general meeting held on 08.09.2009 to convert the Preference Shares into Equity Shares could not be given effect in absence of in-principle approval from Bombay Stock Exchange, which has been kept in abeyance due to earlier listing issues yet to resolved in SEBI for conversion of equity share application money into equity share capital.

Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Number of shares outstanding as at the beginning and end of the year	96,64,733	96,64,733
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Reconciliation of number of preference shares outstanding at the beginning and at the end of the year

Number of shares outstanding as at the beginning and end of the year	5,00,000	5,00,000
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Shares in the company held by each equity shareholder holding more than 5% shares

SL. No.	Name of the shareholder	Number of shares as on 31.03.2013	% of Holding	Number of shares as on 31.03.2012	% of Holding
1	Shri Arun Goel	5,01,292	5.19%	5,01,292	5.19%
2	Ram Fin Fortunes (P) Limited	9,33,517	9.66%	9,33,517	9.66%
3	AAA Paper Marketing Limited	6,94,444	7.19%	6,94,444	7.19%

**RAMA PAPER MILLS LIMITED**

Shares in the company held by each preference shareholder holding more than 5% shares

SL. No.	Name of the shareholder	No. of shares as on 31.03.2013	% of Holding	No. of shares as on 31.03.2012	% of Holding
1	P.K.A Projects (P) Limited	2,50,000	50%	2,50,000	50%
2	Ram Singh Steels (P) Limited	2,50,000	50%	2,50,000	50%

3 Reserve and Surplus

(a) Capital Reserve

As per last Balance Sheet		64,000	64,000
Total (a)		64,000	64,000

(b) Securities Premium Reserve

As per last Balance Sheet		1166,66,670	1166,66,670
Total (b)		1166,66,670	1166,66,670

(c) Surplus (Statement of Profit and Loss)

Opening Balance		192,65,675	655,48,936
Add : Addition during the year		(406,90,028)	(462,83,261)
Total (c)		(214,24,353)	192,65,675
Total (a+b+c)		953,06,317	1359,96,345

4 Long term borrowings**Secured borrowings**

Term loans from banks		3116,45,484	3574,76,638
Funded Interest Term Loans		727,72,756	850,44,756
Working Capital Term Loan		1101,75,746	1285,66,552

Unsecured borrowings

Loans and advances from related parties		433,00,000	433,00,000
Intercorporate deposits		214,50,000	214,50,000
Total		5593,43,986	6358,37,946

- (1) Term loan from Bank of Baroda is secured against hypothecation of Plant & Machinery, Land & Building (both present & future) of the Company and extension of hypothecation over stock & book debts of the company and also personal guarantee of Directors/Promoters of the Company.
From Bank of Baroda (for term loan of Rs. 3236 Lacs)
At the rate of 11.00% (Previous year 11.50% p.a.). Repayable in 27 quarterly installments of Rs. 115.57 lacs each and last installments of Rs. 115.61 lacs starting from 01.04.2013.
From Bank of Baroda (for FITL of Rs. 471 Lacs)
At the rate of 11.00%.(Previous year 11.50% p.a.). Repayable in 27 quarterly installments of Rs. 16.82 lacs each and last installments of Rs. 16.86 lacs starting from 01.04.2013.
From Bank of Baroda (for FITL of Rs. 388 Lacs)
At the rate of 11.00%.(Previous year 11.50% p.a.). Repayable in 27 quarterly installments of Rs. 13.86 lacs each and last installments of Rs. 13.78 lacs starting from 01.04.2013.
From Bank of Baroda (for WCTL of Rs. 1286 Lacs)
At the rate of 11.50%(Previous year 12.00% p.a.). Repayable in 27 quarterly installments of Rs. 45.93 lacs each and last installments of Rs. 45.89 lacs starting from 01.04.2013.
- (2) Vehicles liabilities are secured by hypothecation of respective Vehicles and guaranteed by Directors of the Company.
From ICICI Bank Ltd. (for term loan of Rs 18 Lacs)
At the rate of 12% . Repayable in 36 monthly installments (with interest) of Rs. 59778/- each, starting from 15.06.2011.
From Bank of Baroda. (for term loan of Rs 6.40 Lacs)
At the rate of 12.25% . Repayable in 60 monthly installments (with interest) of Rs. 10666.67/- each, starting from 01.07.2012.
- (3) Term loan from IDBI Bank is secured against:-
(i) First charge on the Carbon Credits receivables of the sale of Carbon Credits in a manner satisfactory to IDBI Bank. The company to obtain NOC from Bank of Baroda (BoB) and other charge holders, if any, to perfect the security.
(ii) Unconditional and irrevocable personal guarantees of Shri Pramod Agarwal ,Managing Director and Shri Arun Goel, Executive Director of the company.
(iii) Exclusive first charge on the Escrow account to be opened with IDBI Bank for receipt of sale proceeds of Carbon Credits.

