



2012-13

RUCHIRA PAPERS LIMITED

**33rd
ANNUAL REPORT**

Registered Office & Works:
Tirlokpur Road,
Kala-Amb, Distt : Sirmaur,
Himachal Pradesh-173030

BOARD OF DIRECTORS
Chairman cum Whole Time Director

Jatinder Singh

Co-Chairman cum Whole Time Director

Subhash Chander Garg

Managing Director

Umesh Chander Garg

Whole Time Director

Vipin Gupta

Independent Directors

Dalbir Singh

Surinder Gupta

Swatantar Kumar Dewan

Col(Retd) Avtar Singh Bajwa

Company Secretary

Vishav Sethi

Registered Office & Works

Trilokpur Road, Kala Amb,

Distt. Sirmour

Himachal Pradesh-173030

Administrative Office

21-22, New Professors Colony,

Yamuna Nagar-135001

Haryana

Auditors

J.L. Garg & Co.

Chartered Accountants

J-34, Lower Ground Floor

South Extension Part-1

New Delhi-110049

SENIOR EXECUTIVES

Parveen Garg-Senior Vice-President(CSR)

Deepan Garg VP (Technical)

Jagdeep Singh VP (Operations)

Daljeet Singh VP (Commercial)

Lucky Garg VP (Marketing)

Vaishali Jhaveri VP (Marketing)

Atul Garg VP (Administration)

Radhika Garg VP (Marketing-NR)

Bankers

Punjab National Bank

State Bank of Bikaner & Jaipur

Oriental Bank of Commerce

Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd

A-40, 2nd Floor, Near Batra Banquet,

Naraina Industrial Area, Phase-II

New Delhi-110028

Company's Website

www.ruchirapapers.com

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THE PAPER USED FOR PRINTING OF THIS ANNUAL REPORT IS MANUFACTURED BY YOUR COMPANY

NOTICE

Notice is hereby given that the 33rd ANNUAL GENERAL MEETING of Members of RUCHIRA PAPERS LIMITED will be held on Wednesday, the 11th Day of September 2013 at 11.30 AM at Hotel Black Mango, Nahan Road, Kala-Amb, District Sirmour, Himachal Pradesh-173030 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2013, the Profit and Loss Statement for the year ended on that date and reports of Board of Directors and Independent Auditors thereon.

2. To confirm the Interim Dividend.

3. To appoint a Director in place of Mr. Swantantar Kumar Dewan, who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Col.(Retd) Avtar Singh Bajwa, who retires by rotation and being eligible, offers himself for re-appointment.

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

"RESOLVED THAT pursuant to provisions of Section 224 and other applicable provisions of the Companies Act, 1956, M/S Subhash Sajal & Associates, Chartered Accountants (ICAI Reg. No. 018178N), be and are hereby appointed as Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting in place of M/S J.L.Garg & Co. (Retiring Auditors) who has expressed their un-willingness to continue as Statutory Auditors, at a remuneration of Rs. 1,70,000/-(Rs. One Lac Seventy Thousand only) Plus Service Tax and other out of pocket expenses as admissible as recommended by Audit Committee & approved by Board.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311, 314, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and subject to Central Government approvals, permissions and sanctions, and subject to compliance of Listing Agreement as may be necessary,

consent of shareholders be and is hereby accorded to increase the managerial remuneration of Mr. Subhash Chander Garg, Whole Time Director of the Company, with effect from October 1, 2013 for a period of Two years on terms and conditions as recommended by Remuneration & Nomination Committee and approved by Board as detailed below:

- a. Basic Pay: Rs. 6,00,000/- (Rupees Six lacs Only) per month.
(Proposed Increase from 4,75,000/- to 6,00,000/-)
- b. House Rent Allowance @ 20 % of Basic Pay per month.
- c. Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of Rs.1,00,000/- in a year.
- d. Club Fees: Fees for One Club not exceeding Rs. 20,000/- per year.
- e. Conveyance: Company's Car with Driver for Official Use.
- f. Telephone: Mobile and Telephone Facility at the residence for office purpose.

In addition to above remuneration, he shall also be entitled to the following benefits:

Provident Fund : Company's Contribution towards Provident Fund as per provisions of the Act.

Gratuity : Payable at a rate not exceeding half a month's salary for each completed year of service.

Where in any financial year, the Company has no profits or its profits are inadequate during term of his office, the aforesaid remuneration shall continued to be paid within the provisions prescribed under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT Board of Directors and/ or Remuneration & Nomination Committee be and is hereby further authorized to revise, alter and vary terms and conditions and remuneration of Mr. Subhash Chander Garg, Whole Time Director of the Company with in overall limit as above from time to time, subject to applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311,314, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted from time to time and subject to Central Government

approvals, permissions and sanctions, and subject to the compliance of Listing Agreement as may be necessary, consent of shareholders be and is hereby accorded to increase the managerial remuneration of Mr. Umesh Chander Garg, Managing Director of the Company, with effect from October 1, 2013 for a period of Two years on terms and conditions, as recommended by Remuneration & Nomination Committee and approved by Board as detailed below:

- a. Basic Pay: Rs. 6,00,000/- (Rupees Six lacs Only) per month.
(Proposed Increase from 4,75,000/- to 6,00,000/-)
- b. House Rent Allowance @ 20 % of Basic Pay per month.
- c. Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of Rs. 1,00,000/- in a year.
- d. Club Fees: Fees for One Club not exceeding Rs. 20,000/- per year.
- e. Conveyance: Company's Car with driver for official use.
- f. Telephone: Mobile and Telephone Facility at the residence for office purpose

In addition to above remuneration, he shall also be entitled to the following benefits:

Provident Fund : Company's Contribution towards Provident Fund as per provisions of the Act.

Gratuity : Payable at a rate not exceeding half a month's salary for each completed year of service.

Where in any financial year, the Company has no profits or its profits are inadequate during the term of his office, the aforesaid remuneration shall continued to be paid within the provisions prescribed under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT Board of Directors and/ or Remuneration & Nomination Committee be and is hereby further authorized to revise, alter and vary terms and conditions and remuneration of Mr. Umesh Chander Garg, Managing Director of the Company with in overall limit as above from time to time, subject to the applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310, 311, 314, read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re-enactment

thereof for the time being in force and as may be enacted from time to time and subject to Central Government approvals, permissions and sanctions, and subject to the compliance of Listing Agreement as may be necessary, consent of shareholders be and is hereby accorded to increase the managerial remuneration of Mr. Jatinder Singh, Whole Time Director, with effect from October 01, 2013 for a period of Two years on terms and conditions, as recommended by Remuneration & Nomination Committee and approved by Board as detailed below:

- a. Basic Pay: Rs. 6,00,000/- (Rupees Six lacs Only) per month.
(Proposed Increase from 4,75,000/- to 6,00,000/-)
- b. House Rent Allowance @ 20 % of Basic Pay per month.
- c. Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of Rs. 1,00,000/- in a year.
- d. Club Fees: Fees for One Club not exceeding Rs. 20,000/- per year.
- e. Conveyance: Company's Car with Driver for Official Use.
- f. Telephone: Mobile and Telephone Facility at the residence for office purpose

In addition to the above remuneration, he shall also be entitled to the following benefits:

Provident Fund : Company's Contribution towards Provident Fund as per provisions of the Act.

Gratuity : Payable at a rate not exceeding half a month's salary for each completed year of service.

Where in any financial year, the Company has no profits or its profits are inadequate during term of his office, the aforesaid remuneration shall continued to be paid within the provisions prescribed under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT Board of Directors and/ or Remuneration & Nomination Committee be and is hereby further authorized to revise, alter and vary terms and conditions and remuneration of Mr. Jatinder Singh, Whole Time Director of the Company with in overall limit as above from time to time, subject to applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311, read with Schedule XIII and/or other applicable provisions, if any, of the Companies Act,

1956, including statutory modification or re-enactment thereof for the time being in force and as may be enacted from time to time, consent of shareholders be and is hereby accorded to increase the managerial remuneration of Mr. Vipin Gupta, Whole Time Director for the period of One Year i.e from 1st June 2013 to 31st May 2014 on terms and conditions, as recommended by Remuneration & Nomination Committee and approved by Board as detailed below:

- a. Basic Pay: Rs. 1,70,000/- P.M (Rs. One Lac Seventy Thousand Only)
(Proposed Increase from 1,30,000/- to 1,70,000/-)
- b. HRA @ 15% per month of the Basic Pay.
- c. Telephone: Mobile/Telephone facility for official use as per Company's rules.
- d. Leave encashment as per rules of the Company.
- e. Conveyance: Company's Car with Driver for Official Use.
- f. Reimbursement of expenses incurred for business of the Company as per rules.
- g. Provident Fund: Company's Contribution towards Provident Fund shall be as per rules of the Company.
- h. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per rules of the Company

Where in any financial year, the Company has no profits or its profits are inadequate during the term of office, the aforesaid remuneration shall be continued to be paid within the provisions prescribed under Schedule XIII of the Companies Act, 1956.

RESOLVED FURTHER THAT Board of Directors and/ or Remuneration & Nomination Committee is hereby further authorized to alter and vary terms and conditions and remuneration of Mr. Vipin Gupta, Whole Time Director, from time to time subject to the applicable provisions of the Companies Act, 1956.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

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

"RESOLVED THAT pursuant to the provisions of Sections 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, consent of shareholders be and is hereby accorded for appointment of Mrs. Parveen Garg, as Senior Vice-President (Corporate Social Responsibility) being wife of Mr. Subhash Chander Garg, Whole Time Director, w.e.f 01st April 2013 and remuneration, perquisites and other allowances as recommended by Remuneration & Nomination Committee and approved by Board are as follow.

- a. Basic Salary: Rs 1,75,000/- (Rs. One Lac Seventy Five Thousand Only) P.M.
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility for official use as per Company's rules.
- d. Leave encashment as per rules of the company.
- e. Provident Fund: Company's Contribution towards Provident Fund as per provisions of the Act.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per rules of the Company.

RESOLVED FURTHER THAT the Remuneration & Nomination Committee/Board of Directors has the liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mrs. Parveen Garg.

RESOLVED FURTHER THAT Mrs. Parveen Garg shall be entitled for reimbursement of actual traveling, boarding and lodging expenses and other amenities as may be incurred by her from time to time, in connection with Company's business and any other allowance, benefits and perquisites as are provided to the senior executives of the Company and/or which may become applicable in future and/or any other allowance, perquisites as Board may decided from time to time."

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

"RESOLVED THAT pursuant to the provisions of Sections 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, consent of shareholders be and is hereby accorded for the appointment of Ms. Radhika Garg, as Vice-President (Marketing-Northern Region) being daughter of Mr. Subhash Chander Garg , Whole Time Director, w.e.f 01st April 2013 and remuneration, perquisites and other allowances as recommended by Remuneration & Nomination Committee and approved by Board are as follow.

- a. Basic Salary: Rs 1,75,000/- (Rs. One Lac Seventy Five Thousand Only) P.M.
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility for official use as per Company's rules.
- d. Leave encashment as per rules of the company.
- e. Provident Fund: Company's Contribution towards Provident Fund as per provisions of the Act.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per rules of the Company.

RESOLVED FURTHER THAT the Remuneration & Nomination Committee/Board of Directors has the liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Ms. Radhika Garg.

RESOLVED FURTHER THAT Ms. Radhika Garg shall be entitled for reimbursement of actual traveling, boarding and lodging expenses and other amenities as may be incurred by her from time to time, in connection with Company's business and any other allowance, benefits and perquisites as are provided to senior executives of the Company and/or which may become applicable in future and/or any other allowance, perquisites as Board may decided from time to time."

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

"RESOLVED THAT pursuant to the provisions of Sections 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force, consent of shareholders be and is hereby accorded for revision in the remuneration, perquisites and other allowances payable to Mr. Deepan Garg, Vice-President (Technical) of the Company being Son of Mr. Umesh Chander Garg, Managing Director, w.e.f 01st April 2013 as recommended by Remuneration & Nomination Committee and approved by Board are detailed below:

- a. Basic Salary: Rs 1,75,000/- (Rs. One Lac Seventy Five Thousand Only) P.M
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility for official use as per Company's rules.
- d. Leave encashment as per rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund as per provisions of the Act.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per rules of the Company.

RESOLVED FURTHER THAT the Remuneration & Nomination Committee/Board of Directors has liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mr. Deepan Garg.

RESOLVED FURTHER THAT Mr. Deepan Garg shall be entitled for reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with Company's business and any other allowance, benefits and perquisites as are provided to senior executives of the Company and/or

which may become applicable in future and/or any other allowance, perquisites as Board may decide from time to time."

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

"RESOLVED THAT pursuant to the provisions of Sections 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force, consent of shareholders be and is hereby accorded for revision in the remuneration, perquisites and other allowances payable to Mr. Jagdeep Singh, Vice-President (Operations) of the Company being Son of Mr. Jatinder Singh, Whole Time Director, w.e.f 01st April 2013 as recommended by Remuneration & Nomination Committee and approved by Board are detailed below:

- a. Basic Salary: Rs 1,75,000/- (Rs. One Lac Seventy Five Thousand Only) P.M
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility for official use as per Company's rules.
- d. Leave encashment as per rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund as per provisions of the Act.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per rules of the Company.

RESOLVED FURTHER THAT the Remuneration & Nomination Committee/Board of Directors has liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mr. Jagdeep Singh.

RESOLVED FURTHER THAT Mr. Jagdeep Singh shall be entitled for the reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with Company's business and any other allowance, benefits and perquisites as are provided to senior executives of the Company and/or which may become applicable in the future and/or any other allowance, perquisites as the Board may decided from time to time."

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

"RESOLVED THAT pursuant to the provisions of Sections 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof

for the time being in force, consent of shareholders be and is hereby accorded for revision in the remuneration, perquisites and other allowances payable to Mr. Daljeet Singh, Vice-President (Commercial) of the Company being Son of Mr. Jatinder Singh, Whole Time Director, w.e.f 01st April 2013 as recommended by Remuneration & Nomination Committee and approved by Board are detailed below:

- a. Basic Salary: Rs 1,75,000/- (Rs. One Lac Seventy Five Thousand Only) P.M
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility for official use as per Company's rules.
- d. Leave encashment as per rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund as per provisions of the Act.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per rules of the Company.

RESOLVED FURTHER THAT the Remuneration & Nomination Committee/Board of Directors has liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mr. Daljeet Singh.

RESOLVED FURTHER THAT Mr. Daljeet Singh shall be entitled for reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with Company's business and any other allowance, benefits and perquisites as are provided to senior executives of the Company and/or which may become applicable in future and/or any other allowance, perquisites as Board may decided from time to time."

