

Regd. Office :

Survey No. 239, Near Morai Railway Crossing,
Village Salvav, Via-Vapi, Dist. Valsad.
Pin - 396191, Gujarat, (India)
Tel. # : +91 260 2437059
Facsimile # : +91 260 2437090

Saturday, September 03, 2016

To,
Corporate Compliance Department,
Bombay Stock Exchange Limited,
P. J. Tower, Dalal Street,
Mumbai - 400 001

BSE Script Code: 538795

Dear Sir/Madam,

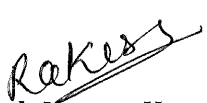
Sub.: Annual Report for the financial year 2015-16

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find enclosed herewith a copy of Annual Report along with Form A for the year ended 31st March, 2016, duly approved and adopted in the Annual General Meeting of the Company held on 30th August, 2016.

Kindly acknowledge receipt and take the same on record.

Thanking you,

Yours faithfully,
For Shree Ajit Pulp and Paper Limited


Rakesh Kumar Kumawat
Company Secretary and Compliance officer

Encl.: As stated above.



21ST ANNUAL REPORT

2015-2016

CHALLENGING OURSELVES TO ALWAYS DO BETTER



ajit

SHREE AJIT PULP AND PAPER LIMITED



SHREE AJIT PULP AND PAPER LIMITED

VISION

Our vision and commitment to excellence is the driving force that seamlessly powers our success. Ever since our inception, we have been charting our way through great distances and amassing vast experiences and wisdom. We have ridden the waves of change, braved challenging headwinds, achieving improvement and success on our journey. Standing proud at the horizon of tomorrow, we embrace the challenges and opportunities to come knowing that our team will deliver a brighter future for our customers and shareholders. With core values that make us responsible corporate citizens, we are committed to doing business the Right Way, while making a sustainable, measurable difference to the world in which we work and live.

MISSION

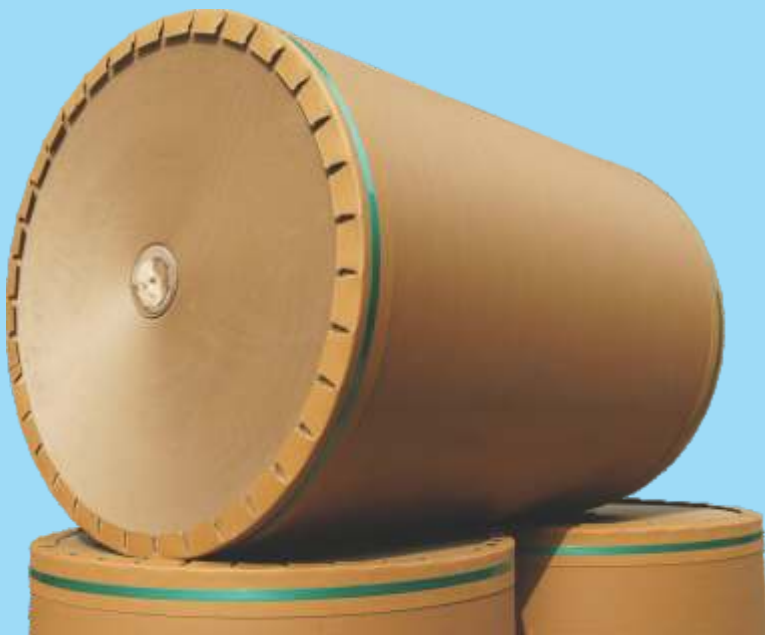
Excellence is a way of culture which leads to the innovation of our organisation. Our goal is to achieve “QUALITY rather than QUANTITY”.

We motivate our people to enhance the efficiency above global standards, and evolve strong professional work ethics to ensure consistency in quality and service to our customers.

VALUES

Our Values are **SACRED** to us

- **Safety** : Safety is a core value over which no business objective can have a higher priority.
- **Agility** : Speed, Responsiveness and being Proactive, achieved through **Collaboration** and Empowering employees.
- **Care** : Care for Stakeholders - our Environment, Customers and Shareholders – both existing and potential, our Community and our People (our employees and partners)
- **Respect** : Treat all stakeholders with respect and dignity.
- **Ethics** : Achieve the most admired standards of Ethics, through **Integrity** and mutual **Trust**.
- **Diligence** : Do everything (set direction, deploy actions, analyse, review, plan and mitigate risks etc) with a thoroughness that delivers quality and Excellence – in all areas, and especially in Operations, Execution and Growth.





SHREE AJIT PULP AND PAPER LIMITED

SWOT ANALYSIS

STRENGTH

Your company is operating in Multilayer Testliner & Testliner Paper facility with installed capacity of 90,000 MT per annum at the said location. The company has well established marketing network of agents spread across western and southern region to sell the products manufactured. The Company rated A - (pronounced ICRA A Minus) rating by ICRA Ltd. Also the Promoters of the company have ample experience of the industry. They are well versed with various aspects of manufacturing products. As a result, your company will have advantage to hire and retain competent employee and to manage transport of raw material and finished goods due to its location which is well connected National Highway.



WEAKNESS

Sometimes seasonal factor affects the prices and availability of waste paper and accordingly, the profitability.

OPPORTUNITY

The competitive strengths and the opportunities that are available to the Indian Paper Industry are:

- ❖ Its large and growing domestic paper market.
- ❖ Increasing use of paper boards in packaging.
- ❖ Qualified technical manpower with capability to manage scale of pulp and paper mills.



THREATS

- ❖ Inadequate and high cost of raw materials.
- ❖ Small and fragmented industry structure.
- ❖ Many non-competitive mills.
- ❖ High energy consumption and costs.
- ❖ Likely closures, owing to increasingly stringent environmental regulations.