5 Long term liabilities

Security deposits		1020,24,000	220,24,000
Total		1020,24,000	220,24,000



6 Short-term borrowings

Secured borrowings

Working Capital Loans	1800,80,625	1799,09,931
Total	1800,80,625	1799,09,931

Working Capital facilities from Bank of Baroda are secured by

- (i) Equitable Mortgage of land bearing khasra no. 174, 43, 44/1, 43, 33, 29, 42/2 situated at Village Nagla Islam, Pargana Kiratpur, Tehsil Nazibabad, Distt. Bijnore.
(ii) Hypothecation of Plant & Machinery, stocks and Book Debts of the Company all situated at Kiratpur Distt. Bijnore.

7. Trade payable

Trade payable	2705,92,650	2656,68,628
Total	2705,92,650	2656,68,628

8 Other current liabilities

Current maturities of long term debt	776,60,525	13,71,564
Interest accrued and due on borrowings	22,68,574	-
Cheques Payables	58,90,642	85,66,002
Other payables	213,34,196	170,01,146
Total	1071,53,937	269,38,712

9. Short term provision

Excise duty	4,92,999	5,26,720
Total	4,92,999	5,26,720

Note No. : 10

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	AS ON 31.03.2012	ADDI- TIONS	AS ON 31.03.2013	AS ON 31.03.2012	FOR THE YEAR	AS ON 31.03.2013	AS ON 31.03.2013	AS ON 31.03.2012
Land	134,35,022	-	134,35,022	-	134,35,022	-	134,35,022	134,35,022
Factory Building	1180,00,686	-	1180,00,686	359,10,520	39,41,223	398,51,743	781,48,943	820,90,166
Building (Staff Colony)	84,99,405	-	84,99,405	21,62,538	1,38,540	23,01,078	61,98,327	63,36,867
Plant & Machinery	9067,85,084	19,26,616	9087,11,700	3734,08,664	478,03,539	4212,12,203	4874,99,497	5333,76,420
Vehicles	67,98,454	7,68,203	75,66,657	19,68,497	6,98,238	26,66,735	48,99,922	48,29,957
Furniture & Office Equipments	113,92,840	78,500	114,71,340	92,54,799	4,65,323	97,20,122	17,51,218	21,38,041
Turbine & Boiler	2512,61,125	-	2512,61,125	658,21,679	132,66,587	790,88,266	1721,72,859	1854,39,446
Computers	21,26,170	1,29,273	22,55,443	19,87,114	1,17,986	21,05,100	1,50,343	1,39,056
Total Rs.	13182,98,786	29,02,592	13212,01,378	4905,13,811	664,31,436	5569,45,247	7642,56,131	8277,84,975
Previous year	13145,26,374	37,72,412	13182,98,786	4242,70,373	662,43,438	4905,13,811	8277,84,975	8902,56,001

11. Long-term loans and advances

Unsecured, considered good		
Advance Income taxes	3,27,313	2,69,611
Security Deposits	70,87,257	42,03,810
Others	25,59,476	25,48,720
Total	99,74,046	70,22,141

12. Other non-current assets

Unsecured, considered good		
Mat credit entitlement	47,26,060	47,26,060
Bank deposits	21,93,684	20,00,000
Total	69,19,744	67,26,060

**RAMA PAPER MILLS LIMITED****13 Inventories**

Raw Materials	1168,90,591	1426,70,807
Raw Materials in transit	5,35,365	-
Work-in-Progress	47,94,336	35,99,990
Finished Goods	170,50,430	320,85,958
Semi-Finished Goods	37,85,965	49,50,492
Stores and spares	176,31,311	156,67,837
Packing Material	34,47,250	33,86,019
Chemicals	58,70,042	58,81,495
Fuel	194,42,210	194,02,195
Total	1894,47,500	2276,44,793