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

"RESOLVED THAT pursuant to the provisions of Sections 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force, consent of shareholders be and is hereby accorded for revision in the remuneration, perquisites and other allowances payable to Mr. Lucky Garg, Vice-President (Marketing) of the Company being Son of Mr. Umesh Chander Garg, Managing Director, w.e.f 01st April 2013 as recommended by Remuneration & Nomination Committee and approved by Board are detailed below:

- a. Basic Salary: Rs 1,75,000/- (Rs. One Lac Seventy Five Thousand Only) P.M
- b. HRA @ 15% per month of Basic Salary.
- c. Telephone: Mobile/Telephone facility for official use as per Company's rules.

- d. Leave encashment as per rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund as per provisions of the Act.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per rules of the Company.

RESOLVED FURTHER THAT the Remuneration & Nomination Committee/Board of Directors has liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mr. Lucky Garg.

RESOLVED FURTHER THAT Mr. Lucky Garg shall be entitled for reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with Company's business and any other allowance, benefits and perquisites as are provided to senior executives of the Company and/or which may become applicable in future and/or any other allowance, perquisites as Board may decided from time to time."

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

"RESOLVED THAT pursuant to the provisions of Sections 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force, consent of shareholders be and is hereby accorded for revision in remuneration, perquisites and other allowances payable to Mrs. Vaishali Jhaveri, Vice-President (Marketing) of the Company being daughter of Mr. Subhash Chander Garg, Whole Time Director, w.e.f 01st April 2013 as recommended by Remuneration & Nomination Committee and approved by Board are detailed below:

- a. Basic Salary: Rs 1,75,000/- (Rs. One Lac Seventy Five Thousand Only) P.M.
- b. HRA @ 15% per month of the Basic Salary.
- c. Telephone: Mobile/Telephone facility for official use as per Company's rules.
- d. Leave encashment as per rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund as per provisions of the Act.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per rules of the Company.

RESOLVED FURTHER THAT the Remuneration & Nomination Committee/Board of Directors has liberty to alter and vary such remuneration within the limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mrs. Vaishali Jhaveri.

RESOLVED FURTHER THAT Mrs. Vaishali Jhaveri shall be entitled for reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by her from time to time, in connection with Company's business and any other allowance, benefits and perquisites as are provided to senior executives of Company and/or which may become applicable in future and/or any other allowance, perquisites as Board may decided from time to time."

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

"RESOLVED THAT pursuant to the provisions of Sections 314 (1B) of the Companies Act, 1956 read with Directors Relatives (Office or Place of Profit) Rules, 2011 and other applicable provisions, if any, of the Companies Act, 1956 including statutory modification(s) or re- enactment thereof for the time being in force, consent of shareholders be and is hereby accorded for revision in remuneration, perquisites and other allowances payable to Mr. Atul Garg, Vice-President (Administration) of the Company being Son of Mr. Umesh Chander Garg, Managing Director, w.e.f 01st April 2013 as recommended by Remuneration & Nomination Committee and approved by Board are detailed below:

- a. Basic Salary: Rs 1,75,000/- (Rs. One Lac Seventy Five Thousand Only) P.M
- b. HRA @ 15% per month of Basic Salary.
- c. Telephone: Mobile/Telephone facility for official use as per Company's rules.
- d. Leave encashment as per rules of the Company.
- e. Provident Fund: Company's Contribution towards Provident Fund as per provisions of the Act.
- f. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per rules of the Company.

RESOLVED FURTHER THAT the Remuneration & Nomination Committee/Board of Directors has liberty to alter and vary such remuneration within limits specified under Section 314(1B) of the Companies Act, 1956, to effect change in designation and responsibilities of Mr. Atul Garg.

RESOLVED FURTHER THAT Mr. Atul Garg shall be entitled for reimbursement of actual travelling, boarding and lodging expenses and other amenities as may be incurred by him from time to time, in connection with Company's business and any other allowance, benefits and perquisites as are provided to senior executives of the Company and/or which may become applicable in future and/or any other allowance, perquisites as Board may decided from time to time."

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

"RESOLVED THAT the following clauses to be added in the Articles of Association of the Company.

RESOLVED FURTHER THAT the following Clause be added as Clause No. 62A after the existing clause No. 62:

For the purpose of quorum, the participation by members in a general meeting through video conferencing or teleconferencing or through any other electronic or other media shall also be considered as valid as permitted by applicable laws from time to time.

RESOLVED FURTHER THAT the following Clause be added as Clause No. 69A after the existing clause No. 69:

Such voting in a general meeting or by postal ballot shall also include electronic voting in a general meeting or postal ballot as permitted by applicable laws from time to time.

RESOLVED FURTHER THAT the following Clause be added as Clause No. 94A after the existing clause No. 94:

For the purpose of quorum, participation of Directors through video conferencing or teleconferencing or through any other electronic or other media shall also be considered as valid as permitted by applicable laws from time to time.

**By order of the Board
For Ruchira Papers Limited**

Place: Kala-Amb (HP)

Date: 22.07.2013

Notes:-

**Vishav Sethi
(Company Secretary)**

- 1. EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IS ANNEXED HERETO.**
- 2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.** In order to be effective, the proxy form duly completed and stamped must reach the registered office of the company not later than 48 hours before the time of holding the meeting. The proxy so appointed shall not have any right to speak at the meeting. The blank proxy form is appended with the attendance slip.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 5th September 2013 to Wednesday, the 11th September, 2013 (both days inclusive).
4. Documents referred in the Notice and Explanatory Statement is open for inspection at Registered Office of the Company on all working days, except holidays, between 11.00 A.M. to 1.00 P.M. up to date of the Annual General Meeting.

5. Members desirous of getting any information on Accounts or other items of Agenda are requested to forward his/her queries to the Company at least Seven working days prior to date of Annual General Meeting so as to enable the Management to keep information ready.
6. Corporate members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at Annual General Meeting.
7. In the case of Joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
8. Members are requested to intimate Registrar and Share Transfer Agents of the Company - Link Intime India Private Limited, New Delhi, immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DP's) in respect of equity shares held in dematerialized form.
9. Members/ Proxies attending the Meeting are requested to bring their copy of the Annual Report with them at meeting as the same will not be distributed at the meeting. The enclosed attendance slip duly filled may kindly be delivered at the entrance of the meeting hall.
10. Information pursuant to Clause 49 of the listing agreement regarding appointment and re-appointment of directors is annexed herewith.
11. The Register of Contracts, Maintained under Section 301 of the Companies Act, 1956, will be available for inspection by members at registered office of the Company.
12. The Company is concerned about environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA) has by its Circulars, permitted companies to send official documents to their shareholders electronically as part of its green initiatives in corporate governance.

Transfer to Investor Education & Protection Fund:

Pursuant to provisions of the Companies Act, 1956, the amount of application money due for refund of Rs. 25553/- will be transferred to Investor Education & Protection Fund in the month of December 2013.

It may be noted that after expiry of said due date, no claim shall lie in respect of transferred fund.

Recognizing the spirit of the circular issued by the MCA, we are also sending documents to the email address provided by you with your depositories. We request you to update your email address with your depository participant to ensure that the Annual Report and other documents reach you on your preferred email account.

ANNEXURE TO THE NOTICE

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

ITEM NO. 05:

M/s J.L. Garg & Co., Chartered Accountants (Firm Reg No. 004730N), New Delhi, retiring auditors of the Company vide letter dated 15th July 2013 expressed their un-willingness to be re-appointed as Statutory Auditors of the Company at ensuing Annual General Meeting. In view of the same, the Board at its meeting held on 22nd July 2013, proposed the appointment of M/S Subhash Sajal & Associates, (ICAI Reg. No. 018178N), Chartered Accountants, Jagadhri as Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting. We have received their willingness to the appointment and they have further confirmed their eligibility under Section 224(1B) of the Companies Act, 1956 that they do not suffer any disqualification within the meaning of Section 226 of the said Act. Accordingly appointment of M/S Subhash Sajal & Associates, Chartered Accountants, Jagadhri is being proposed and recommended as an Ordinary Resolution at a remuneration of Rs. 1,70,000/- (One Lac Seventy Thousand Only) Plus Service Tax & other out of pocket expenses as admissible as recommended by Board & Audit Committee.

None of the director of the Company is concerned or interested in the resolution.

ITEM NO. 6,7,8:

Increase in job responsibilities of Whole Time Directors/Managing Director, considering the rich experience, expertise and in recognition of valuable contribution to the Company's growth and implementation of several expansion plans undertaken in the past, Board of Directors of the Company at their meeting held on 28th May 2013 and as recommended by Remuneration & Nomination Committee, has increased remuneration payable to Mr. Subhash Chander Garg, Whole Time Director, Mr. Umesh Chander Garg, Managing Director and Mr. Jatinder Singh, Whole Time Director of the Company subject to approval of members at ensuing General Meeting and the Central Govt. The Company is in the process of securing the necessary permission of the Central Govt. to pay above mentioned remuneration to Mr. Subhash Chander Garg, Whole Time Director, Mr. Umesh Chander Garg, Managing Director, and Mr. Jatinder Singh, Whole Time Director of the Company.

A copy of the Abstract/Memorandum of interest of Variations in the terms of Remuneration has been sent to all the shareholders of the Company as per Section 302 of the Companies Act, 1956.

The Company had also proposed to increase Managerial Remuneration of the above directors during the last Annual General Meeting but with consent of all the members present, the resolution had withdrawn by the Chairman.

The Directors places before the members the aforesaid Special Resolutions pursuant to the provisions of Schedule XIII for their approval.

Save and except Shri Subhash Chander Garg and Shri Umesh Chander Garg, being brothers, none of the other Directors is deemed to be interested or concerned in resolution at Item No 6 and at Item No 7.

Save and except Shri Jatinder Singh, none of the other Directors is deemed to be interested or concerned in the resolution at Item No 8.

ITEM No. 09:

At 32nd Annual General Meeting of the Company held on 25th September 2012, the Members had approved appointment of Mr. Vipin Gupta, Whole Time Director for the Period of Five years and the Remuneration payable for the period of One year.

The Board of Directors of the Company at their meeting held on 28th May 2013 has approved the Remuneration of Mr. Vipin Gupta for further period of one year as detailed in the resolution, subject to the approval of the shareholders in the Annual General Meeting.

A copy of the Abstract/Memorandum of interest has been sent to all the shareholders of the Company as per Section 302 of the Companies Act, 1956.

No director, except Mr. Vipin Gupta, to whom the resolution relates, is interested or concerned in the resolution. The Board recommends the resolution for approval of the members.

ITEM NO. 10:

Looking into expanded activities of the Company, Board of Directors of the Company at their meeting held on 22nd March 2013 had appointed Mrs. Praveen Garg wife of Mr. Subhash Chander Garg, Whole Time Director, as Senior Vice-President (Corporate Social Responsibility) of the Company w.e.f 01st April 2013 on terms & conditions as detailed in resolution.

As per Provision of Section 314(1B) of the Companies Act, 1956, Your Directors recommends the resolution for your approval.

Mr. Subhash Chander Garg, Whole Time Director, being relative is deemed to be interested or concerned in the above resolution.

ITEM NO. 11:

Looking into expanded marketing activities of the Company, Board of Directors of the Company at their meeting held on 22nd March, 2013 had appointed Ms. Radhika Garg Daughter of Mr. Subhash Chander Garg, Whole Time Director, as Vice-President (Marketing-Northern Region) of the Company w.e.f 01st April 2013 on terms & conditions as detailed in resolution.

As per Provision of Section 314(1B) of the Companies Act, 1956, Your Directors recommends the resolution for your approval.

Mr. Subhash Chander Garg, Whole Time Director, being relative, is deemed to be interested or concerned in the above resolution.

ITEM NO. 12:

Mr. Deepan Garg had been appointed as Vice-President (Technical) of the Company on 25th October 2008 by Board of Directors of the Company. Since then he is working with the Company. He is having a qualification of BE (Mechanical) and having experience of more than 15 Years in Paper Industry.

Now it is being proposed to increase remuneration and other benefits payable to him as experience and knowledge of Mr. Deepan Garg will be useful for the Company. The detail of increased remuneration is mentioned in resolution.

As per Provision of Section 314(1B) of the Companies Act, 1956, Your Directors recommends resolution for your approval.

Mr. Umesh Chander Garg, Managing Director being relative, is deemed to be interested or concerned in the above resolution.

ITEM NO. 13:

Mr. Jagdeep Singh had been appointed as Vice-President (Operations) of the Company on 25th October 2008 by Board of Directors of the Company. Since then he is working with the Company. He is having qualification of BE (Mechanical) and having a experience of More than 6 Years in Paper Industry.

Now it is being proposed to increase remuneration and other benefits payable to him as experience and knowledge of Mr. Jagdeep Singh will be useful for the Company. The detail of increased remuneration is mentioned in resolution.

As per Provision of Section 314(1B) of the Companies Act, 1956, Your Directors recommends the resolution for your

approval.

Mr. Jatinder Singh, Whole Time Director, being relative, is deemed to be interested or concerned in the above resolution.

ITEM NO. 14:

Mr. Daljeet Singh had been appointed as Vice-President (Commercial) of the Company on 25th October 2008 by Board of Directors of the Company. Since then he is working with the Company. He is art Graduate and has good experience of commercial and agricultural activities.

Now it is being proposed to increase remuneration and other benefits payable to him as experience and knowledge of Mr. Daljeet Singh will be useful for the Company. The detail of increased remuneration is mention in resolution.

As per Provision of Section 314(1B) of the Companies Act, 1956, Your Directors recommends the resolution for your approval.

Mr. Jatinder Singh, Whole Time Director, being relative, is deemed to be interested or concerned in the above resolution.

ITEM NO. 15.

Mr. Lucky Garg had been appointed as Vice-President (Marketing) of the Company on 25th October 2008 by Board of Directors of the Company. Since then he is working with the Company. He is having qualification of MBA (Marketing) and having experience of More than 9 Years in Marketing field.

Now it is being proposed to increase remuneration and other benefits payable to him as experience and knowledge of Mr. Lucky Garg will be useful for the Company. The detail of increased remuneration is mention in resolution.

As per Provision of Section 314(1B) of the Companies Act, 1956, Your Directors recommends the resolution for your approval.

Mr. Umesh Chander Garg, Managing Director, being relative, is deemed to be interested or concerned in the above resolution.

ITEM NO. 16.

Mrs. Vaishali Jhaveri had been appointed as Vice-President (Marketing) of the Company on 30th April 2010 by Board of Directors of the Company. Since then she is working with the Company. She is MBA (Marketing) and having an experience of More than 7 Years in this field.

Now it is being proposed to increase remuneration and other benefits payable to her as experience and knowledge of Mrs. Vaishali will be useful for the Company. The detail of increased remuneration is mention in resolution.

As per Provision of Section 314(1B) of the Companies Act, 1956, Your Directors recommends resolution for your approval.

Mr. Subhash Chander Garg, Whole Time Director, being relative, is deemed to be interested or concerned in the above resolution.