MESSAGE FROM CHAIRMAN AND MANAGING DIRECTOR

"Without continual growth and progress, such words as improvement, achievement, and success have no meaning."
- Benjamin Franklin

Dear Shareholders,

FY 2015-16 was a fruitful year for SAPPL, with improved operating performance compared to the previous year with a further significant reduction in net debt. Several steps were initiated to drive the execution of our strategy for accelerating growth in upcoming years.

This Fiscal year, your Company's net profit increased by 69.88% to Rs.1209.76 Lakhs. The persistent focus on cost reduction and efficiency programs contributed to cash generation from operating activities to the extent of Rs.1644.92 Lakhs. Further, our net debt declined to Rs.759.75 Lakhs.

The Company's officials have from time to time attended various domestic and international pulp and paper related exhibitions for creating awareness and adoption of the latest technologies, focusing on cost reduction ideas and marketing. During this tenure your Company had attended ICCMA Congress 2015 and WICMA Symposium 2015, which are premier annual meets for technological improvement and networking in the industry.

We firmly believe that the environment must be protected and should be used in a sustainable way. We therefore use environmentally friendly expertise and resources, whether it is raw material, water or energy, rationally by minimizing waste and maximizing recycling. It is a matter of great satisfaction that the Company's Environmental standards are largely in tandem with those advocated by various agencies.

The new Sustainability and Environmental laws and compliances within the country, and in overseas markets, make FSC (Forest Stewardship Council) certification a necessity for our business. We are pleased to advise that during the year company acquired the FSC certification for its products.

INDIAN ECONOMY

India's economic growth is expected to be at 7.6 per cent in 2016-17, followed by a modest acceleration to 7.7 per cent in 2017-18, as per a World Bank report. According to the report, India registered a 7.6 per cent growth rate in 2015-16.

The International Monetary Fund has projected that India will continue to grow at a steady pace, as a result of the decline in oil prices and the low exposure of the country to the prevailing global financial instability. On the domestic front, the **Make in India** initiative along with **'100 Smart cities'** and **'Swatch Bharat Abhiyan'** projects of the Government are expected to infuse greater positivity in the economic sentiment.

INDUSTRY OUTLOOK

According to recent data, globally, per capita paper consumption for Europe is 129 kg, Australia is 116 kg, Asia is 45 kg and China is 75 kg. In India, on the other hand, the per capita paper consumption hovers between 9.8 kg and 11 kg. It will be seen that since the per capita consumption of paper in India is abysmally low at 9.8 kg as compared to the global average of 58 kg., there is a strong potential for substantial growth.

Meanwhile, the Indian Paper Industry accounts for about 2.6% of the world's production of paper, providing employment to more than 0.5 million people directly and 1.5 million people indirectly.

Due to growth in literacy, change in lifestyle and increasing consciousness for personal hygiene, per capita consumption of paper and tissue in India is increasing day by day. Even if this per capita consumption increases by one kilogram, it will lead an increase of paper production by one million tons.

It is clear that to meet the growing demand, the Indian paper industry requires more raw material and advanced technology. To meet this technology demand, new technologies and latest machinery for paper industry are available. There are many local innovations which are quite economical as compared to the international market. In fact, Indian machinery manufacturers and technology suppliers have also started catering to the international market.

It is therefore expected that the paper industry in India will contribute more to the GDP, exports and also to increased employment in the near future.

COMPANY OUTLOOK

As Industry outlook is very attractive, your company is ready to grab this opportunity by manufacturing more quality paper.

Your company has the practice of modifying the plant and machineries from time to time in such a way that the relevant upgraded technology is adopted on a continuous basis. SAPPL has the ability for maximum utilization of available resources and deliver the best results. We have been working on sustainability on a long term basis.

In conclusion, I would like to thank, on behalf of the Board members, all stakeholder who are with us in this journey of achieving a bigger success and delivering more value.

Sd/-
Gautam D Shah
Chairman & Managing Director

BOARD OF DIRECTORS

As on March 31, 2016

Shri Gautam D. Shah	Chairman and Managing Director
Smt. Bela G. Shah	Director - Executive
Shri Dhansukhlal G. Shah	Director - Non Executive
Shri Laxminarayan J. Garg	Director - Independent
Shri Darshak B. Shah	Director - Independent
Shri Nawal Kishor D. Modi	Director - Independent

COMPANY SECRETARY

Mr. Rakesh Kumar Kumawat

AUDITORS

DELOITTE HASKINS & SELLS LLP,
Chartered Accountants, Mumbai.

BANKERS

Indian Overseas Bank
State Bank of India
HDFC Bank Limited

SHARE TRANSFER AGENT

LINK INTIME INDIA PVT. LTD.
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai - 400 078.

REGISTERED OFFICE

Survey No. 239, Near Morai Rly. Crossing, Village Salvav, Via - Vapi-396 191. Gujarat.
CIN: L21010GJ1995PLC025135, Tel: 0260 2437059, Fax: 0260 2437090,
Email: investors@shreeajit.com, Website: www.shreeajit.com

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SHREE AJIT PULP AND PAPER LIMITED



NOTICE

Notice is hereby given that the Twenty-first Annual General Meeting of the Members of Shree Ajit Pulp And Paper Limited will be held at the Registered office of the Company at Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi – 396 191 on Tuesday, 30th August, 2016 at 11:00 A.M., to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - (a) the audited financial statements of the Company for the year ended 31st March, 2016, the auditors' report thereon and the report of the Board of Directors and
 - (b) the audited consolidated financial statements of the Company for the year ended 31st March, 2016 and the auditors' report thereon.
2. To declare a dividend for the year 2015-2016.
3. To appoint a Director in place of Mrs. Bela G. Shah who retires by rotation and being eligible offers herself for re-appointment.
4. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary resolution:-

“RESOLVED THAT Pursuant to the provisions of section 139 and such other applicable provisions if any of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory modifications or re-enactment thereof, for the time being in force, and pursuant to the recommendation of the Audit Committee and the Board, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration Number-117366W/W-100018) who are eligible and have offered themselves for re-appointment, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of the 21st Annual General Meeting until the conclusion of the 26th Annual General Meeting to be held in the year 2021, at such remuneration plus service taxes as applicable and reimbursement of out of pocket expenses in connection with the audit, as the Managing Director may fix in consultation with the said Auditors.”