14 Trade Receivables

Unsecured, considered good		
Trade receivables outstanding for more than six months from the date they became due for payment:	1221,10,118	200,45,555
Others	3673,35,974	3535,82,035
Total	4894,46,092	3736,27,590

15 Cash and Cash Equivalents**Balance with Banks**

Bank deposits	22,09,395	21,00,000
Others	6,05,722	23,58,879
Cheques, in hand	86,13,827	4,46,752
Cash on hand	37,82,599	18,57,400
Total	152,11,543	67,63,031

16 Short-term loans and advancesUnsecured, considered good

Balance with Central Excise Authorities	73,38,035	146,14,610
Advance to Suppliers	217,92,778	101,75,145
Others	27,83,658	38,89,784
Total	319,14,471	286,79,539

17 Revenue From operations

Sale of Products	15492,63,598	13815,71,602
Total	15492,63,598	13815,71,602

Details of Sale products

Particulars		
Papers	15492,63,598	13815,71,602
Total	15492,63,598	13815,71,602

18 Other Income

Interest received	4,42,224	4,04,663
Income from Carbon Credit	-	359,90,348
Miscellaneous Income	1,97,828	2,73,089
Total	6,40,052	366,68,100

19 Cost of Material Consumed

Waste Paper	9369,85,927	8426,81,362
Total	9369,85,927	8426,81,362

**RAMA PAPER MILLS LIMITED****20 Changes in inventories of finished goods and stock-in-progress****Opening Stock:**

Finished Goods	320,85,958	149,97,091
Semi Finished Goods	49,50,492	42,24,555
Stock in Process	35,99,990	29,71,500
	<u>406,36,439</u>	<u>221,93,146</u>

Closing Stock:

Finished Goods	170,50,430	320,85,958
Semi Finished Goods	37,85,965	49,50,492
Stock in Process	47,94,336	35,99,990
	<u>256,30,731</u>	<u>406,36,439</u>

Total**150,05,708 (184,43,293)****21 Employee benefit expense**

Salaries, Wages & Allowances	381,58,006	369,51,943
Provident Fund	12,04,804	10,23,546
Bonus	21,58,813	22,40,162
Watch & Ward	23,93,200	23,29,569
Gratuity	16,85,643	-
Staff Welfare	8,18,595	12,46,625

Total**464,19,061 437,91,845****22 Finance Costs****Interest on :**

Term Loans	671,65,672	636,65,067
Bank Borrowings & Others	227,00,054	181,07,322
Bank Charges & Others	6,10,574	11,94,445

Total**904,76,300 829,66,834****23 Other expenses****Manufacturing**

Chemicals	673,40,000	715,79,303
Packing Material	143,35,756	135,93,786
Power & Fuel	2699,51,766	2785,54,036
Stores & Spares	290,85,812	228,25,521
Repairs - Plant & Machinery	70,78,610	50,01,615
	<u>3877,91,944</u>	<u>3915,54,261</u>

Administrative & Overhead

Printing & Stationary	2,37,763	3,57,357
Postage & Telephone Expenses	7,37,634	8,39,857
Insurance	11,54,294	11,40,307
Rent, Rates & Taxes	24,32,941	17,98,442
Repairs - Factory Building	7,71,296	18,41,765
Repair & Maintenance	12,26,204	12,88,663
Director Remuneration	33,00,000	33,00,000
Auditors Remuneration	1,12,360	1,12,360
Legal & Professional Charges	11,58,870	26,08,191
Travelling Expenses	47,93,547	57,48,932
Vehicle Running & Maintenance	5,03,807	5,11,477
Miscellaneous Expenses	20,93,748	6,91,385
	<u>185,22,464</u>	<u>202,38,736</u>

Selling & Forwarding :

Rebate & Discount	30,63,739	22,81,911
Commission on Sale	95,77,295	61,59,666
Freight & Forwarding	184,54,936	198,53,387
	<u>310,95,970</u>	<u>282,94,964</u>

Total**4374,10,378 4400,87,961**

**RAMA PAPER MILLS LIMITED****24 Value of Sales, Opening Stock and Closing Stock.**

Particulars	As at 31.03.2013	As at 31.03.2012
Opening Stock	32,085,958	14,997,091
Closing Stock	17,050,430	32,085,958
Sales	1,549,263,598	1,381,571,602

25 Value of Imports (C.I.F). Value in respect of

	As at 31.03.2013	As at 31.03.2012
(a) Raw Materials	183,978,363	274,676,677
(b) Consumable Store	455,049	568,526