ITEM NO. 17.

Mr. Atul Garg had been appointed as Vice-President (Administration) of the Company on 11th August 2012 by Board of Directors of the Company. Since then he is working with the Company. He is having a experience of More than 10 Years in the concerned field.

Now it is being proposed to increase the remuneration and other benefits payable to him as experience and knowledge of Mr. Atul Garg will be useful for the Company. The detail of increased remuneration is mention in resolution.

As per Provision of Section 314(1B) of the Companies Act, 1956, Your Directors recommends the resolution for your approval.

Mr. Umesh Chander Garg, Managing Director, being relative, is deemed to be interested or concerned in the above resolution.

ITEM NO: 18.

Amendment of Articles of Association of the Company: Pursuant to Circulars of the Ministry of Corporate Affairs, various enabling provisions are sought to be introduced in the Articles of Association of the Company to permit companies to adopt such practice. Following amendments have been proposed in the Articles of Associations of the company.

- a. Article No.62A inserted for determining quorum of General Meeting through Video Conferencing or tele conferencing and through any other electronic or other media as permitted by law.
- b. Article No.69A inserted to permit voting by shareholders through electronic or other media as permitted by law.
- c. Article No. 94A inserted for determining quorum of Directors Participating in the Board/Committee meetings through video conferencing or tele conferencing and through any other electronic or other media as permitted by law.

Regd. Office :
Trilokpur Road,
Kala Amb.
Distt: Sirmour (HP)

By order of the Board
For Ruchira Papers Limited

Place: Kala-Amb
Date : 22.07.2013

Vishav Sethi
Company Secretary

INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING APPOINTMENT OR RE-APPOINTMENT OF THE DIRECTOR AT THE FORTHCOMING ANNUAL GENERAL MEETING (REFER ITEM NOS. 3rd & 4th OF THE NOTICE)

Particulars	Mr. Swantantar Kumar Dewan
Date of Birth	11.11.1946
Date of Appointment	13.08.2005
Qualifications	BSC. (Engineering) Hons.(Mechanical)
Expertise in Specific functional area	Operations
Directorship of other companies (excluding foreign companies)	Yamuna Power & Infrastructure Limited, YGC Projects Limited.
Chairman/ Member of committees* of the Board of Companies of which he is a director	<i>Ruchira Papers Limited:</i> Chairman : Share Transfer & Investors Grievance Committee
Shareholding of Non-Executive Directors as stated in Clause 49 (IV) (E) (V) as on 31.03.2013	100

* includes Audit, Remuneration and Shareholders'/ Grievance Committees.

Particulars	Col (Retd.) Avtar Singh Bajwa
Date of Birth	12.06.1944
Date of Appointment	24.09.2004
Qualifications	Graduate in Arts
Expertise in Specific functional area	Material Management & Civil Personnel Management.
Directorship of other companies (excluding foreign companies)	Nil
Chairman/ Member of committees* of the Board of Companies of which he is a director	<i>Ruchira Papers Limited:</i> Member of Audit Committee and Remuneration & Nomination Committee
Shareholding of Non-Executive Directors as stated in Clause 49 (IV) (E) (V) as on 31.03.2013	100

* includes Audit, Remuneration & Nomination and Shareholders'/ Grievance Committees.

STATEMENT PURSUANT TO PROVISO TO SCHEDULE XIII (PART II SECTION II 1(C) & 1(B) (Clause iv)) OF THE COMPANIES ACT, 1956.

I. GENERAL INFORMATION				
(1) Nature of Industry	Paper Industry: The Company is engaged in manufacturing of Kraft Paper which is used as a Raw Material in Packaging Industry and Writing & Printing Paper which is used for manufacturing of Note Books, Publications etc.			
(2) Date of commencement of commercial production	The Company is engaged in production of Kraft Paper since 1983 and started production for Writing and Printing Paper on 30.03.2008.			
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.			
(4) Financial performance based on given indicators.	The Financial Results for the last three years are as follows:			
	Particulars	2012-13 (Rs. In lacs)	2011-12 (Rs. In lacs)	2010-11 (Rs. In lacs)
	Sales	29779.40	28464.62	25434.46
	PBT	2470.20	1140.19	587.36
	PAT	1644.58	758.35	387.71
(5) Export performance and net foreign exchange collaboration.	Rs 161.68 Lacs			
(6) Foreign investments or collaborators, if any.	Nil			
II. INFORMATION ABOUT THE APPOINTEE/ EXISTING MANAGERIAL PERSONNEL TO WHOM INCREASED REMUNERATION IS PROPOSED:				
	Shri Subhash Chander Garg, Whole Time Director.	Shri Jatinder Singh, Whole Time Director	Shri Umesh Chander Garg, Managing Director	Shri Vipin Gupta, Whole Time Director.
(1) Background Details	Shri Subhash Chander Garg aged 72 years is Whole Time Director of the company. He is looking after the Marketing, Sales, Taxation and Company Law Matters. He has been associated with the Company since its inception as Promoter Director.	Shri Jatinder Singh aged 59 years is Whole-Time Director of the Company. He is an Engineering graduate and is looking after Finance, Administration and HR Functions. He is associated with the Company since its inception as Promoter Director.	Shri Umesh Chander Garg aged 64 years is Managing Director of the Company. He is looking after the production, maintenance, Plant erection and expansion programmes. He is associated with the Company since its inception as Promoter Director.	Shri Vipin Gupta, aged 45 Years is working as professional Whole Time Director With the Company. He is heading the Finance and Accounts of the Company. He is associated with the Company for the past 25 Years.
(2) Past Remuneration	Rs. 4.75 Lac p.m. Plus 20% (HRA) plus other benefits as per Schedule XIII.	Rs. 4.75 Lac p.m. Plus 20% (HRA) plus other benefits as per Schedule XIII.	Rs. 4.75 Lac p.m. Plus 20% (HRA) plus other benefits as per Schedule XIII.	Rs. 1.30 Lac P.M Plus 15% (HRA) plus other benefits as per Schedule XIII.
(3) Recognition or awards.	He is closely associated with the ROTARY CLUB and has also served as District Governor, D.I. - 3080.	-----	He is a President of Kala-Amb Chamber of Commerce and Industries, Kala-Amb.	
(4) Job Profile and his suitability.	As per (1) above	As per (1) above	As per (1) above	As per (1) above
(5) Remuneration proposed.	Rs. 6,00,000 p.m. + 20 % (HRA) + other benefits as disclosed in the resolution.	Rs. 6,00,000 p.m. + 20 % (HRA) + other benefits as disclosed in the resolution.	Rs. 6,00,000 p.m. + 20 % (HRA) + other benefits as disclosed in the resolution.	Rs. 1,70,000 p.m. +15 % (HRA) + other benefits as disclosed in the resolution.
(6).Comparative remuneration profile with respect to industry, size of the Company, profile of the	Between Eight Lacs to Ten Lacs per mensem.	Between Eight Lacs to Ten Lacs per mensem.	Between Eight Lacs to Ten Lacs per mensem.	Between Three to Five Lacs Per mensem.

	position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).				
	(7).Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any.	Beside the Remuneration Proposed no pecuniary relationship with the Company except that Shri Umesh Chander Garg, Managing Director is the brother of Shri Subhash Chander Garg.	Beside the Remuneration Proposed no pecuniary relationship with the Company.	Beside the Remuneration Proposed no pecuniary relationship with the Company except that Shri Subhash Chander Garg, Whole Time Director is the brother of Shri Umesh Chander Garg.	Beside the Remuneration Proposed no pecuniary relationship with the Company.

III.	OTHER INFORMATION:	
	(1) Reasons of loss or inadequate profits	During the Financial Year ended 31 st March 2013, the Company did not have adequate profits for payment of managerial remuneration under Sections 349 & 350 of the Companies Act, 1956. The increased depreciation & administration cost resulted in inadequacy in profits during the FY 2012-13.
	(2) Steps taken or proposed to be taken for improvement	The Company has been consistently operating at more than 100% of its stated capacities. The Company continued its growth journey through expansions and setting up of Writing & Printing Paper unit in 2008. During the Year 2012-13, the Company has achieved turnover of Rs. 297.79 Crore, which is showing upward trend and positive sign of growth of the Company. Further the Company has taken several initiatives like improvement of efficiency parameters, cost reduction and building a formidable branding position, which is likely to hold the Company in good stead for coming many years.
	(3) Expected increase in productivity and profits in measurable terms	The Company has achieved higher capacity utilization of 94% in Kraft Paper Unit and 124% in Writing Printing Paper unit during the FY 2012-13 . Due to increase in sales & decrease in Finance Cost during the year, the profits of the Company Moved to higher side.
IV.	DISCLOSURES:	
	(1) Remuneration Package	<p>(i) Sh. Subhash Chander Garg, Whole Time Director, Sh. Umesh Chander Garg, Managing Director and Sh. Jatinder Singh, Whole Time Director, each of them would be entitled to the following remuneration:</p> <ol style="list-style-type: none"> 1. Salary: Rs. 6,00,000/- (Rupees Six Lacs Only) per month. 2. House Rent Allowance @ 20 % of Salary per month. 3. Medical Reimbursement: Expenses incurred for self and family subject to a ceiling of Rs. 1,00,000/- in a year. 4. Club Fees: Fees for One Club not exceeding Rs. 20,000/- per year. 5. Conveyance: Company's Car with Driver for Official Use. 6. Telephone: Mobile and Telephone Facility at the residence for office purpose. 7. Provident Fund: Company's Contribution towards Provident Fund shall be as per provisions of the Act. 8. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service. <p>(ii) Shri Vipin Gupta Would be entitled for the following remuneration.</p> <ol style="list-style-type: none"> 1. Basic Pay: 1,70,000/- P.M (Rs. One Lac Seventy Thousand Only) 2. HRA @ 15% per month of the Basic Pay. 3. Telephone: Mobile/Telephone facility for official use as per company's rules. 4. Leave encashment as per the rules of the company. 5. Conveyance: Company's Car with Driver for Official Use. 6. Reimbursement of expenses incurred for the business of the Company as per rules of the Company. 7. Provident Fund: Company's Contribution towards Provident Fund shall be as per the rules of the Company. 8. Gratuity: Payable at a rate not exceeding half a month's salary for each completed year of service as per rules of the Company

DIRECTORS' REPORT

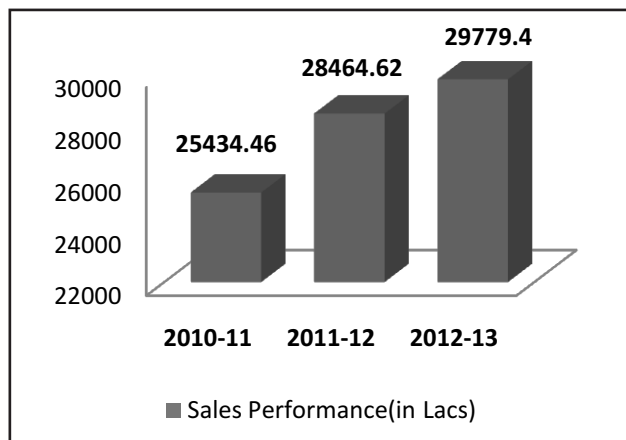
Dear Members,

We are delighted to present Directors' report on our business and operations for the year ended **31st March, 2013**.

RESULTS OF OPERATIONS:

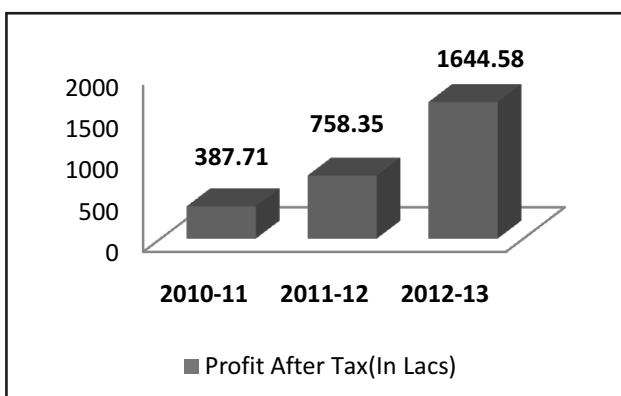
The summarized Financial Results of Company for the year 2012-13 & 2011-12 are as follow:

	(Rs. in Lacs)	
Particulars	2012-13	2011-12
Sales	29779.40	28464.62
Other Revenue Receipts	174.00	146.91
Profit (Before Interest, Depreciation & Taxes)	5262.34	4137.36
Less : Depreciation	1099.18	1065.48
Interest	1692.96	1931.69
Profit/(Loss) before Tax	2470.20	1140.19
Less: Provision for Tax	825.62	381.84
Net Profit /(Loss)after Tax	1644.58	758.35
Less: Interim Dividend (Including Dividend Tax)	260.59	Nil
Transfer to / Adjustment from Reserve	1383.99	758.35



F.Y 2012-13 proved to be a challenging year amidst global economic uncertainties and disturbances in many parts of the World. Among the Asian economies, China was going through a political transition, experienced considerably slow growth. Even in this environment, your Company recorded industry leading financial performance. The Company has taken in-house measures to increase efficiency for achieving the economies of scale. The Company was able to increase its capacity utilization in Writing & Printing Paper unit during the F.Y 2012-13. Sales of the Company registered a growth of 4.62 % over previous financial year. The sales was Rs. 29779.40 Lacs compared to Rs. 28464.62 Lacs in the

corresponding previous year. The Profit before Tax (PBT) of the Company has grown from Rs. 1140.19 Lacs in previous period to Rs. 2470.20 Lacs in the year and registered a growth of 116.64% under review. The Company has also added value products in Writing & Printing Paper.



DIVIDEND:

The Board of Directors of the Company at their meeting held on 22nd March 2013 had declared and paid an Interim Dividend at Rs. 1(One) per equity share of Rs. 10 each to the shareholders whose names appeared in the Register of Members on 30th March 2013 for the F.Y 2012-13. The Board did not recommend any further dividend; hence Interim Dividend already paid shall be treated as Final Dividend.

EXPANSION:

The Company has been taking steps to consolidate the production for achieving the economies of scale. Accordingly, the Company has not taken up any major expansion during the year under review.

CREDIT RATING:

During the year, Credit Rating of the Company has upgraded from CARE D to CARE B+. Improvement in Credit Rating reflects the Company's financial discipline and prudence.

LISTING OF SHARES:

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

DIRECTORS:

During the Year, there is no change in the directorship of the Company.

Mr. Swantantar Kumar Dewan and Col(Retd) Avtar Singh Bajwa, Directors retiring by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

FIXED DEPOSITS:

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on date of Balance Sheet.

SUBSIDIARIES:

The Company has no Subsidiary as on 31st March 2013.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year 2012-13 as stipulated under Clause 49 of listing Agreement with Stock Exchanges, is presented in a separate section forming part of Annual Report.