SPECIAL BUSINESS:

5. To consider and if thought fit to pass with or without modifications, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT Mr. Nawal kishor D. Modi (DIN:00722024) who was appointed as an Additional Director by the Board of Directors of the Company with effect from 08th December, 2015, pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force), in respect of whom the Company has received a notice in writing from him under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office up to 5 (five) consecutive years up to 07th December, 2020.

RESOLVED FURTHER THAT the Board of Directors and/ or the Company Secretary, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution”.

Place : Vapi
Date : 26th May, 2016
Registered Office:
Survey No. 239, Near Morai Railway Crossing,
Village Salvav, Via-Vapi- 396 191.
CIN: L21010GJ1995PLC025135
Tel: 260 2437059, Fax: 260 2437090
Email: investors@shreeajit.com
Website: www.shreeajit.com

For and on behalf of the Board of Directors

Gautam D. Shah
Chairman and Managing Director

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND, ON POLL, TO VOTE IN HIS STEAD. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. MEMBERS/PROXIES SHOULD BRING THEIR ATTENDANCE SLIP ATTACHED HEREWITH DULY FILLED AND SIGNED, IN ACCORDANCE WITH SPECIMEN SIGNATURES REGISTERED WITH THE COMPANY TO ATTEND THE MEETING.

A proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies, etc, must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding 50(fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company.

2. The Printed copy of the Balance Sheet, the Directors' Report and the Auditors' Report is sent herewith.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 23/08/2016 to 30/08/2016 (both days inclusive), for the purpose of payment of dividend to those members whose names stand on the Register of Members as on 30/08/2016. The dividend in respect of ordinary shares held in electronic form will be payable to the beneficial owners of the shares as at the end of business hours on 22/08/2016 as per the details furnished by the Depositories for this purpose.
4. The dividend, if any, declared at the Annual General Meeting will be payable on or after 20/09/2016.
5. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, change of address etc to their Depository Participants only and not to the Company's Registrars and Transfer Agents. Changes intimated to the Depository Participants will be automatically reflected in the Company's records. The Members holding securities in physical form are requested to send a written request duly signed by the member to the Registrar and Transfer Agent i.e. Link Intime India Private Limited or the Company Secretary of the Company, which will help the Company and its Registrars and Transfer Agents to provide efficient and better service to the members.
6. The shares of the Company are included in the list for trading in compulsory demat segment w.e.f. 27th February, 2001. The Company has entered into agreements with National Securities Depository Limited (NSDL) and with Central Depository Services (India) Limited (CDSL) so as to provide facility to the shareholders for transactions under demat segment.
7. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company/Share transfer agent enclosing their certificates to enable the Company to consolidate their holdings in one folio.
8. It will be appreciated if queries if any on Accounts of the Company are sent to the Company ten days in advance of the meeting so that the answers may be made available at the meeting.
9. Members are requested to bring their copies of Annual Report at the meeting along with attendance slip.
10. Pursuant to Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH-13 in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
11. The relevant details as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 directors seeking appointment/re-appointment are given in the corporate governance report.
12. Members wishing to claim dividend, which remain unclaimed, are requested to correspond with the Registrar and Transfer Agent i.e. M/s Link Intime India Private Limited or the Company Secretary of the Company. Members are requested to note that dividends not claimed within a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per the Section 205C of the Companies Act, 1956, be transferred to Investor Education and Protection Fund.

Members who have neither received nor encashed their dividend warrant(s) for the financial years ended March 31, 2009 upto March 31, 2015, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).

13. In case of joint holders attending the meeting, the joint holder who is higher in the order of name will be entitled to vote at the meeting.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Security market. Members holding Shares in dematerialized form should inform their DP and members holding shares in physical form should inform the Company their PAN details along with proof thereof.
15. A Route map showing direction to reach the venue of the meeting is given at the end of this Notice.
16. **Voting through electronic means:-**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 21st Annual General Meeting by electronic means and business may be transacted through E-Voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the E-voting facility and a member may avail of the facility at his/her discretions, subject to compliance with the instruction for E-Voting given below.

In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company may order a poll on his own motion in terms of Section 109 of the Companies Act, 2013 for the businesses specified in the accompanying Notice. For abundant clarity, in the event of poll, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting.