26 Expenditure in Foreign Currency

NIL NIL

27 Remittance in Foreign Currency

NIL NIL

28 Earning in Foreign Currency

NIL NIL

29 Consumption of Imported and Indigenous Raw Materials, Spare Parts:

	As at 31.03.2013		As at 31.03.2012	
1. Raw Material				
Indigenous	690,005,601	74%	582,029,920	69%
Imported	246,980,326	26%	260,651,442	31%
Total	936,985,927		842,681,362	
2. Stores & Spares				
Indigenous	28,510,345	98%	21,951,754	96%
Imported	575,467	2%	873,767	4%
Total	29,085,812		22,825,521	
3. Chemicals	67,340,000	100%	71,579,303	100%
4. Packing Material	14,335,756	100%	13,593,786	100%

30 Earning Per Share (EPS):-

Particulars	As at 31.03.2013	As at 31.03.2012
Profit attributable to the Shareholders	(40,690,028)	(46,283,261)
Basic/Weighted average number of Equity Shares outstanding during the Year	9,664,733	9,664,733
Nominal Value of Equity Share (Rs.)	10	10
Basic/Diluted Earning per Share (Rs.)	(4.21)	(4.79)

31 Deferred Tax Liability (Net)

	As at 31.03.2013	As at 31.03.2012
(a) Deferred Tax Liability related to Fixed Asset	135,280,000	138,872,000
Total (a)	135,280,000	138,872,000

(b) Deferred Tax Assets

Disallowances under the Income Tax Act, 1961	31,074,000	30,748,000
Unabsorbed Losses	48,108,000	33,534,000

Total(b) 79,182,000 64,282,000**Total (a-b)** 56,098,000 74,590,000**32 Payment to Auditors**

	As at 31.03.2013	As at 31.03.2012
Audit Fee	80,000	80,000
Tax Audit Fee	20,000	20,000
Service Tax	12,360	12,360
Total	1,12,360	1,12,360

**RAMA PAPER MILLS LIMITED****33 Contingent Liabilities and Commitments (to the extent not provided for)**

Contingent Liabilities	As at 31.03.2013	As at 31.03.2012
Guarantees	8,200,000	8,000,000
Sales Tax	3,411,083	1,363,924
Customs, Excise and Service Tax	1,683,603	1,683,603

34 Related Party Disclosures:-

- a) Key Management Personnel
1. Shri Pramod Agarwal
2. Shri Arun Goel

Companies Controlled by Directors/Relatives

Ram Fin Fortunes Private Limited

b) Related Party Transactions

S. No.	Name of the Related Parties and Relationship	Key Management Personnel		Companies Controlled by Directors	
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2013	As at 31.03.2012
1.	Remuneration	3,300,000	3,300,000	-	-
2.	Unsecured Loans repayment	-	3,200,000	-	1,600,000
3.	Unsecured Loans taken	-	-	-	43,300,000
4.	Salary	600,000	-	-	-
5.	Advance Given (Received)	-	-	-	(3,700,000)
6.	Outstanding Balance as on 31.03.2013	-	-	-	-
7.	Rent Paid	-	-	120,000	110,000
8.	Purchase	-	-	5,131,830	39,669,250
9.	Outstanding Payable as on 31.03.2013	-	-	43,300,000	43,300,000

35 Since the Company operates in a single segment i.e. "Paper & Paper Board" Accounting Standard (AS)- 17 – "Segment Reporting" issued by the Institute of Chartered Accountants of India is not applicable.

36 Balance of Sundry Debtors, Creditors and advances as at 31.03.2012 are subject to confirmation.

37 In the opinion of the Board of Directors, Current Assets, Loans and Advances have valued on realisation in the ordinary course of business at least equal to the amount at which they have been stated in the Balance Sheet as at 31.03.2013.

38 The bifurcation of the total outstanding dues of small scale industrial undertaking and other than small scale Industrial undertakings as well as the named Small Scale Industrial, Undertaking to whom the Company Owes a sum of exceeding Rs. 100,000.00 and which is outstanding for more than 30 days are not in the balance sheet as suppliers have not indicated their status on their documents/ papers, whether they Small Scale Undertakings or not. Hence it is not possible for the Company to disclose the said information in respect of trade creditors.

39 Sundry Debtors has been shown after deducting the amount of advance from customers.

40 The 'Fixed assets register' is under preparation, Hence the Book records and physical verification of Fixed Assets could not be reconciled. Steps are being taken to complete it at the earliest.