CORPORATE GOVERNANCE:

Your Company continues to be committed to good Corporate Governance aligned with good practices. Your Company is in compliance with the standards set out by Clause 49 of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance along with Auditors' Certificate on compliance with the Corporate Governance as stipulated in Clause 49 is set out in this Annual Report and forms part of this report.

HUMAN RESOURCE MANAGEMENT:

Our Employees are most valuable assets of the Company. We encourage innovation, meritocracy and the pursuit of excellence. We have setup a scalable recruitment and human resources management process, which enables us to attract and retain employees. Cordial employee relations were maintained throughout the year in Company. The directors express their appreciation for contribution made by employees to operations of the Company during the year.

CORPORATE SOCIAL RESPONSIBILITY:

COMPANY'S PHILOSOPHY:

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

RESPECT FOR WORKERS RIGHT AND WELFARE:

Ruchira Papers is an equal opportunity employer and each individual is assessed based on his merit irrespective of gender, nationality and caste. Policies are framed considering well being of employees at all levels without providing any undue advantage to an individual or group. Ruchira Papers does not solicit child labour at any of its establishments. Safety and hygiene of employees at workplace is given due importance and priority.

RESPECT FOR ENVIRONMENT:

Ruchira Papers has long believed that it has a moral responsibility to ensure environment friendly practices even if there are no external regulations and controls. The Company has been taking up initiatives towards promoting green cover, ever since our inception, both within the factory premises and helping others to do this. In addressing issues of environmental care and climate change the Company has taken a holistic perspective. It covers a spectrum of activities: enhancing green belts, discharge elimination, leakage elimination, air emission reduction, discharge of effluent, adoption of clean processes, energy conservation, optimization of fuels and oils, recycling, recovery and reuse, process waste reduction, and resource conservation. These efforts have led to significant saving in natural resources particularly water and energy. By adopting modern technology and process innovations, Company has been able to reduce the need for supplies of fresh water and also reduce discharge from the plant. By treating the outflows, water is being reused for the plant processes themselves or for irrigation purposes. Through continuous efforts, the Company has been able to bring down its energy use per ton of paper produced. Waste materials like fly ash have also been utilized in making products that can be used by the society at large.

RESPECT FOR HUMAN RIGHTS:

All care and precautions are taken to avoid any cases of complicity with human rights abuses in workplaces and operational areas.

INSURANCE:

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

AUDITORS:

M/s J.L. Garg & Co., Chartered Accountants (Firm Reg. No. 004730N), New Delhi, retiring auditors have vide their letter dated 15th July 2013 intimated that they are not offering themselves for re-appointment as Statutory Auditors of the Company at ensuing Annual General Meeting. The Board of Directors of the Company wishes to place on record its sincere appreciation of services rendered by M/S J.L. Garg & Co.

M/S Subhash Sajal & Associates, (ICAI Reg. No. 018178N), Chartered Accountants, Jagadhri have given their consent to be appointed as Statutory Auditors of the Company. We have received their willingness to the appointment and have further confirmed their eligibility under Section 224(1B) that they do not suffer any disqualification within meaning of Section 226 of the said Act.

AUDITORS' REPORT:

The observations of the auditors (if any) in their report read with relevant notes are self-explanatory and require no further comments.

COST-AUDIT:

To comply with provisions of Section 233B of the Companies Act, 1956, the Board of Directors, has re-appointed M/S Sanjay Kumar Garg & Associates, Cost Accountants as Cost Auditors of Company for the financial year 2013-14. The approval of the Central Govt. in this regard has taken by the Company.

The Cost Audit Report for the Financial Year 2011-12 were filed by the Cost Auditors with the Ministry of Corporate Affairs, Govt. of India. Whereas Cost Audit Report for the Financial Year 2012-13 will be submitted by Cost-Auditors with Ministry of Corporate Affairs in due course.

INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying as on 25.09.2012 (date of last Annual General Meeting) on website of the Company, as also with Ministry of Corporate Affairs.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

A statement giving details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, in accordance with Section 217 (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 , is set out in Annexure -1 hereto and forms part of this report.

PARTICULAR OF EMPLOYEES:

As required under provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of employees are set out in annexure included in this report. However, as per provisions of section 219(1)(b)(iv) of the said Act, annual report is being sent to

all the shareholders of the company excluding the aforesaid information and the said particulars are made available at the Registered Office of the Company. This statement shall be made available for inspection by any member during working hours for period of 21 days before the date of Annual General Meeting. The members interested in obtaining such particulars may write to Company Secretary at registered office of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT UNDER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956:

The Statement of the Directors' Responsibility on Annual Accounts of the Company for the year ended March 31, 2013 is given as follow:-

- a. that in preparation of annual accounts, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956 had been followed along with proper explanation relating to material departures from the same;
- b. that directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent , so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2013 and of profits of the Company for the year ended as on that date;
- c. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with provisions of this Act for safeguarding assets of the company and for preventing and detecting fraud and other irregularities;
- d. that the directors had prepared Annual Accounts on a going concern basis.

ACKNOWLEDGEMENT:

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

FOR AND ON BEHALF OF THE BOARD

**PLACE: KALA-AMB
DATE: 22.07.2013**

**JATINDER SINGH
(CHAIRMAN)**

**ANNEXURE-1
TO THE DIRECTORS' REPORT**

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

A) CONSERVATION OF ENERGY

Energy conservation is continued to be an important thrust area for the Company and is continuously monitored. Various energy conservation measures taken were:

1. Recovery to save steam energy: in this system, the black liquor excess temperature is passed through the heat exchanger which will raise the temperature of the boiler feed water.
2. To ensure minimal losses, regular preventive/predictive maintenance of electrical system is carried out.
3. The appropriate steps being taken to re-cycle the effluent water in plant in raw material washing area to reduce the fresh water consumption to save water and energy.
4. The load conditions of equipments & motors are analyzed to run pump, pulpers on optimum loads to get full efficiency.
5. The interlocks between the pumps & pulpers and various sequences has been provided to save idle running of equipment.
6. The Company has replaced the low efficiency pumps with higher efficiency pumps in order to save energy.
7. Old cables are phased out to reduce losses & save electricity consumption.

Total Energy Consumption per unit of production of paper for the year 2012-13 is given in table below.

Information is given in the prescribed Form "A" annexed.

B) TECHNOLOGY ABSORPTION

Efforts made in technology absorption are given in prescribed Form B annexed.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans. The Company has developed markets in Nepal, Israel and USA. Further potentialities are being explored to increase and develop the export market.

Total Foreign Exchange used and earned:

Expenditure in foreign exchange on account of

(Rs in lacs)

	Particulars	2012-13	2011-12
(i)	Royalty , Knowhow , professional and consultation fees	Nil	Nil
(ii)	i) Interests	Nil	Nil
	ii) Other Matters		
	- Raw Materials & Consumable Stores	789.77	877.74
	- Capital Expenditure (on CIF Basis)		
(iii)	Foreign Traveling	Nil	Nil
(iv)	Store & Spares (Including advances)	98.36	87.53
(vi)	Plant & Machinery	57.65	Nil

Earnings in foreign exchange on account of:
(Rs in lacs)

	Particulars	2012-13	2011-12
(i)	Export of Goods on FOB basis	161.68	246.40
(ii)	Royalty, know how, professional and consultation fee.	Nil	Nil
(iii)	Interest and dividend etc.	Nil	Nil
(iv)	Other Income including the Nature thereof.	Nil	Nil

**FORM "A"
(See rule 2)**
Form for Disclosure of Particulars with respect to conservation of energy.
A. POWER AND FUEL CONSUMPTION

		2012-13	2011-12
1.	Electricity		
	a) Purchased		
	Units (KWAH)	24795918	27451926
	Total Amount (Rs.)	131826687	129252412
	Rate per Unit (Rs.)	5.32	4.71
	b) Own Generation		
	i) Through Diesel generator	Nil	Nil
	Total Units generated	Nil	Nil
	Units per litre of diesel	Nil	Nil
	Cost per unit generated (Rs.)	Nil	Nil
	ii) Through Steam Turbine		
	Units	50741655	52126311
	Units per Ltr. Of fuel oil/ gas	Nil	Nil
	Cost / units	Nil	Nil
2.	Coal (specify quality and where used)		
	Quantity (ton)	51275.439	57420.79
	Total Cost(Rs Lakhs)	3964.04	4321.39
	Average Rate (PMT)	7731.07	7525.83
3.	Used in Boiler		
	Furnace Oil :-		
	Quantity (K.ltrs)	152.30	234.40
	Total amount(Rs. Lacs)	74.33	103.26
	Average Rate(PMT)	48801.75	44054.39
4.	Others / internal Generation :		
	a) Rice Husk (M.T.)	16771.34	15910.00
	Cost (Rs. Lakhs)	736.39	667.62
	b) Baggasse (M.T.)	236.870	3275.86
	c) Saw Dust (M.T.)	Nil	Nil
	Cost for (b) + (c) (Rs. Lakhs)	Nil	Nil
	d) Mustard Husk (MT)	Nil	Nil
	Cost (in Lakhs)	Nil	Nil
	e) Boiler Fuel	48398.244	42849.63
	Cost (in Lakhs)	898.13	676.03
	Total Fuel Cost (in Lakhs)(2+3+4)	5672.89	5768.31

B. CONSUMPTION PER UNIT OF PRODUCTION

		2012-13	2011-12
a.	Liner Kraft Paper		
	Production (M.T.)	49706.081	51097.25
	Electricity (in Units) per Ton of production	480.61	510.17

	Furnace oil	Nil	Nil
	Coal (specify)	Nil	Nil
	Others (specify)	Nil	Nil
	<i>a. b) Writing & Printing Paper</i>		
	Production (M.T.)	40790.724	40172.66
	Electricity (in Units) per Ton of production	1266.18	1331.99
	Furnace oil	Nil	Nil
	Coal (specify)	Nil	Nil
	Others (specify)	Nil	Nil

FORM "B"
(See rule 2)

Form for disclosure of particulars with respect to absorption

	<i>Research and Development (R&D)</i>	
1.	Specific areas in which R&D carried out by the Company.	None
2.	Benefits derived as a result of the above R&D.	None
3.	Future plan of action.	None
4.	Expenditure on R&D	
	a) Capital	Nil
	b) Recurring	Nil
	c) Total	Nil
	d) Total R&D expenditure as a percentage of total turnover.	Nil
	<i>Technology absorption ,adaptation and innovation</i>	
1.	Efforts, in brief, made towards technology absorption, adaptation and innovation.	Nil
2.	Benefits derived as a result of the above efforts, e.g. product improvement , cost reduction, product development, import substitution, etc.	Nil
3.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year) , following information may be furnished:	Nil
	(a) Technology imported.	Nil
	(b) Year of import.	Nil
	(c) Has technology been fully absorbed?	Nil
	(d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	Nil

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT (F.Y.2012-13)

OVERVIEW:

The Financial Statements of the Company have been prepared in compliance with requirements of the Companies Act, 1956, guidelines issued by Securities and Exchange Board of India (SEBI). Our Management accepts responsibility for integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

OVERALL PERFORMANCE:

The Company has undertaken in-house improvements and innovation to increase efficiency and to achieve economies of scale. The Company has been able to achieve full capacity utilization during the previous year. Overall The Company has registered an upward trend in its performance over the previous year, which marks a good sign and mainly attributable on account of:

- a. Increase in production and attaining economies of scale even though there was increase in cost of raw materials and inputs.
- b. Decrease in Interest burden on account of repayment of Loans and lower rate of interest due to up gradation of Credit Rating,
- c. Improvement and innovation with usage of latest technology for achieving optimum end product and reduction in cost of production in comparison to increase in cost of inputs.
- d. Increase of sale prices of finished goods.

INDUSTRY STRUCTURE AND DEVELOPMENT:

The Global economy in the F.Y 2012-13 improved slowly and did not recover to the extent anticipated in beginning of the year. Among the Asian economies, China, going through a political transition, experienced considerably slower growth. Deceleration in industrial output and exports weakened India's economic growth significantly.

After recovering to a growth of 9.2 per cent in 2009-10 and 2010-11, growth of value added in industrial sector, comprising manufacturing, mining, electricity and construction sectors, slowed to 3.5 per cent in 2011-12 and to 3.1 percent in the current year. The manufacturing sector, the most dominant sector within industry, also witnessed a decline in growth to 2.7 per cent in 2011-12 and 1.9 per cent in 2012-13 compared to 11.3 per cent and 9.7 per cent in 2009-10 and 2010-11, respectively.

Changing economic and business conditions, evolving consumer preferences, rapid technological innovation and adoption, and globalization are driving corporations to transform the manner in which they operate. Companies are now more focused on their core business objectives such as revenue growth, profitability and asset efficiency.

The Core business of Ruchira Papers Limited is paper manufacturing. The Company started operations in 1983 with manufacturing of Kraft Paper that is used for packaging, corrugation, core pipes, cones etc. With setting up of 100 TPD Writing and Printing Paper plant in the year 2008, the company has widened its product base in multi-purpose Writing & Printing segment of Paper.

The growth of Paper Industry in 5 years ending FY17 would be higher than 5.7% CAGR FY 08-12 due to greater thrust on industrialization, rising income levels and improving demography. Factors such as improvement in the domestic economic scenario, various Government programmes aimed at improving literacy, with increased outlays and efficient targeting would lead to a better performance of the W&P sector, as compared to 6.3% CAGR for past 5 years. Increasing circulation of newspaper/journals/magazines due to higher literacy rates, greater focus of print media companies on regional content and improved demand traction from corporate sector due to higher advertisement spending is likely to help the Newsprint segment grow at a higher CAGR up to FY17, than the growth of 4.9% in the period FY08-12. India is self-sufficient in most paper segments, except for newsprint and higher grades of W&P papers on account of non-availability of superior quality of pulp. 60% of newsprint domestic demand is met through imports due to inverted duty structure, poor economies of scale & inferior product quality in comparison to international producers.

The Indian Paper Industry has demonstrated secular general growth and the consistent rise in demand. Also domestic consumption is growing; the per capita consumption is only about 9.5 kilogram against the global average of 57 kilo gram. According to association, about 31 per cent of the country's total production is met through raw materials like wood and bamboo, while 47 per cent comes from recycled wastes and the rest from agro products.

The increase in education expenditure will definitely require more Writing & Printing Paper and we anticipate the faster growth rate of Writing and Printing Paper. Indian Paper Manufacturers Association (IPMA) projects that India's demand for paper is expected to double to 20 million tonnes by 2020.

Due to the ecological problems caused by usage of plastic materials, paper is becoming the most favored option for packaging. The growth of the manufacturing sector will also enhance the demand for Kraft paper.