17. **The instructions for members for voting electronically are as under:-**

A. In case of members receiving e-mail:

- (i) The voting period begins on 27th August, 2016 (9.00 AM) and ends on 29th August, 2016 (5.00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com.
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "Shree Ajit Pulp and Paper Limited" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID For CDSL: 16 Digits beneficiary ID, For NSDL: 8 Character DP ID Followed by 8 Digit Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification Code as displayed and Click Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for “Shree Ajit Pulp and Paper Limited”.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolutions details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional shareholders:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- B. In case of members receiving the physical copy:**
- (i) The voting period begins on 27th August, 2016 (9.00 AM) and ends on 29th August, 2016 (5.00 PM). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Please follow all steps from sl. no. (ii) to sl. no. (xviii) above to cast vote.
- (iii) In case you have any queries or issues regarding E-voting, you may refer the frequently asked questions (“FAQs”) and E-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

- I. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd August, 2016.
- II. Mr. Venilal C. Khambhata, Practicing Company Secretary (CP No. 6177), has been appointed as the scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.
- III. The scrutinizer after scrutinizing the votes cast at the meeting by poll and through remote e-voting, will not later than 48 hours of conclusion of the meeting make a consolidated Scrutinizer's Report and submit the same to the Chairman who shall countersign the same.
- IV. The result declared along with the scrutinizer's report shall be placed on the Company's website and on the website of CDSL within 48 hours of passing of the resolutions at the Annual General Meeting of the Company and communicated to the Stock Exchanges, where the shares of the Company are listed.
- V. Notice of the Meeting is also displayed at www.shreeajit.com.

Statement Pursuant to Section 102 (1) of the Companies Act, 2013:

The following statement sets out all material facts relating to the special business mentioned in the accompanying notice.

Item 5:

Pursuant to Sections 149, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed to appoint Shri Nawal kishor D. Modi (DIN:00722024) as Independent Director of the Company up to 5 (five) consecutive years up to 07th December, 2020. The Company has also received notice from him pursuant to Section 160 of the Companies Act, 2013 proposing his appointment as Independent Director.

The Board of Directors at its meeting held on 08/12/2015 has appointed Mr. Nawal kishor D. Modi as an Additional Director on the Board of Directors of the Company. He is not holding any share in the share capital of the Company. He is a Chartered Accountant. He has wide entrepreneurial skills, experience and expertise in the field of finance, Management and business administration for over twenty years. The Board believes that the association of Mr. Modi as Independent Director of the Company shall be beneficial to the progress of the Company and hence, the Board recommends his appointment as Independent Director as set out in Item No. 5 for approval of the shareholders at the ensuing Annual General Meeting.

In the opinion of the Board, the Independent Director fulfills the conditions specified in Sections 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualifications of Directors) Rules, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force). Further, Mr. Nawal kishor D. Modi has given a declaration to the Board of Directors to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

No other Director of the Company except Mr. Nawal Kishor D. Modi is concerned or interested in this resolution.

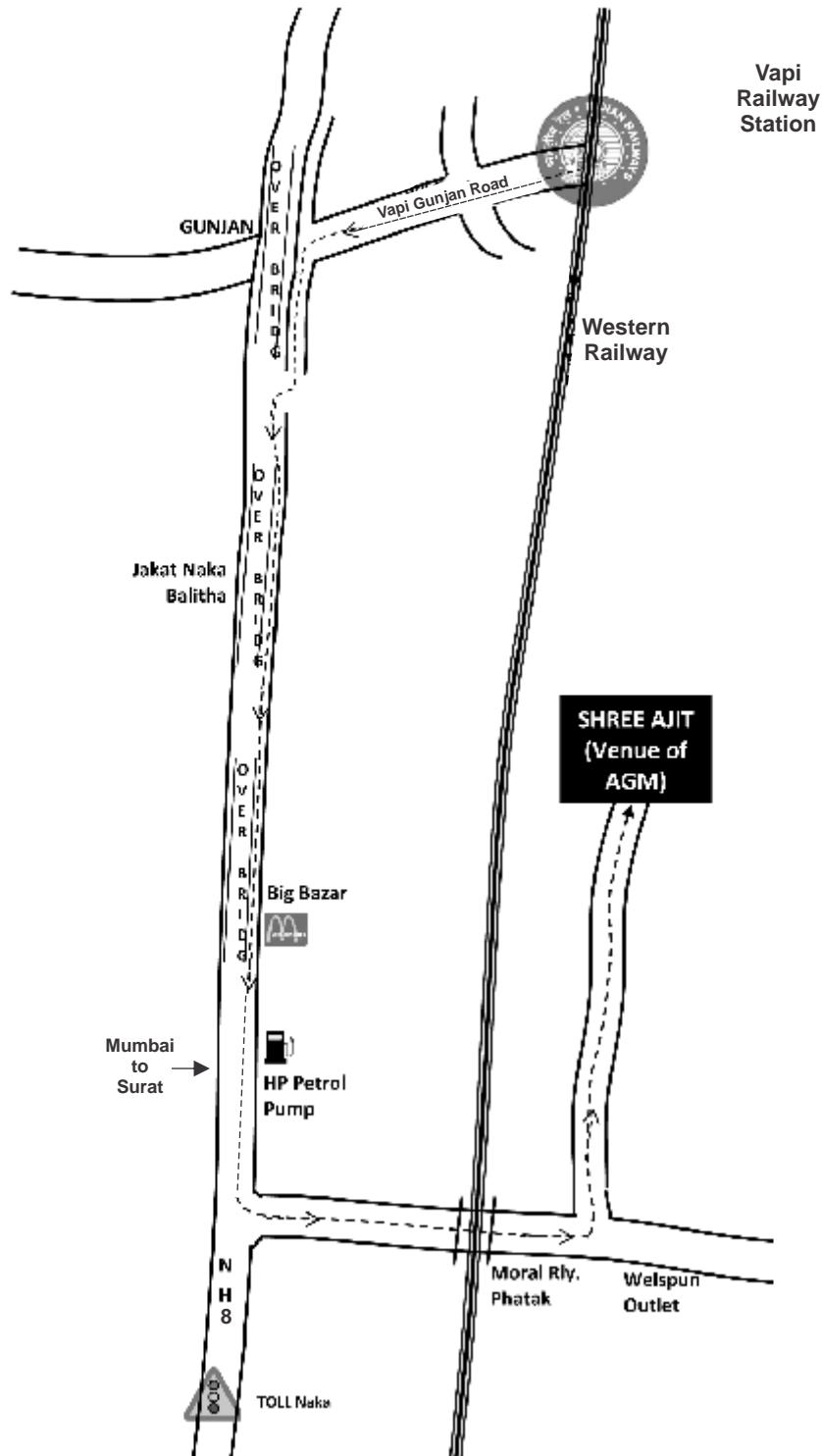
Place : Vapi
Date : 26th May, 2016
Registered Office:
Survey No. 239, Near Morai Railway Crossing,
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CIN: L21010GJ1995PLC025135
Tel: 260 2437059, Fax: 260 2437090
Email: investors@shreeajit.com
Website: www.shreeajit.com