41 Previous year figures have been re arranged, regrouped, wherever necessary.

The accompanying notes form an integral part of the Financial Statements.

CHAIRMAN CUM MANAGING DIRECTOR

EXECUTIVE DIRECTOR

COMPANY SECRETARY

In terms of our separate report of even date For SHIAM & CO., Chartered Accountants, Firm Regn. No. 000030C
Sd/-
Rajesh Kumar Jain
Partner
Membership No. 073352

Dated : 30.05.2013

Place : Muzaffarnagar



**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET
FOR THE YEAR ENDED 31ST MARCH 2013**

(Amount in Rs.)

A. CASH FLOW FROM OPERATIONAL ACTIVITIES:	2012-2013		2011-2012	
Net Profit/(Loss) before tax and extraordinary items				
Adjustments for:		(591,82,028)		(515,31,261)
Depreciation	664,31,436		662,43,438	
Finance Charges	904,76,300	1569,07,736	829,66,834	1492,10,272
Operating Profit before working capital changes		977,25,708		976,79,011
Adjustments for:				
Trade and other receivables	(1190,53,434)		(399,53,224)	
Inventories	381,97,293		(812,38,406)	
Trade Payables	852,76,220	44,20,079	(557,96,951)	(1769,88,581)
Cash generated from operations		1021,45,787		(793,09,570)
Finance Charges		(904,76,300)		(829,66,834)
Net Cash from operating activities		116,69,487		(1622,76,404)
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Movement in Loans and Advances	(31,45,589)		(26,29,872)	
Purchase of Fixed Assets (including Capital work in progress)	(35,81,426)	(67,27,015)	(136,63,895)	(162,93,767)
Net Cash used in Investing activities		49,42,472		(1785,70,171)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Receipt/Repayment of borrowings	35,06,040	35,06,040	1759,82,741	1759,82,741
		84,48,512		(25,87,430)
Cash and Cash equivalents as at 31.3.2012	67,63,031		93,50,461	
Cash and Cash equivalents as at 31.3.2013	152,11,543	84,48,512	67,63,031	(25,87,430)
		84,48,512		(25,87,430)

CHAIRMAN CUM MANAGING DIRECTOR

EXECUTIVE DIRECTOR

COMPANY SECRETARY

As per our report of even date.
For SHIAM & CO.,
Chartered Accountants,
Firm Regn. No. 000030C

Sd/-
Rajesh Kumar Jain
Partner
Membership No. 073352

Dated : 30.05.2013
Place : Muzaffarnagar

PROXY FORM
RAMA PAPER MILLS LIMITED
REGISTERED OFFICE: NAJIBABAD ROAD, KIRATPUR, DISTT. BIJNOR (U.P)

Member L.F No./Client ID :

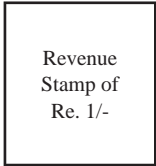
No. of Shares :

I/Weof.....
.....in the district of

being a member/members of RAMA PAPER MILLS LIMITED, hereby appoint.....
.....of.....

in the district ofor failing him/her.....
.....of.....
.....in the district of

as my/our proxy to vote for me/us on my/our behalf at the 28th Annual General Meeting of the Company to be held on Monday, the 30th day of September, 2013 at 10:00 A.M and at any adjournment thereof.



Signed thisday of2013.

ATTENDANCE SLIP
RAMA PAPER MILLS LIMITED
REGISTERED OFFICE: NAJIBABAD ROAD, KIRATPUR, DISTT. BIJNOR (U.P)

Member's Folio No.

Client ID No.

DP ID No.

Name of the Member

Name of the Proxy holder

No. of Shares held

I hereby record my presence at the 28th Annual General Meeting of the Company held on Monday, the 30th day of September, 2013 at 10:00 A.M at Registered Office of the Company situated at Najibabad Raod, Kiratpur, Distt. Bijnor (U.P)

.....
Signature of Member/Proxy

Notes:

1. Members/Proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.
2. Members are requested to bring their copy of Annual report.

BOOK POST



If Undelivered please return to :

RAMA PAPER MILLS LIMITED

Regd Office & Works

4th K.M Stone, Najiababd Road,

KIRATPUR- 246 731, Distt. Bijnor (U.P)

Ph. 01341 – 240300, 240301,

Fax. – 03141-240302