OPPORTUNITIES AND THREATS:

The global paper industry is witnessing a fundamental change with the demand shifting to emerging economies particularly Asia. The paper industry in China and India has emerged to be among the top global players and are expected to improve their ranking significantly in the coming years. India in particular has good growth potential. The low current per capita consumption of paper in India, around 9.5 Kilograms as against the world average of 57 Kilograms, reflects the significant potential that the industry offers in the future. Increasing usage of high speed printing/copying machines with colour reproduction is propelling demand for high quality Writing and Printing papers. This trend will be beneficial for the Company.

Opportunities: The Company being located in Himachal Pradesh is presently entitled to 100 % excise duty exemption up to November, 2013 in respect of Kraft Paper and concessional rates of Central Sales tax at 1 % against 2 % in other states. The Writing & Printing Paper unit, which is also entitled for 100 % excise exemption for next 10 years with effect from 30.03.2008. The Company having a Captive Power Cogeneration Plant, which helps to get the cheap and uninterrupted power supply. We are consistently complying with Environmental norms regarding Chemical recovery and have our own system in place. Further, the location of the factory at the outskirts of Himachal Pradesh helps to get raw material agro residues from the neighboring agricultural rich states of Haryana and Punjab.

Threats: As the Indian Paper market grows it is attracting major international players who have access to better technology to setup business in India. The Company recognizes this challenge and has made conscious efforts to build a strong competitive advantage through increased brand equity, wider network and use of contemporary technology. The Company has been also increasing its reach in the rural markets by increased distribution and customized packs.

PRODUCT ANALYSIS:

The Company is engaged in manufacturing of Writing & Printing Paper and Kraft paper. Writing & Printing paper is manufactured from virgin pulp (agro based), which finds its usage in manufacturing note book and for printing and publishing, a special grade of paper is also manufactured for wedding & greeting cards, art sheets & coloured scrap books, drawing sheets & paper for multipurpose office use. The market for Writing and Printing paper is expected to grow by about 9% annually over the next 5-7 years. The industry will see acceleration in the trend that favours branded and value added products.

Apart from Writing and Printing Paper, product range of Company also includes Kraft Paper with a installed capacity of 52800 TPA. This product finds its application in the manufacturing of corrugated boxes, Corrugated rolls for industrial packaging. The Company also manufactures a special grade of Kraft Paper known as DTY/POY grade which is used in the manufacturing of textile tubes and in wrapping of different types of Yarn.

OUTLOOK:

India is rated as one of the fastest growing market for paper globally. The demand of paper has been growing at around 8% for some time and so far, the growth of paper industry has mirrored the growth in GDP. However paper consumption is poised for a big leap forward in sync with the economic growth and would overtake GDP growth rate as happened in other economies at a similar point in their growth trajectory. From current levels of around 12 Million tons, it is estimated to touch almost 14 Million tons by 2015-16 and 20 Million tons by 2020.

RISK AND CONCERNS:

Risk is inseparable from business. Nonetheless, the company has undertaken a number of initiatives to mitigate risk impact through continuous risk identification and management. The paper industry is labour intensive, Power intensive as well as capital intensive and exposed to several risks i.e. changes in the governmental policies, duties and taxes, technological obsolescence and external factors. The company uses agro waste material as basic raw material to manufacture paper. The availability of raw material is dependent upon reasonably good monsoon. Non availability of key raw material resources may inflate procurement costs, impact production and affect profitability. The Company enjoys flexibility which enables us to switch raw material mix in favour of those which are available cost-effectively.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an internal control system commensurate with its size and nature of the business and meeting with the following objectives:

- a. Safeguarding the assets and protecting against loss from unauthorized use or disposition.
- b. Transactions being properly authorized, accurately recorded and promptly reported, and
- c. Proper maintenance of the accounting records.

The Internal control system and the guidelines for compliance with stated policies of the company for conducting business and communication with the stake holders, customers and other third parties are well documented.

The procedures, practices and limits with respect to this function were subjected to periodic review by senior management during the year under review.

FINANCIAL PERFORMANCE:

Sales of the Company registered a growth of 4.62 % over the previous financial year at Rs. 29779.40 Lacs compared to Rs. 28464.62 Lacs in corresponding previous year. The Profit before Tax (PBT) of the Company has grown from Rs. 1140.19 Lacs in previous period to Rs. 2470.19 Lacs in the year and registered a growth of 116.64% under review.

HUMAN RESOURCES:

The Company takes pride in commitment, competence and dedication shown by its employees at all areas of business. Various HR initiatives are taken to align HR policies to the growing requirements of the business.

The Company has a structured indication process and management development programs to upgrade skills of managers. The company has strengthened the deployment of high quality employees in key functions, through recruitments and selections. The company firmly believes that inhouse human capital will see organization through success in today's highly competitive global environment. Ruchira Papers Limited considers its human resources as amongst its most valuable assets. Industrial relations were cordial throughout the year and would likely to continue in future also.

FORWARD LOOKING STATEMENTS:

The Management discussion and analysis report contains forward looking statements based upon the data available with the company, assumptions with regard to global economic conditions, the government policies etc. The company cannot guarantee the accuracy of assumptions and future performance of the company in future. Therefore, the actual results, performance or achievements could thus differ materially from those projected in any such forward looking statement.

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**Report on Corporate Governance
(2012-13)**
(Pursuant to Clause 49 of the Listing Agreement)

“Corporate Governance refers to the way a Corporation is governed. It is the technique by which Companies are directed and managed. It means carrying the business as per stakeholders’ desires. It is actually conducted by Board of Directors and concerned committees for Company’s stakeholder’s benefit. It is all about balancing individual and societal goals, as well as, economic and social goals.”

COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is about Commitment to values and ethical business conduct. The Company believes that Corporate Governance is the application of best management practices, compliances of law in true letter and spirit and adherence to ethical standards for effective management. The Company seeks to adopt good corporate governance practices and places strong emphasis on transparency, empowerment, accountability and integrity which leads to satisfaction of shareholders. Company’s philosophy is concerned with ethics, values & morals and remains accountable to the shareholders and other beneficiaries for their action. The Company conducts its activities in a manner that is fair and transparent and perceived to be such by others.

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

BOARD OF DIRECTORS:

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

a. Size & Composition of Board of Directors:

The Board has an optimum combination of Executive and Non-Executive Directors. 50% of the Directors are Non-Executive Independent Directors. The Company has Three Whole Time Executive Directors and one Managing Director to look after finance, projects, commercial, technical and personnel affairs of the Company. The total number of Directors of the Company is 8(Eight) as on 31st March, 2013 consisting of 4 Executive Directors and 4 Independent Non Executive Directors. The Board believes that current size is appropriate, based on present circumstances. The Board periodically evaluates need for change in its composition and size.

b. Board Meetings:

Board meetings are conducted in accordance with provisions of the Companies Act, 1956 and Articles of Association of the Company. The Board meets at regular intervals to discuss and decide on business strategies/policies and review financial performance of the Company.

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

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

Name of Directors.	Category of Directors	Attendance in Board meeting during the F.Y 2012-13.		Attendance at Last AGM	No. of other Directorship	Membership of other Board/ Committee	Relationship Inter-se Directors
		Held	Attended				
Mr. Jatinder Singh	Chairman Cum Whole Time Director <i>Executive & Promoter</i>	5	5	No	2	2	----
Mr. Subhash Chander Garg	Co-Chairman Cum Whole Time Director <i>Executive & Promoter</i>	5	4	Yes	Nil	1	Related to Mr. Umesh Chander Garg.
Mr. Umesh Chander Garg	Managing Director <i>Executive & Promoter</i>	5	5	No	Nil	Nil	Related to Mr. Subhash Chander Garg.
Mr. Vipin Gupta	Whole Time Director Executive & Professional Director	5	5	Yes	Nil	Nil	----
Mr. Dalbir Singh	<i>Non-Executive Independent</i>	5	5	No	Nil	2	----
Mr. Surinder Gupta	<i>Non-Executive Independent</i>	5	4	Yes	Nil	2	----
Col(Retd) Avtar Singh Bajwa	<i>Non-Executive Independent</i>	5	5	No	Nil	2	----
Mr. S.K.Dewan	<i>Non-Executive Independent</i>	5	5	No	2	1	----

(In compliance with listing agreement, members of Company's Board do not have directorship in more than fifteen companies or membership of more than ten Board level committees or Chairman of more than five such companies)

D. Details of Board Meetings held during the year:

Date of Board Meeting	Board Strength	No. of Directors Present.
15 th May 2012	08(Eight)	08(Eight)
11 th August 2012	08(Eight)	07(Seven)
08 th November 2012	08(Eight)	07(Seven)
13 th February 2013	08(Eight)	08(Eight)
22 nd March 2013	08(Eight)	08(Eight)

AUDIT COMMITTEE:

The Audit Committee has been set up in accordance with the requirements of section 292A of the Companies Act, 1956 and the terms of reference are in conformity with clause 49 of listing agreement entered into with stock exchanges. The Primary objective of Committee is to monitor and provide effective supervision of Management's financial reporting process to ensure accurate and timely disclosures, with highest level of

transparency, integrity and quality of financial reporting. All possible measures must be taken by Committee to ensure the independence and objectivity of the independent auditors. The composition of the Audit Committee as on **31st March, 2013** is as follows:

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

Keeping in view the provisions of section 292A of the Companies Act, 1956 and matters specified under clause 49 of Listing agreement with stock exchanges, terms of reference are as under:

- To recommend the appointment of the statutory auditors, internal auditors and cost auditors.
- To review reports of the internal auditors and decide about the scope of work.
- To review the financial statements and to seek clarifications etc. from the Statutory/ Internal Auditors.
- To review the adequacy of internal control system.
- To review with the management the annual/half-yearly/quarterly financial statement.
- Perform other activities consistent with the Company's Memorandum and Articles, the Companies Act, 1956 and other Governing Laws.

The Audit Committee met four times during the year on 15.05.2012, 11.08.2012, 08.11.2012 and 13.02.2013.

REMUNERATION & NOMINATION COMMITTEE:

Terms of reference:

To recommend/ review the remuneration package of Executive Directors and their relatives based on performance and keeping in view applicable provisions of the Companies Act, 1956.

The Composition of committee is as follows:

Sr.No.	Names of Members	Designation	Category	Meetings	
				Held	Attended
1	Mr. Dalbir Singh	Chairman	Independent Non-Executive	03	03
2	Mr. Surinder Gupta	Member	Independent Non-Executive	03	02
3	Col(Retd) Avtar Singh Bajwa	Member	Independent Non-Executive	03	03

The Remuneration Committee met on 15.05.2012, 11.08.2012 & 22.03.2013.

Remuneration Policy:

Non-Executive/Independent Directors' remuneration:

The Non-Executive Directors are paid sitting fees for each meeting of the Board of Directors attended by them. Other than sitting fees, no other remuneration has paid to Non-Executive Directors for the year 2012-13. The Non-Executive Independent Director's do not have any material pecuniary relationship or transaction with the Company.

Executive Directors' Remuneration:

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

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

The details of Remuneration of directors for the financial year ended **31st March, 2013** are as follows:

Name	Category of Directors	Salary including allowances	Sitting fees	Total
Mr. Jatinder Singh	Chairman Cum Whole Time Director Executive & Promoter	66,98,100	-	66,98,100
Mr. Subhash Chander Garg	Co-Chairman Cum Whole Time Director Executive & Promoter	66,98,100	-	66,98,100
Mr. Umesh Chander Garg	Managing Director Executive & Promoter	66,98,100	-	66,98,100
Mr. Vipin Gupta	Whole Time Director Executive Director	17,13,500	-	17,13,500
Mr. Dalbir Singh	Non-Executive Independent	-	56000	56000
Mr. Surinder Gupta	Non-Executive Independent	-	46000	46000
Col(Retd). Avtar Singh Bajwa	Non-Executive Independent	-	56000	56000
Mr. S.K.Dewan	Non-Executive Independent	-	56000	56000

SHAREHOLDERS/ INVESTORS GRIEVANCES COMMITTEE:

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

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

The Composition of the committee is as follows:

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

The Committee met on 15.05.2012, 11.08.2012, 08.11.2012 and 13.02.2013 during the year 2012-13. There was no complaint pending at beginning of the year. No complaint is pending at close of the year.

DISCLOSURES:

The Company had taken prior approval of Central Govt. for all related parties transactions held during the F.Y 2012-13. Confirmations have been placed before the Audit Committee and Board that all related party transactions during the year under reference was in the ordinary course of business and on arm's length basis. The transactions detailed in schedule to accounts are related party transactions during the F.Y 2012-13. There was no non-compliance during last three years by the company on any matter relating to the Capital Market. There were no penalties, strictures passed by stock exchanges/SEBI or any Statutory authority. There are no pecuniary relationships or transactions with Non-Executive Directors. The Company does not have any non-listed Subsidiary Companies as defined in Clause 49 of the Listing Agreement with Stock Exchanges. Compliance status with mandatory and non mandatory requirements of Clause 49 of Listing agreement:-

Mandatory Requirements: The Company has complied with all the mandatory requirements of Clause 49 of the listing agreement entered into with stock exchanges.

Non-Mandatory Requirements adopted by the Company:

- a) Mr. Jatinder Singh, an Executive Director, is Chairman of the Company and 50% of the Board comprises of Non-Executive and Independent directors.
- b) The Company has set up a Remuneration & Nomination Committee comprising of three Independent Directors. Details of the Committee have already been given above.
- c) Presently, half yearly financial performance is not being sent to any shareholder.
- d) The Company does not have a Whistle Blower Policy. All the same, no personnel of the Company have been denied access to the grievance redressal mechanism of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS:

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

DISCLOSURE REGARDING APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS:

According to Articles of Association, one third of the directors retires by rotation and, if eligible, seeks re-appointment at the Annual General Meeting of the Company. Mr. Swantantar Kumar Dewan and Col(Retd.) Avtar Singh Bajwa will retire in ensuing Annual General meeting. The Board has recommended re-appointment of all the retiring directors. The Board also recommended \shareholder's approval for Increase in Managerial Remuneration of Mr. Subhash Chander Garg, Whole Time Director, Mr. Umesh Chander Garg, Managing Director, Mr. Jatinder Singh, Whole Time Director & Mr. Vipin Gupta, Whole Time Director. The detailed profile of all the directors eligible for appointment or re-appointment are provided in the notice convening the AGM in the Annual Report.

MEANS OF COMMUNICATION:

The quarterly results of the Company were announced within 45 days of the end of each quarter and such results were published normally in the "The Financial Express" and "Jansatta". The Financial results are also provided on web site www.ruchirapapers.com.