For and on behalf of the Board of Directors

Gautam D. Shah
Chairman and Managing Director

SHREE AJIT PULP AND PAPER LIMITED

Route Map to the Venue of the 21st AGM of the Company



SHREE AJIT PULP AND PAPER LIMITED



DIRECTORS' REPORT

TO THE MEMBERS:

Your Directors have pleasure in presenting their Twenty-first Annual Report and the Audited Financial Statements for the year ended on 31st March 2016, together with the Independent Auditors' Report thereon.

Financial Results:

(` in Lacs)

Particulars	Current Year Ended 31-03-2016	Previous Year Ended 31-03-2015
Gross Sales/ Income from operations (Including Excise Duty and Sales Tax)	24334.82	20679.96
Other Income	4.36	8.39
Total Expenditure	(21621.36)	(18740.99)
Interest	(406.45)	(448.28)
Gross Profit after interest but before depreciation and taxation	2311.37	1499.08
Depreciation	(514.98)	(510.86)
Provision for Taxation	(526.75)	(61.81)
Deferred Tax Provision	(59.88)	(214.29)
Net Profit	1209.76	712.12
Balance brought forward from previous year	7025.14	6366.51
Less: Additional Depreciation(net of taxes) pursuant to enactment of Schedule II of the Companies Act, 2013	0	21.25
Amount Available for Appropriation	8234.90	7057.38
Appropriations:		
Proposed Dividend (Including Tax)	48.36	32.24
Balance carried to Balance Sheet	8186.54	7025.14

Dividend:

Your Directors have pleasure in recommending a modest dividend of 7.50%, i.e. ` 0.75 per Equity Share (previous year 5% i.e. ` 0.50) on 5356700 Equity Shares of ` 10/- each for the year 2015-2016.

Management Discussion and Analysis:

Attached report on Management Discussion and Analysis, which is forming part of this report, adequately deals with the operations as also current and future outlook of the Company.

Corporate Governance:

Pursuant to Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report titled Corporate Governance is attached to this Annual Report.

Finance:

The repayment of due loan installments and interest payment is being regularly done.

Subsidiary Company, Joint Venture and Consolidated Financial Statements:

The Company's subsidiary Shree Samrudhi Industrial Papers Pvt Ltd. has not yet commenced any business.

As required by section 129 (3) of the Companies Act, 2013 and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Consolidated Financial Statements for the year ended on 31st March, 2016, prepared in accordance with the relevant accounting standards as prescribed under section 133 of the Companies Act, 2013 and the Auditors report there on are attached.

As required by first proviso of section 129 (3) of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing the salient features of the financial statements of the Company's subsidiary (Shree Samrudhi Industrial Papers Pvt Ltd.) and joint venture (Shree Samrat Pulp and Paper Pvt Ltd), in form AOC 1 is also attached.

Shareholders interested in obtaining a copy of the audited annual financial statements of the subsidiary company may write to the Company.

Directors and Key Managerial Personnel :

Mrs. Bela G. Shah (DIN: 01044910) retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.

Mr. Mitesh M. Mehta (DIN: 01064272) resigned and ceased to be an Independent Director with effect from 09th September, 2015. The Board places on record its appreciation of the valuable services rendered by him during his long tenure as Independent Director of the Company.

Mr. Nawal kishor D. Modi (DIN:00722024) was appointed as Additional Director (Independent Director) of the Company under section 161 of the Companies Act, 2013, by the Board at its meeting held on 08th December, 2015 and he holds his office upto the date of ensuing Annual General Meeting. The necessary resolution for approval of his appointment under section 149 and 152 is being placed before the Annual General Meeting for your consideration.

Mr. Ghanshyam kumar G. Dobariya (PAN: AQHPD5222E) had resigned and ceased to be Company Secretary and Compliance officer with effect from 10th September, 2015.

Mr. Vaibhav Netke (PAN: AECPN3334A) was appointed as Company Secretary and Compliance officer with effect from 11th September, 2015. He resigned and ceased to be Company Secretary and Compliance officer with effect from 11th February, 2016.

Mr. Rakesh Kumar Kumawat (PAN: CJTPK0671D) was appointed as Company Secretary and Compliance officer with effect from 23rd March, 2016.

Extract of the Annual Return:

An extract of the Annual Return in Form MGT-9 for the year ended on 31st March, 2016 pursuant to sub-section (3) of Section 92 of the Companies Act, 2013 is annexed with this report.