GENERAL BODY MEETINGS:

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

Year	Date	Time	Venue
2010	16.09.2010	3:00 P.M.	Hotel Black Mango, Nahan Road, Kala-Amb, Distt. Sirmour. (H.P.)-173030
2011	28.09.2011	3:00 P.M.	Hotel Black Mango, Nahan Road, Kala-Amb, Distt. Sirmour. (H.P.)-173030
2012	25.09.2012	3:00 P.M.	Hotel Black Mango, Nahan Road, Kala-Amb, Distt. Sirmour. (H.P.)-173030

No special resolution was passed by way of postal ballot during the year 2012-13.

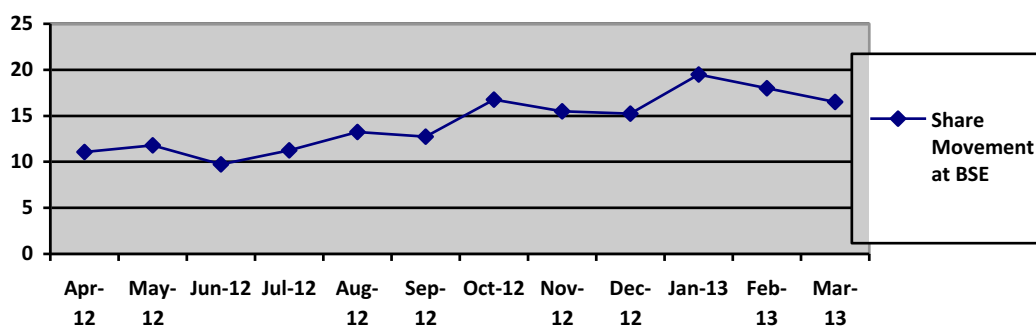
SHAREHOLDERS INFORMATION:

A. General Shareholder Information:

Annual General Meeting (Date , time and venue)	11 th September 2013, Wednesday at 11.30 A.M. at Hotel Black Mango, Nahan Road, Kala Amb, Distt. Sirmour (H.P.)-173030.
Financial Calendar	The Company follows April-March as its financial year.
Book Closure date	05.09.2013 to 11.09.2013 (Both days inclusive)
Listing on Stock Exchanges	The Company's Equity Shares are currently listed with the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited under Stock Codes "532785" and "RUCHIRA" respectively. The Company has paid the requisite fees to stock exchanges for the financial year 2012-13.
ISIN Number for NSDL and CDSL	INE803H01014
Registrar & Share Transfer Agents	Link Intime India Pvt Limited. <i>Mumbai Office:</i> C-13, Pannalal Silk Mills compound, LBS Road, Bhandup(W) Mumbai-440078. Tel: 022-25963838, Email:mumbai@linktime.co.in <i>Delhi Office:</i> A-40, 2 ND Floor, Near Batra Banquet Hall, Naraina Industrial Area, Phase-II, New Delhi-110028. Email:delhi@linkintime.co.in
Share Transfer System	The power of approving transfer of securities has been delegated to the Company's Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Limited. The Share Transfers are processed and certificates normally returned within 14 days from the receipt, if the documents are clear in all respects.
Address for Correspondence	Ruchira Papers Limited, Trilokpur Road, Kala Amb, Distt. Sirmour (Himachal Pradesh) -173030. Tel.No: 08053800897 Fax: 01734-261141 Email:info@ruchirapapers.com, cs@ruchirapapers.com, investor@ruchirapapers.com
Plant Location	Trilokpur Road, Kala Amb, Distt. Sirmour (Himachal Pradesh) -173030

B. Market Price Data: Monthly High/ low during each month of 2012-13 on both Stock exchanges, Mumbai.

Market Price Data	Share prices of the Company for the period 2012-13.			
	Bombay Stock Exchange		The National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2012	11.07	9.55	11.90	8.25
May 2012	11.80	9.20	11.85	8.55
June 2012	9.73	8.06	10.35	8.05
July 2012	11.25	9.54	12.50	8.65
August 2012	13.23	9.51	14.00	9.25
September 2012	12.75	10.29	13.90	9.30
October 2012	16.78	11.51	17.45	10.65
November 2012	15.50	12.35	15.10	11.10
December 2012	15.24	12.75	15.40	11.65
January 2013	19.50	14.31	19.50	13.35
February 2013	18.00	14.75	18.00	13.55
March 2013	16.50	14.50	17.35	13.40

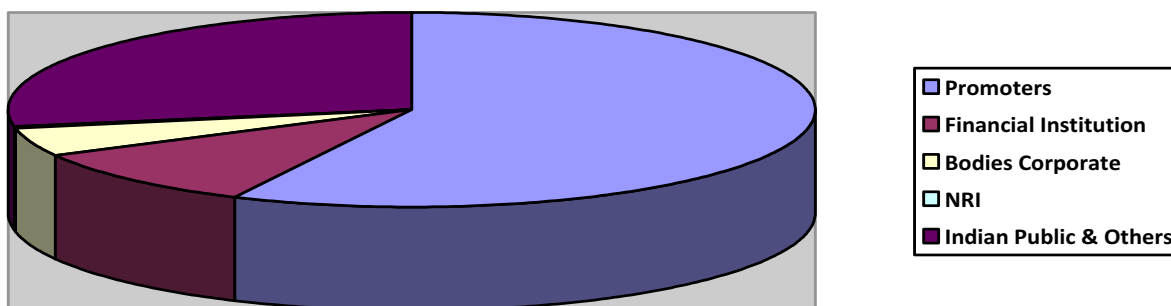


C. Distribution of Shareholding as on 31st March, 2013:

Shareholding of Shares	Shareholders		Shares	
	Number	% of Total	No. of Shares	% of Total
Up to 500	4011	71.47	905919	4.04
501 - 1000	796	14.18	677722	3.02
1001 - 2000	373	6.65	600152	2.68
2001 - 3000	119	2.12	305489	1.36
3001 - 4000	48	.86	171895	.77
4001 - 5000	72	1.28	341816	1.52
5001 - 10000	78	1.39	616108	2.75
10001 & Above	115	2.05	18802703	83.86
TOTAL	5612	100.00	22421804	100.00

D. Categories of Shareholding as on 31st March, 2013:

Categories	Number of Shares	Amount (Rs.)	%
Promoters, Directors, Relatives and Promoter Group	12830969	128309690	57.23
Mutual Funds/UTI	Nil	Nil	Nil
Financial Institutions/Banks	2224731	22247310	9.92
Bodies Corporate	1057772	10577720	4.72
Non Resident Indians	46995	469950	0.21
Clearing Members	47214	472140	0.21
Indian Public	6212993	62129930	27.71
Trust	730	7300	
Independent Directors	400	4000	
TOTAL:	22421804	224218040	100.000



E. Shares held by Independent Directors as on 31st March, 2013:

S.No	Name	No. of Shares
1.	Sh. Dalbir Singh	100
2.	Sh. Surinder Gupta	100
3.	Col(Retd.) A.S.Bajwa	100
4.	Sh. S.K.Dewan	100

F. Dematerialization of Shares:

The shares of the company can be traded in dematerialized form with NSDL and CDSL. As on 31st March, 2013, a total of 22421142 Equity shares of the company which form 99.99 % of the share capital, stand dematerialized. The Company through its Registrar and Share Transfer Agents provides the facility of simultaneous transfer and dematerialization of shares.

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

Auditors' Certificate on Corporate Governance

To,

The Members Ruchira Papers Limited

We have examined the compliance of conditions of Corporate Governance by Ruchira Papers Limited, for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations 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 grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company which are presented to the Investors Grievance Committee.

We further state 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 J. L. Garg & Co.
Chartered Accountant
Registration No.004730N

Place: Kala-Amb.
Date: 28.05.2013

Lalit Goel (F.C.A.)
Partner
Membership No. 091100

Certification by Managing Director

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

I have reviewed financial statements and cash flow statement of Ruchira Papers Limited for the year ended 31st March, 2013 and to the best of my knowledge and belief:

- 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.
- c. No transaction has been entered into by the company during the year under review which are fraudulent, illegal or violative of the company's code of conduct.

Further, I accept that it is my responsibility to establish and maintain internal controls for financial reporting. Accordingly, I have evaluated the effectiveness of internal control systems of the company pertaining to financial statements and have disclosed to the Auditors and Audit Committee, wherever applicable:

1. deficiencies in the design or operation of internal controls, if any, which came to our notice and steps have been taken / proposed to be taken to rectify these deficiencies;
2. Significant changes in internal controls over financial reporting during the year;
3. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements;
4. Instances of significant fraud of which we became aware and involvement therein, if any, of the management or an employee has a significant role in the company's internal control system over financial reporting.

Further, the Company has laid down and adopted a "Code of Conduct" for all the Board members and senior management of the Company and has been posted on the website of the company.

It is hereby affirmed that during the year 2012-13, all the Directors and Senior Managerial personnel have complied with the Code of Conduct and have given confirmation in this regard.

For Ruchira Papers Limited

Place: Kala-Amb.
Date: 28.05.2013

Umesh Chander Garg
(Managing Director)

INDEPENDENT AUDITORS' REPORT

To,
The Members,
Ruchira Papers Limited
Kala-Amb (H.P.)

Report on the Financial Statements

We have audited the accompanying Financial Statements of Ruchira Papers Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit & Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policy 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 principles generally accepted in India including Accounting Standards referred to in Section 211(3C) 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.

Auditors' 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 misstatements.

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

We believe that 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 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2013;
- b) In the case of the Statement of Profit & Loss, of the profit for the year ended on that date; and
- c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the annexure a statement on the matters specified in paragraphs 4 & 5 of the Order.
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, the Statement of Profit & Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, the Statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act;
 - e) On the basis of the written representations received from the directors as on 31st March 2013, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013, from being appointed as directors in terms of Section 274(1)(g) of the Act.

For J.L.Garg & Co.
Chartered Accountant
Registration No.004730N

Lalit Goel (F.C.A.)
Partner
Membership No.091100
Place-Kala-Amb
Date 28th May 2013

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RUCHIRA PAPERS LIMITED ON THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2013

1. (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
(ii) We were informed that these fixed assets of the Company have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
(iii) There was no substantial disposal of fixed assets during the year.
2. (i) The management has conducted physical verification of inventory at reasonable intervals during the year.
(ii) The procedure of physical verification of inventory followed by the management is, in our opinion, reasonable and adequate in relation to the size of the Company and nature of its business.
(iii) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. (i) The Company has taken Unsecured loans from three Directors covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount during the period of such loans was Rs 496.80 lacs and the amount remaining unpaid at the yearend was Rs 496.80 lacs.
(ii) The loans taken by the Company are free of interest and are not due for repayment at the year end.
(iii) There are no overdue amounts of the principal repayable at the year end.
(iv) The Company has not granted any loans to parties covered in the register maintained under section 301 of the Companies Act, 1956.
(v) Since the company has not granted any loans to parties, the question of reporting whether terms & conditions of such loan are prejudicial to the interest of company does not arise.
(vi) Further in the light of above, the question of, whether reasonable steps are taken for recovery/repayment of overdue of such loan, does not arise.
4. In our opinion and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods & Services. During the course of our audit, no major weakness has been noticed in the internal control in respect of these areas.
5. (i) According to information and explanations given to us, we are of the opinion that the transactions that need to be entered in to the register maintained under Section 301 have been so entered ; and
(ii) Transactions made in pursuance of such contracts or arrangements have been made at prices which appear reasonable having regard to the prevailing market prices at the relevant time and as per information available with the Company.
6. The Company has not accepted any deposits from the public.

7. In our opinion the Company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie, the prescribed cost records have been made and maintained. We have not, however made a detailed examination of said records with a view to determine whether they are accurate or complete.
9. (i) According to information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, investor education and protection funds, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, service tax, cess and others as applicable have been regularly deposited by the Company during the year with the appropriate authorities.
- (ii) According to information and explanations given to us and according to the books and records as produced and examined by us, there are no disputed dues of sales tax, income tax, custom duty, wealth tax, service tax and cess matters. The details of disputed excise duty dues which have not been deposited by the company with the authorities as at March 31, 2013 are as follows :-

Name of the Statute	Nature of the dues	Amount	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty & Penalty thereon.	31042816	Custom, Excise & Service Tax Appellate Tribunal, New Delhi.

10. The Company has no accumulated losses at the end of the financial year and has not incurred any cash losses in the current and immediately preceding financial year.
11. Based on our audit procedures and as per information and explanations given by the management, we are of the opinion that Company has not defaulted in repayment of dues to financial institutions or banks.
12. According to information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities.
15. According to information and explanations given to us the Company has not given any guarantees for loans taken by others from the banks and financial institutions.
16. Based on information and explanations given to us by the management, the term loans were applied for the purpose for which the loans were obtained.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on short term basis which have been used for long term investment.
18. The Company has not made any preferential allotment of Shares to parties or companies covered in the register

maintained under section 301 of the Companies Act, 1956.

19. The Company has not issued any debentures during the year.
20. The Company has not raised any money through a Public Issues during the year.
21. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For J.L.Garg & Co.
Chartered Accountant
Registration No.004730N

Lalit Goel (F.C.A.)
Partner
Membership No.091100
Place-Kala-Amb
Date 28Th May 2013

Significant Accounting Policies

A. Basis for preparation of accounts

- i) The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention using accrual method of accounting in accordance with the generally accepted accounting principals.
- ii) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

C. Own Fixed Assets and depreciation

- i) Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs including financing cost till commencement of commercial production attributable to fixed assets are capitalized.
- ii) Depreciation on fixed assets other than vehicles and furniture is provided on straight line method at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956. Depreciation on vehicles and furniture has been provided on written down value method.
- iii) The depreciation on plant and machinery and effluent treatment plant has been provided on the rates applicable to continuous process plant.

D. 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 profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed in there has been a change in the estimate of recoverable amount.

E. Foreign Currency Transactions

- i) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction or that approximate the actual rate at the date of the transaction.
- ii) Any income and expense on account of exchange difference either on settlement or on transaction is recognized in the profit and loss account except in the case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

F. Investments

Long term investments are stated at cost. Provision for diminution of the value of long term investments is made only if such a decline is other than temporary.

G. Inventories

- i) Inventories are valued at the lower of cost and net realizable value. The cost is computed on First in First out (FIFO) basis.
- ii) Cost for the purpose of valuation of finished goods and goods in process is computed on the basis of cost of material, labour and other related overheads.