Directors' Responsibility Statement:

In accordance with section 134(5) of the Companies Act, 2013 your Board of Directors confirms that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The 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 at the end of the financial year and of the profit and loss of the Company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Controls:

Your Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operation. Review of the internal financial controls environment of the Company was undertaken during the year which covered verification of entity level control, process level control, identification, assessment and definition of key business processes and analysis of risk control matrices etc. During the period under review, effectiveness of internal financial controls was evaluated. Reasonable Financial Controls are operative for the business activities of the Company and no material weakness in the design or operation of any control was observed. The internal financial controls with references to the Financial Statements are commensurate with the size and nature of business of the Company.

Statement on Declaration given by Independent Directors u/s. 149(6):

Every Independent Director has given declaration that he meets the criteria of independence as provided in section 149 (6) and Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company's Policy on Directors' Appointment and Remuneration:

Pursuant to provisions of Section 134 (3) read with section 178 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated the policy for payment to non-executive Directors and the policy for terms and Conditions for appointment of Independent Directors. These policies are placed on website of the Company.

The Nomination and Remuneration Committee also recommends appointment and remuneration of Executive Directors/ KMPs based on expertise and experience. The Committee also ensures that the remuneration is sufficient to attract, retain and motivate best managerial talents.

Particulars of Loans, Guarantees or Investment u/s. 186:

During the year the Company has not given any loans or guarantees or made any investments exceeding limit under section 186 of Companies Act, 2013.

Particulars of Contract or Arrangement Regarding Related Party u/s. 188:

During the Financial Year 2015-16 the Company has not entered into any contract or arrangement with related party under section 188 of the Companies Act, 2013. The policy on materiality of related party transaction is placed on website of the Company.

Material Changes and Commitment affecting Financial Position of the Company:

There are no material changes and commitments affecting the financial position of the Company which have occurred between end of the financial year of the Company and the date of Directors' Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo:

The relevant data is given as an annexure to this report.

CSR Committee and Implementation of CSR Projects:

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, and Schedule VII, a Corporate Social Responsibility (CSR) Committee of the Board is in place comprising of the Managing Director and one Independent Director and one Non Executive Director. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy), from time to time indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The Annual Report for the year 2015-16 on CSR activities is annexed with this report. The detailed CSR policy is placed on the website of the Company.

Establishment of Vigil Mechanism:

The Company has established a vigil mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct and ethics of the Company. It provides for adequate safeguard against the victimization of employees who avail the mechanism and are allowed direct access to the Chairman of the Audit Committee and Ethics Counselor of the Company. The whistle blower policy is placed on the website of the Company.

Performance Evaluation:

Pursuant to the provisions of section 134 (3) (p) of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the performance of individual Directors as well as the evaluation of the working of its Committees.

The Company has formulated a Policy for performance evaluation of the Board as a whole, Individual Directors, Committees which also includes feedback to the Chairman. A questionnaire, based on criteria approved by the Nomination and Remuneration Committee, for evaluation of performance of Board, Committees of Board and Individual Directors was prepared. The Board on recommendation of the Nomination and Remuneration Committee, approved to obtain the feedback of all the Directors on the said Questionnaire through the feedback form.

The reports of feedback received from all Directors on performance evaluation of Individual Directors were shared with respective Directors and Chairman of the Nomination and Remuneration Committee. Nomination and Remuneration Committee evaluated the performance of all individual Directors based on the feedback so received.

The report of the feedback received from all the Directors on performance evaluation of the Board and Committees of the Board were shared with the Chairman of the Company. The Board on the basis of feedback so received evaluated performance of its own and Committees of Board. Performance Evaluation of the Chairman of the Company was carried out by the Independent Directors of the Company, taking into account feedback of all the Directors including the Executive and Non-executive Directors.

Particulars of Remuneration :

The information required under Section 197 of the Companies Act, 2013 and Rules made there under, in respect of employees of the Company is as follows:

SHREE AJIT PULP AND PAPER LIMITED



1. (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;

Director's Name	Ratio to median remuneration
Mr. Gautam D. Shah	71.81
Mrs. Bela G. Shah	71.81

Note: Non Executive/Independent Directors are not paid any remuneration except the sitting fees for attending meetings of the Board and Committees thereof.

- (ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Director's/CFO/CEO/CS/Manager name	% increase in remuneration
Mr. Gautam D. Shah, CMD & CFO	89.76%
Mrs. Bela G. Shah, Executive Director	**
Mr. G. G. Dobariya, Company Secretary	NIL
Mr. Vaibhav Netke, Company Secretary*	N.A.
Mr. Rakesh Kumar Kumawat, Company Secretary *	N.A.

Note

- * Payment commenced during the current year only.
 - Non Executive/Independent Directors are not paid any remuneration except the sitting fees for attending meetings of the Board and Committees thereof.
 - ** The percentage increase in remuneration is not comparable as the payment in the previous year was for less than two months.
- (iii) Percentage increase in the median remuneration of employees in the financial year; 12.41%
- (iv) The number of permanent employees on the rolls of the company; 267
- (v) The explanation on the relationship between average increase in remuneration and the company performance; On an average employee received an increase of 23.68%. The increase in remuneration is in line with the market trends, industry benchmark and many other factors. In order to ensure that remuneration reflects Company performance, the performance pay is linked to organization performances.
- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;

Particulars	(` in lacs)
Remuneration of Key Managerial Personnel during financial year 2015-16 (aggregated)	205.86
Revenue from operations	24334.82
Remuneration (as % of revenue)	0.85%
Profit before tax (PBT)	1796.38
Remuneration (as % of PBT)	11.46%

- (vii) Variation in the market capitalization and price earnings ratio as at the closing date of current financial year and previous financial year of the Company;

Particulars	As at 31st March, 2016	As at 31st March, 2015	Variation
Closing rate of per share at BSE (`)	95.40	80.00	19.25%
Earnings per share (`)	22.58	13.29	69.90%
Market Capitalization (` in lacs)	5110.29	4285.36	19.25%
Price earnings ratio	4	6	(33.33%)

Percentage in bracket represents negative percentage

(viii) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average increase in salaries of employees other than managerial personnel in 2015-16 was 20.96%. Percentage increase in the managerial remuneration for the year was 198.84%. KMP salary increase is decided based on the Company's performance.