-
- iii) Scrap stock is valued at estimated realizable value.
- H. Revenue recognition
- i) Revenue is recognized to the extent that is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.
- ii) Sales are recognized when goods are supplied and the significant risks and rewards or ownership of the goods have passed to the buyer.
- iii) Dividend income is accounted in the year in which it is received. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
- I. Employee Benefits
- i) Short term benefits employee benefits are recognized as an expense in the profit and loss account of the year in which the related service is rendered.
- ii) Post employment and other long term employee benefits are recognized as an expense in the profit and loss account for the year in which the employee has rendered the services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect post employment and other long term benefits are charged to the profit and loss account.
- J. Borrowing Costs
- Borrowing costs that are attributable to acquisition or construction of a qualifying asset are capitalized as a part of cost of such assets. Qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expenses in the period in which they are incurred.
- K. Provision for Current and Deferred Tax
- Tax expense comprises both current and deferred taxes. Deferred Income Taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of early years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are reassessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.
- L. Segment Reporting
- The company produces only Paper and accordingly the entire business has been considered as one single segment. The secondary segment is geographical determined based on the location of clients. Clients are classified as either India or Overseas.
- M. Provisions, Contingent Liabilities & Contingent Assets
- Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.
-

BALANCE SHEET AS AT 31ST MARCH, 2013

(Amount in INR)

	Note No.	As at 31st March ,2013	As at 31st March ,2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	224218040	224218040
Reserves and surplus	2	613903113	475504124
		838121153	699722164
Non-current liabilities			
Long-term borrowings	3	501688111	663539807
Deferred tax liabilities (Net)	4	186041365	105887604
Other Long term liabilities	5	107719710	150067471
Long-term provisions	6	7800481	5626600
		803249667	925121482
Current liabilities			
Short-term borrowings	7	381429920	392030979
Trade payables	8	187486037	207213710
Other current liabilities	9	230874408	218063989
Short-term provisions	10	69488589	36452077
		869278954	853760755
TOTAL		2510649774	2478604401
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	1561159310	1619430462
Capital work-in-progress	11	3256256	-
Non-current investments	12	2500	2500
Long-term loans and advances	13	3634467	3636466
		1568052533	1623069428
Current assets			
Inventories	14	353635598	414472625
Trade receivables	15	418384026	347342245
Cash and cash equivalents	16	45912097	19577657
Short-term loans and advances	17	124665520	74142446
		942597241	855534973
TOTAL		2510649774	2478604401

The Schedules refer to above form part of the Balance Sheet

Auditors Report

Certified in terms of our separate report of even Date

For J.L.Garg & Co.
Chartered Accountant
Registration No.004730N

Lalit Goel (F.C.A.)
Partner
Membership No.091100

Place-Kala-Amb
Date 28th May 2013

For and on behalf of Board of Directors

Subhash Chander Garg
(Chairman cum Whole Time Director)

Umesh Chander Garg
(Managing Director)

Vipin Gupta
(Whole Time Director)

Vishav Sethi
(Company Secretary)

STATEMENT OF PROFIT & LOSS FOR YEAR ENDED 31ST MARCH, 2013

(Amount in INR)

Particulars	Note No.	2012-13	2011-12
Revenue from operations	18	2974129228	2842801341
Other income	19	17399761	14691331
Total Revenue		2991528989	2857492672
Expenses:			
Cost of materials consumed	20	1886758818	1919231833
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	21	1902843	11878190
Employee benefits expense	22	179174926	148546886
Finance costs	23	169295721	197920308
Depreciation and amortization expenses	11	109918470	106548260
Other expenses	24	397564191	359386409
Total expenses		2744614969	2743511886
Profit before exceptional and extraordinary items and tax		246914020	113980786
Exceptional items		(105513)	(38144)
Profit before extraordinary items and tax		247019533	114018930
Extraordinary Items		-	-
Profit before tax		247019533	114018930
Tax expense:			
Current tax		50000000	23000000
Deferred tax		80153761	36993442
Earlier year taxes		2407601	1190254
MAT Credit Entitlement		(50000000)	(23000000)
Profit (Loss) for the period		164458171	75835234
Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
Profit (Loss) for the period (XI + XIV)		164458171	75835234
Earnings per equity share:			
(1) Basic		7.33	3.38
(2) Diluted		7.33	3.38

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

Auditors Report

Certified in terms of our separate report of even Date

For J.L.Garg & Co.
Chartered Accountant
Registration No.004730N

Lalit Goel (F.C.A.)
Partner
Membership No.091100

Place-Kala-Amb
Date 28th May 2013

For and on behalf of Board of Directors

Subhash Chander Garg
(Chairman cum Whole Time Director)

Umesh Chander Garg
(Managing Director)

Vipin Gupta
(Whole Time Director)

Vishav Sethi
(Company Secretary)

CASH FLOW STATEMENT FOR THE YEAR 2012-13

(Amount in INR)

	2012-13	2011-12
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit Before Tax as per Profit and Loss Account	247019533	114018930
Adjusted for:		
Loss/(Profit) on sale of Fixed Assets	(105513)	(38144)
Depreciation and amortization expenses	109918470	106548260
Interest Income	(16059880)	(12733643)
Interest Expense	164316751	193168526
	258069828	286944999
Operating Profit before working capital changes		
Adjusted for:		
Decrease/(increase) in Trade Receivables	(71041781)	(77175938)
Decrease/(increase) in Inventories	60837027	(4385972)
Decrease/(increase) in Loans & advances	(446231)	2533448
(Decrease)/increase in Trade Payables	(19727673)	(39281959)
(Decrease)/increase in Other Current Liabilities	(14578541)	(1583623)
	(44957199)	(119894044)
Cash generated from Operations	460132162	281069885
Income Tax Paid(Net)	(25482445)	(13018952)
Net Cash from Operating Activities	434649717	268050933
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Purchase of Fixed Assets	(55035061)	(14589390)
Proceeds from sale of Fixed assets	237000	430000
Interest received	16059880	12733643
Net Cash (Used in) Investing Activities	(38738181)	(1425747)
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceeds from Long Term Borrowings	22019679	15700000
Repayments of Long Term Borrowing	(190599543)	(199968342)
Proceeds from Short Term Borrowings(Net)	(10601059)	108921715
Interim Dividend Paid	(22421804)	-
Dividend Distribution Tax	(3637378)	-
Interest Paid	(164336991)	(193193209)
Net Cash (Used in) From Financing activities	(369577096)	(268539836)
Net Increase/(Decrease) in Cash & Cash equivalents (A+B+C)	26334440	(1914650)
Cash & Cash equivalents at beginning of the period	19577657	21492307
Cash & Cash equivalents at end of the period	45912097	19577657

Notes:

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

Auditors Report

Certified in terms of our separate report of even Date

For J.L.Garg & Co.
Chartered Accountant
Registration No.004730N

Lalit Goel (F.C.A.)
Partner
Membership No.091100

Place-Kala-Amb
Date 28th May 2013

For and on behalf of Board of Directors

Subhash Chander Garg
(Chairman cum Whole Time Director)

Umesh Chander Garg
(Managing Director)

Vipin Gupta
(Whole Time Director)

Vishav Sethi
(Company Secretary)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

The previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current year presentation

1 SHARE CAPITAL

(Amount in INR)

	As at 31st March, 2013	As at 31st March, 2012
Authorised Share Capital		
31000000 Equity Shares of Rs. 10/- each (31000000)	310000000	310000000
Issued Subscribed and Paid up		
22421804 Equity Shares of Rs. 10/- each fully paid up (22421804)	224218040	224218040
TOTAL	224218040	224218040

1.1 1965500(Previous year 1965500) equity shares out of the issued ,subscribed and paid up share capital were allotted pursuant to the scheme of amalgation without payments being received in cash

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

	As at 31st March, 2013	As at 31st March, 2012
	Number of Shares	Number of Shares
Equity Shares at the beginning of the Year	22421804	22421804
Add: Equity Shares Issued during the year	-	-
Less: Equity Shares bought back during the year	-	-
Equity Shares at the end of the year	22421804	22421804

1.3 The details of Shareholders holding more than 5% Shares

Name of Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares	% held	No. of Shares	% held
Central Bank of India	1587314	7.08%	1587314	7.08%
Sh.Jatinder Singh	2062080	9.20%	1868815	8.33%
Sh. Subhash Chander Garg	1329316	5.93%	1249601	5.57%
Sh.Umesh Chander Garg	1170316	5.22%	1170316	5.22%
MS.Charanjeet Kaur	1134534	5.06%	1134534	5.06%

2 RESERVES AND SURPLUS

	As at 31st March, 2013	As at 31st March, 2012
Securities Premium Account		
As per last Balance Sheet	181086953	181086953
Add : Securities premium credited on Share issue	-	-
Less : Premium Utilised for various reasons	-	-
	181086953	181086953
General Reserves		
As per last Balance Sheet	19655000	19655000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
	19655000	19655000
Profit and Loss Account		
As per last Balance Sheet	274762171	198926937
(+) Net Profit/(Net Loss) For the current year	164458171	75835234
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Transfer to Reserves	-	-
(-) Interim Dividend on equity shares	22421804	-
[Dividend per share Rs. 1.00 (Previous Year-Nil)]	-	-
(-) Dividend Tax	3637378	-
	413161160	274762171
TOTAL	613903113	475504124

3 LONG TERM BORROWINGS

	As at 31st March, 2013	As at 31st March, 2012
	Non-Current	Non-Current
Secured		
Term Loans		
From Banks	433510308	608979543
From Others	18497803	4880264
	452008111	613859807
Unsecured		
From Other(Promoters)	49680000	49680000
TOTAL	501688111	663539807

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

4 DEFERRED TAX LIABILITY (Net)

	As at 31st March, 2013	As at 31st March, 2012
Deferred Tax Liability		
Related to fixed assets	210091531	202474701
Deferred Tax Assets		
Unabsorbed Depreciation/disallowances under the Income Tax Act, 1961	24050166	96587097
TOTAL	186041365	105887604

5 OTHER LONG TERM LIABILITIES

	As at 31st March, 2013	As at 31st March, 2012
Others		
Creditors for Capital Work	23648783	67574404
Security Deposit From Suppliers	30000000	30000000
Security Deposit From Customers	54070927	52493067
	107719710	150067471
TOTAL	107719710	150067471

6 LONG TERM PROVISIONS

	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits		
Leave Encashment	7800481	5626600
TOTAL	7800481	5626600

7 SHORT TERM BORROWINGS

	As at 31st March, 2013	As at 31st March, 2012
Secured		
Working Capital Loans from Banks		
Rupee Loans	381429920	392030979
TOTAL	381429920	392030979

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

8 TRADE PAYABLES

	As at 31st March, 2013	As at 31st March, 2012
Micro Small and Medium Enterprises	48870463	46502731
Others	138615574	160710979
TOTAL	187486037	207213710

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

	As at 31st March, 2013	As at 31st March, 2012
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment beyond the appointee day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years.	-	-

9 OTHER CURRENT LIABILITIES

	As at 31st March, 2013	As at 31st March, 2012
Current maturities of long-term debts	181789327	188517495
Interest accrued but not due on borrowings	-	20240
Advances from Customers	2630499	8606874
Share application money pending refund*	25553	25553
Unpaid dividend for FY 2012-13	22421804	-
Statutory dues	10685951	9298411
Other provisions (expenses payable)	13321274	11595416
	230874408	218063989
TOTAL	230874408	218063989

*These figures do not include any amounts, due and outstanding to be credited to Investor Education and Protection Fund.

10 SHORT TERM PROVISIONS

	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits		
Salary & Reimbursements	11491698	8952449
Leave Encashment	647600	369995
Contribution to PF	1803180	1511585
Superannuation	373963	327715
Annual Bonus	5172148	2290333
	19488589	13452077
(b) Others		
Provision for Income Tax	50000000	23000000
TOTAL	69488589	36452077

Note 11
FIXED ASSETS

(Amount in INR)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	COST AS ON 1/4/2012	ADDITIONS	SALE/ TRANSFER	TOTAL AS ON 3/31/2013	UPTO 3/31/2012	FOR THE YEAR	DEPRECIATION ON SALE/TRANS OF ASSETS ADJ.	TOTAL UPTO 3/31/2013	AS ON 3/31/2013	AS ON 3/31/2012
1	2	3	4	5	6	7	8	9	10	11
TANGIBLE ASSETS:										
OWN ASSETS:										
LAND	100941207	-	-	100941207	-	-	-	-	100941207	100941207
BUILDING	289866397	1939551	-	291805948	58737446	9612966	-	68350412	223455536	231128951
OFFICE BUILDING	12692115	-	-	12692115	933970	206881	-	1140851	11551264	11758145
PLANT & MACHINERY	1709158246	20506510	-	1729664756	480649175	89338285	-	569987460	1159677296	1228509071
EFFLUENT TREATMENT PLANT	42588447	-	-	42588447	31106455	2164269	-	33270724	9317723	11481992
TUBE WELL	5096111	-	-	5096111	629039	82672	-	711711	4384400	4467072
FURNITURE	7849396	342522	-	8191918	5525560	452581	-	5978141	2213777	2323836
TOOLS & EQUIPMENTS	516800	-	-	516800	203204	24349	-	227553	289247	313596
LAB. EQUIPMENTS	4390850	1757131	-	6147981	2177663	213106	-	2390769	3757212	2213187
OFFICE EQUIPMENTS	4147257	527643	-	4674900	1047638	212085	-	1259723	3415177	3099619
VEHICLES	48210178	25899213	1092351	73017040	29541847	6954654	960864	35535637	37481403	18668331
FAX MACHINE	209730	-	-	209730	130989	9962	-	140951	68779	78741
WEIGHING SCALE	2581728	-	-	2581728	973349	122632	-	1095981	1485747	1608379
COMPUTERS	3789161	583650	-	4372811	3247244	369124	-	3616368	756443	541917
Fire Fighting	359416	-	-	359416	62212	17072	-	79284	280132	297204
PBX	383781	18500	-	402281	165105	18425	-	183530	218751	218676
PHOTOSTAT MACHINE	436101	-	-	436101	133695	20715	-	154410	281691	302406
TELEPHONES	2007610	204085	-	2211695	529478	98692	-	628170	1583525	1478132
SUB-TOTAL (Rs.) (A)	2235224531	51778805	1092351	2285910985	615794069	109918470	960864	724751675	1561159310	1619430462
CAPITAL WORK IN PROGRESS										
EFFLUENT TREATMENT PLANT	-	3256256	-	3256256	-	-	-	-	3256256	-
SUB-TOTAL (Rs.) (B)	-	3256256	-	3256256	-	-	-	-	3256256	-
TOTAL (RS.)(A+B)	2235224531	55035061	1092351	2289167241	615794069	109918470	960864	724751675	1564415566	1619430462
<i>Previous Year</i>	<i>2221485267</i>	<i>14589390</i>	<i>850126</i>	<i>2235224531</i>	<i>509704079</i>	<i>106548260</i>	<i>458270</i>	<i>615794069</i>	<i>1619430462</i>	<i>-</i>

12 NON CURRENT INVESTMENTS

(Long term investments)

	As at 31st March, 2013	As at 31st March, 2012
Other Investments		
In Equity Shares-Unquoted, fully paid up 250 Shivalik Solid waste Management Ltd. Rs.10 each (250)	2500	2500
TOTAL	2500	2500

13 LONG TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

	As at 31st March, 2013	As at 31st March, 2012
Security Deposits		
With HPSEB and Other Government Departments	3634467	3636466
TOTAL	3634467	3636466

14 INVENTORIES

	As at 31st March, 2013	As at 31st March, 2012
Raw Materials and components	135762470	223031793
Work-in-progress	37017500	31617780
Finished goods	32846638	40149201
Stores and spares	148008990	119673851
TOTAL	353635598	414472625

15 TRADE RECEIVABLES

(Unsecured and Considered Good)

	As at 31st March, 2013	As at 31st March, 2012
Over Six Months	25442546	30178842
Others	392941480	317163403
TOTAL	418384026	347342245

16 CASH & BANK BALANCES

	As at 31st March, 2013	As at 31st March, 2012
Balances with Banks*	25975020	166665
Cash in hand	3514119	1103034
Margin Money*	16422958	18307958
TOTAL	45912097	19577657

*Balance with bank includes Rs.22421804/- as Unpaid Dividend (Previous Year- Nil) and margin money includes Rs.9882458/- as fixed deposits with Banks having maturity period of more than 12 months (Previous Year Rs.9897458/-).