(ix) Comparison of remuneration of each key managerial personnel against the performance of the Company;

(` in lacs)

Particulars	CMD & CFO	Executive Director	Company Secretary
Remuneration	99.80	99.80	6.26
Revenue	24334.82	24334.82	24334.82
Remuneration (as % of revenue)	0.41%	0.41%	0.03%
Profit before tax (PBT)	1796.38	1796.38	1796.38
Remuneration (as % of PBT)	5.56%	5.56%	0.35%

(x) The key parameter for any variable component of remuneration availed by the Directors; Only CMD and Executive Director are given variable component which is decided based on Company's performance.

(xi) The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year; None

(xii) Affirmation that the remuneration is as per the remuneration policy of the Company; YES

2. Statement pursuant to section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2016.

Name and Age	Mr. Gautam D. Shah, 52 years	Mrs. Bela G. Shah, 50 years
Designation	Chairman and Managing Director	Executive Director
Nature of Employment	Contractual	Contractual
Gross Remuneration	` 9979907/- (Includes Salary, Commission and Provision for leave encashment and gratuity)	` 9979907/- (Includes Salary, Commission and Provision for leave encashment and gratuity)
Qualification and Experience	BE Civil / 28 years	Bachelor in Science / 15 years
Date of Joining	01-07-2005	07-02-2015
Previous Employment	N.A.	N.A.
Percentage of equity shares held	19.88%	7.20%
Relation with Other Directors	Mr. Dhansukhlal G. Shah – Father Mrs. Bela G. Shah – Wife	Mr. Gautam D. Shah – Husband Mr. Dhansukhlal G. Shah – Father in law

Risk Management:

The Company is addressing various risks impacting the paper industry. Some of the risks to which the Company is exposed are as under.

Financial Risks:

The Company's policy is to actively manage its foreign exchange risks.

Commodity price risks:

The Company proactively manages risks of price fluctuation of raw materials through forward booking and inventory management. The Company's reputation for quality product mitigates the impact of price risk on finished goods.

Regulatory risks:

The Company is exposed to risks attached to various statutes and regulations. The Company is mitigating these risks by engaging competent person in each functional area and through regular review of legal compliances carried out from time to time.

Human resources risks:

Retaining the existing talents and attracting new talents are major risks. These risks are mitigated by regular interaction with concerned employees and providing congenial working conditions.

Disclosure under Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013:

There was no complaint received from any woman employee during the financial year 2015-16 and hence no complaint is outstanding as on 31st March, 2016 for redressal.

Public Deposit:

The company has not accepted any deposit from the public within the meaning of chapter V of the Companies Act, 2013, and rules there under.

Significant and Material Orders passed by the Regulators:

During the Financial year under review, no significant and material orders were passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

Auditors:

The notes on financial statements referred to in the Auditors Report are self-explanatory and do not require further explanation.

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (Firm Registration Number-117366W/W-100018), the Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, have offered themselves for appointment for a period of 5 years from the year 2016-2017 to 2020-2021. You are requested to appoint them as Auditors of the Company for (five) 5 years from the year 2016-2017 to 2020-2021 and to fix their remuneration.

Secretarial Audit Report :

Pursuant to Section 204 of Companies Act, 2013, your Company had appointed Mr. V. C. Khambhata, Practicing Company Secretary (CP No. 6177) as Secretarial Auditor to conduct the secretarial audit of the Company for the Financial Year 2015-16. The report of Secretarial Auditor is annexed with this report. The report does not contain any qualification, reservation or adverse remark.

Acknowledgement:

The Board wishes to express its appreciation to the Bankers, Shareholders, Customers, Suppliers and Employees of the Company for their support during the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place : Vapi,
Date : 26th May, 2016

Gautam D. Shah
Chairman and Managing Director

Bela G. Shah
Executive Director

SHREE AJIT PULP AND PAPER LIMITED



ANNEXURE TO DIRECTORS' REPORT

Form No. MGT-9 EXTRACT OF ANNUAL RETURN As on the financial year ended on 31.03.2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	Corporate Identification Number (CIN)	L21010GJ1995PLC025135
ii	Registration Date	23-03-1995
iii	Name of the Company	SHREE AJIT PULP AND PAPER LIMITED
iv	Category / Sub-Category of the Company	Company Limited by Shares
v	Address of the Registered office and contact details	Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi – 396191-Gujarat Tel. No. 0260 -2437059 Email id. investors@shreeajit.com
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400078. Telephone No. 022- 25963838 Email: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and description of main products / Services	NIC Code of the Product / service	% to total turnover of the company
1	Multilayer Testliner & Testliner Paper	17021	98.68%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name And Address of The Company	CIN/GIN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1.	Shree Samrudhi Industrial Papers Private Limited Address:-Office No. 34, IInd Floor, Sahara Market, Silvassa Road, Vapi – 396191.	U21000GJ2010PTC060127	Subsidiary	100%	Section 2(87) of the Companies Act, 2013.
2.	Shree Samrat Pulp and Paper Private Limited Address:-212, Marine Chamber, 43, New Marine Lines, Opp. SNTD College, Mumbai – 400020.	U21093MH2010PTC209843	Associate	50%	Section 2(6) of the Companies Act, 2013.