17 SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

	As at 31st March, 2013	As at 31st March, 2012
Others		
Balance with revenue authorities	102416224	51603329
Other loan and advances	16799034	18196153
Interest incurred but not due	5450262	4342964
	124665520	74142446
TOTAL	124665520	74142446

18 REVENUE FROM OPERATIONS

	2012-13	2011-12
Sale of products	2977940499	2846461564
Less: Excise duty	3811271	3660223
TOTAL	2974129228	2842801341

PARTICULARS OF SALE OF PRODUCTS

	2012-13	2011-12
Kraft Paper	1229649823	1252094292
Writing & Printing Paper	1734201017	1593358436
Ash/Sludge or Others	14089659	1008836
TOTAL	2977940499	2846461564

19 OTHER INCOME

	2012-13	2011-12
Interest Income	16059880	12733643
Difference in foreign Currency	620152	300354
Duty Draw Back Incentive	699720	457252
DEPB Incentive	-	1180982
Short & excess recoveries	20009	19100
TOTAL	17399761	14691331

20 COST OF MATERIALS CONSUMED

	2012-13		2011-12	
	Amount	% of Consumption	Amount	% of Consumption
Imported	97725804	5.18	76389309	3.98
Indigenous	1789033014	94.82	1842842524	96.02
TOTAL	1886758818	100.00	1919231833	100.00

20.1 PARTICULARS OF MATERIAL CONSUMED

	2012-13		2011-12	
Raw Materials	975127041		982667344	
Fuel	567289376		576830963	
Chemicals	344342400	1886758818	359733526	1919231833
TOTAL		1886758818		1919231833

21 CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK IN PROCESS

	2012-13	2011-12
<u>Inventories (At close)</u>		
- Finished Goods	32846638	40149201
- Semi Finished Goods and Goods in process	37017500	31617780
	69864138	71766981
<u>Inventories (At commencement)</u>		
- Finished Goods	40149201	46825501
- Semi Finished Goods and Goods in process	31617780	36819670
	71766981	83645171
TOTAL	1902843	11878190

22 EMPLOYEE BENEFITS EXPENSE

	2012-13	2011-12
Bonus to Staff	789034	471572
Bonus to Workers	4383114	1818761
Contribution towards Gratuity Fund	6212157	4831519
Conveyance Allowance	66000	74451
Directors' Remuneration	21807800	19669087
Club Fee	20000	-
E.D.L.I. Charges	408702	454980
E.S.I.	3146213	2817990
Furniture Allowance	212500	239000
Labour & Staff Welfare	1512816	1265587
Leave Encashment	3010973	1849296
PF & Administrative Charges	10597337	9122514
Production Staff Salaries	92651510	78070986
Salaries Adm. Staff	27294903	21774297
Wages	7061867	6086846
TOTAL	179174926	148546886

22.1 As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Benefit Plan

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

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

	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2012-13	2011-12	2012-13	2011-12
Defined Benefit Obligation at the beginning of Year	21615367	19307699	5996595	5382142
Current service cost	3545387	2828274	1846083	1352086
Interest Cost	1729230	1641154	479728	457482
Past Service Cost	-	-	-	-
Actuarial (Gain)/Loss	2053043	1227823	685162	39728
Benefits paid	(1063930)	(3389583)	(559487)	(1234843)
Defined Benefit Obligation at the Year end	27879097	21615367	8448081	5996595

II) Reconciliation of opening and closing balances of Fair Value of Plan Assets

	Gratuity (Funded)	
	2012-13	2011-12
Fair Value of Plan Assets at the beginning of year	11726972	10626275
Expected return on plan Assets	938158	850102
Actuarial gain /(loss)	177345	15630
Employer Contribution	9087996	3579116
Benefits paid	(1063930)	(3344151)
Fair Value of Plan Assets at year end	20866541	11726972

III) Reconciliation of Fair Value and Obligations

	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2012-13	2011-12	2012-13	2011-12
Fair Value of Plan Assets	27879097	21615367	8448081	5996595
Funded status/difference	(7012556)	(9888395)	(8448081)	(5996595)
Fair Value of Plan Assets at the end of the year	20866541	11726972		
Excess of actual over estimated	177345	15630		
Amount recognized in Balance Sheet	(7012556)	(9888395)	(8448081)	(5996595)

IV) Expense recognized during the year

	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2012-13	2011-12	2012-13	2011-12
Current Service Cost	3545387	2828274	1846083	1352086
Past service cost	-	-	-	-
Interest Cost	1729230	1641154	479728	457482
Expected return on plan Assets	(938158)	(850102)	-	-
Net Actuarial (Gain)/Loss	1875698	1212193	685162	39728
Net Cost	6212157	4831519	3010973	1849296

V) Investments Details

	% Invested	
	As at 31st March, 2013	As at 31st March, 2012
GOI Securities	-	-
Public Securities	-	-
State Government Securities	-	-
Insurance Policies	-	-
Others(including Bank Balances)	100	100
TOTAL	100	100

VI) Actuarial Assumptions

	Gratuity (Funded)		Leave Encashment (Un-Funded)	
	2012-13	2011-12	2012-13	2011-12
Mortality Table(LIC)	1994-96	1994-96	1994-96	1994-96
Discounting rate (per annum)	8.00%	8.50%	8.00%	8.50%
Expected rate of return on Plan Assets(per annum)				
Kraft Paper Unit	8.00%	8.00%	0.00%	0.00%
Writing & Printing Paper Unit	8.00%	0.00%	0.00%	0.00%
Future salary Increase (per annum)	5.50%	6.00%	5.50%	6.00%

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

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

23 FINANCE COSTS

	2012-13	2011-12
On Working Capital	55227395	51835848
On Term Loans	107658234	139861830
Bank Charges	4978970	4751782
Others	1431122	1470848
TOTAL	169295721	197920308

24 OTHER EXPENSES

	2012-13	2011-12
<u>Manufacturing Expenses</u>		
Ash Clearing Expenses	6499999	6907390
Broke Shifting Charges	678837	975767
Consumable Stores & Electric Repairs	72252274	59843837
E.T.P. Expenses	1330290	270382
Lease Rent Expenses	95451	201040
Packing Material Consumed	42399357	39495796
Power	131826687	129252412
Repairs to Building	9661173	6148635
Repairs to Machinery	69394557	53985041
Sheet Cutting Charges	10544221	9915125
Testing Charges	306511	89622
Tractor Running & maintenance	2299897	2028956
	347289254	309114003
<u>Selling & Distribution Expenses</u>		
Advertisement & Publicity	400846	327305
Business/ Sales Promotion	379895	514426
Commission Paid	5141406	4033361
Freight & Forwarding	5971453	5802560
Rebate & Discount	12264815	17136434
	24158415	27814086
<u>Establishment Expenses</u>		
Directors' Meeting Fees	214000	150000
Travelling & Conveyance	2982087	2236367
Rent	1383885	1209575
Water & Electricity Expenses	128072	118201
Postage & Courier	339476	389783
Printing & Stationery	574700	744097
Donation	51000	-
Compensation/ Exgratia	125000	-
Telephone Expenses	1650100	1714450
Legal & Consultancy Expenses	1979403	946184
Service Tax Paid	1722459	-
Vehicle Running & Maintenance	2736641	2517965
Bus Running & Maintenance	1831721	1607345
Repairs & Maintenance others	2647460	2831571
Insurance	4738418	3454090
News Papers & Periodicals	19372	61420
Auditors Remuneration		
- Statutory Audit	191012	176480
- Audit Expenses	150085	152515
Cost Audit	53933	49635
Internal Audit	404496	352960
Fees and Taxes	2064529	3492311
Filling Fee	17778	13424
Subscription	110895	60000
Training and Seminar Expenses	-	20355
Export Exps.	-	159592
	26116522	22458320
TOTAL	397564191	359386409

24.1 VALUE OF STORES, CONSUMABLES AND PACKING MATERIAL CONSUMED

	2012-13		2011-12	
	Amount	% of Consumption	Amount	% of Consumption
Imported	12357672	6.71	5511897	3.59
Indigenous	171688516	93.29	147812777	96.41
TOTAL	184046188	100.00	153324674	100.00

24.2 VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF

	2012-13	2011-12
Raw Materials and Chemicals	69813737	79349664
Stores, Consumables and Packing materials	9162950	8425268

24.3 PAYMENTS TO AUDITORS AS

	2012-13	2011-12
Audit Fees	191012	176480
Expenses	29035	22435
TOTAL	220047	198915

24.4 EXPENDITURE IN FOREIGN CURRENCY:

	2012-13	2011-12
Royalty ,know-how, professional and consultation fee	-	-
Interest and other matters	-	-
Foreign Travelling	-	-
Machinery Spares including Advances	9836593	8753446
Machinery Purchase	5764738	-

25 EARNINGS PER SHARE (EPS)

	2012-13	2011-12
i) Net Profit after tax as per Statement of profit and Loss attributable to Equity shareholders	164458171	75835234
ii) Weighted Average number of equity share used as denominator for calculating EPS	22421804	22421804
iii) Basic and Diluted Earning per share	7.33	3.38
iv) Face Value per equity share	10.00	10.00

26 EARNINGS IN FOREIGN EXCHANGE

	2012-13	2011-12
FOB value of exports	16168223	24640501

27 RELATED PARTY DISCLOSURES :

As per Accounting Standard 18, the disclosure of transactions with the related parties are given below:

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

Name of Related Party	Relationship
Shri Umesh Chander Garg Shri Subhash Chander Garg Shri Jatinder Singh Shri Vipin Gupta	Key Managerial Personnel
Sirmour Hotels (P) Ltd. Jasmer Foods (P) Ltd.	Associates
Ruchira Packaging Products (P) Ltd. Ruchira Printing & Packaging. Jasmer Pack Ltd. Jasmer Packer Well Pack York Cellulose (P) Ltd.	Enterprises of Relatives of Key Managerial Personnel

ii a) Transactions during the year with related parties:
(Excluding reimbursements)

Rs.in Crore

	Sales of finished goods	Purchase of raw /packing material	Interest received for delay in payments	Closing Balance
Ruchira Packaging Products (P) Ltd.	6.33	0.000	0.11	2.04
	<i>5.84</i>	<i>0.002</i>	<i>0.21</i>	<i>1.76</i>
Ruchira Printing & Packaging.	2.29	0.16	0.020	1.17
	<i>2.75</i>	<i>0.07</i>	<i>0.001</i>	<i>0.06</i>
Jasmer Pack Ltd.	16.85	0.77	0.36	2.44
	<i>18.29</i>	<i>0.22</i>	<i>0.367</i>	<i>1.24</i>
Jasmer Packer	16.65	0.49	0.13	1.99
	<i>18.92</i>	<i>0.16</i>	<i>0.114</i>	<i>1.09</i>
Well Pack	6.03	1.07	0.19	1.40
	<i>4.66</i>	<i>0.84</i>	<i>0.130</i>	<i>0.91</i>

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

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

Rs.in Crore

	Salary and Allowances	
	2012-13	2011-12
Shri Umesh Chander Garg	0.67	0.63
Shri Subhash Chander Garg	0.67	0.63
Shri Jatinder Singh	0.67	0.63
Shri Vipin Gupta	0.17	0.05
Shri J.N.Singh	-	0.04

28 SEGMENT INFORMATION

Primary segment information:

The Company operates in only one main segment i.e. manufacturing of Paper

Secondary segment information:

Amount in INR

	2012-13	2011-12
Segment Revenue		
India	2965246376	2819175546
Overseas	12694123	27286018
TOTAL	2977940499	2846461564

29 CONTINGENT LIABILITIES AND COMMITMENTS

Rs.in Lakh

	As at 31st March, 2013	As at 31st March, 2012
Contingent Liabilities		
(A) Claims against the Company/disputed liabilities not acknowledged as debts		
In respect of various demands raised, which in the opinion of the Management are not tenable and are under appeal at various stages:		
Excise Matter	310.43	310.43
(B) Guarantees		
Guarantees and Letter of Credit given by the bank on behalf of the company	399.04	259.62
Commitments		
(A) Estimated amount of contracts remains to be executed on capital account (Net of advances)	-----	-----



ATTENDANCE SLIP
(To be presented at the entrance)

33rd Annual General Meeting on 11th September 2013 at 11.30 AM.

Folio No..... DP ID No..... Client ID.....

No. of Shares.....

Name of Shareholder/Proxy holder/Representative.....

Address.....

I hereby record my presence at the Annual General Meeting of the Company being held at Hotel Black Mango, Nahan Road, Kala-Amb, Distt. Sirmour (H.P.) 173030 on Wednesday, 11th September 2013 at 11.30 AM.

(Signature of the Member/Proxy)

Notes:

1. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the meeting
2. This attendance is valid only in case shares are held on the date of meeting.

.....Tear Here.....

RUCHIRA PAPERS LIMITED

Regd. Office:- Trilokpur Road, KALA-AMB – 173 030, Distt. Sirmaur (H.P)

PROXY FORM

Folio No..... DP ID No..... Client

ID.....

No. of Shares.....

I/We _____ of _____
being a member/members of Ruchira Papers Limited, hereby appoint _____ of
_____ in the district of _____ or failing him _____
of _____ in the district of _____ as my/our proxy to attend and vote for
me/us on my/ our behalf at the Annual General Meeting of the Company to be held on Wednesday, 11th
September 2013 at 11.30 AM or/and at any adjournment thereof.

One
Rupees
Revenue
Stamp

Signature_____

Signed this _____ day of _____ 2013.

Note: The proxy form duly completed and stamped must be lodged with the company not less than 48 hours before the time for holding the aforesaid meeting. The proxy holder need not be a Member of the Company.

BOOK-POST

To

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If undelivered, please return to :
Ruchira Papers Limited
Trilokpur Road, Kala-Amb
Distt. Sirmour (HP)-173030