SHREE AJIT PULP AND PAPER LIMITED



IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of share holders	No. of share held at the beginning of the year				No. of share held at the end of the year				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total shares	% of total shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	2540790	--	2540790	47.43	2540790	--	2540790	47.43	--
b) Central Govt.	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--
e) Bank /FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (1):	2540790	--	2540790	47.43	2540790	--	2540790	47.43	--
(2) Foreign									
a) NRIs-Individual	--	--	--	--	--	--	--	--	--
b) Other-Individual	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Bank /FI	--	--	--	--	--	--	--	--	--
e) Any other	--	--	--	--	--	--	--	--	--
Sub-total (A) (2):	--	--	--	--	--	--	--	--	--
Total Share Holding of Promoter									
A=(A) (1) + (A) (2)	2540790	--	2540790	47.43	2540790	--	2540790	47.43	--
B. Public Share Holding									
1. Institutions									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Bank / FI	--	--	--	--	--	--	--	--	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
l) Other (specify)	--	--	--	--	--	--	--	--	--
Sub-total (B) (1):	--	--	--	--	--	--	--	--	--
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	38530	--	38530	0.72	2901	--	2901	0.05	(0.67)
ii) Overseas									
b) Individuals									
Individual share holders holding nominal share capital up to of Rs. 1 lacs	349913	390300	740213	13.82	373068	374600	747668	13.96	0.14
Individual share holders holding nominal share capital in excess of Rs. 1 lacs	1508575	498760	2007335	37.47	1546033	498760	2044793	38.17	0.70
c) Others...									
Clearing Members	18244	--	18244	0.34	14545	--	14545	0.27	(0.07)
Non Resident Indians	8088	3500	11588	0.22	2503	3500	6003	0.11	(0.10)
Sub-Total (B) (2):	1923350	892560	2815910	52.57	1939050	876860	2815910	52.57	0
Total Public shareholding (B)=(B)(1)+(B)(2)	1923350	892560	2815910	52.57	1939050	876860	2815910	52.57	0
C. Share held by custodian for GDRs & ADRs									
	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	4464140	892560	5356700	100.00	4479840	876860	5356700	100.00	--

SHREE AJIT PULP AND PAPER LIMITED



ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Gautam D. Shah	1064750	19.88	14.44	1064750	19.88	14.44	--
2	Bela G. Shah	385540	7.20	--	385540	7.20	--	--
3	Sureshbhai C. Shah	454000	8.48	--	454000	8.48	--	--
4	Jayantilal M. Shah	435000	8.12	--	435000	8.12	--	--
5	Sunita S. Shah	184200	3.44	--	184200	3.44	--	--
6	Jaywantiben J. Shah	17300	0.32	--	17300	0.32	--	--
	Total	2540790	47.43	14.44	2540790	47.43	14.44	--

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year				
	Date wise increase / Decrease in promoters shares holding during the year specifying the reasons for increase / decrease (i.e. allotment / transfer / bonus / sweat equity etc):	There is no change in promoter's shareholding during the year under review.			
	At the end of the year				

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Bela P. Shah				
	At the beginning of the year	174500	3.26	174500	3.26
2.	Varun Shah				
	At the beginning of the year	305300	5.70	305300	5.70
3.	Bharat M. Shah				
	At the beginning of the year	270900	5.06	270900	5.06
4.	Mahesh H. Shah				
	At the beginning of the year	231475	4.32	231475	4.32

SHREE AJIT PULP AND PAPER LIMITED



Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	Swetalben M. Shah	142965	2.67	142965	2.67
	At the beginning of the year	142400	2.66	142400	2.66
6	Varun Shah	122400	2.28	122400	2.28
	At the beginning of the year	122400	2.28	122400	2.28
7	Devashri Shah	121400	2.27	121400	2.27
	At the beginning of the year	121400	2.27	121400	2.27
8	Chandra C Shah	112100	2.09	112100	2.09
	At the beginning of the year	111700	2.08	111700	2.08
9	Dipak R. Shah	100860	1.88	100860	1.88
	At the beginning of the year	100860	1.88	100860	1.88
10	Miss Bhagwati V. Mehta	43400	0.81	43400	0.81
	At the beginning of the year	43400	0.81	43400	0.81

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Director and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	Shareholding of Directors				
1.	Mr. Gautam D. Shah	1064750	19.88	1064750	19.88
	At the beginning of the year	1064750	19.88	1064750	19.88
2.	Mrs. Bela G. Shah	385540	7.20	385540	7.20
	At the beginning of the year	385540	7.20	385540	7.20
3	Mr. Dhansukhlal G. Shah	0	0	0	0
	At the beginning of the year	0	0	0	0
4	Mr. Laxminarayan J. Garg	0	0	0	0
	At the beginning of the year	0	0	0	0
5	Mr. Darshak B. Shah	0	0	0	0
	At the beginning of the year	0	0	0	0
6	Mr. Nawal Kishor D. Modi	0	0	0	0
	At the beginning of the year	0	0	0	0
	Shareholding of Key Managerial Personnel				
1	Mr. Rakesh Kumar Kumawat	0	0	0	0
	At the beginning of the year	0	0	0	0

SHREE AJIT PULP AND PAPER LIMITED



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ In Lacs)

	Secured Loans excluding deposit	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3432.09	0	0	3432.09
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	6.45	0	0	6.45
Total (i+ii+iii)	3438.54	0	0	3438.54
Change in indebtedness during the financial year				
Addition	828.87	0	0	828.87
Reduction	1589.81	0	0	1589.81
Net Change	(760.94)	0	0	(760.94)
Indebtedness at the end of the financial year				
i) Principal amount	2658.44	0	0	2658.44
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	19.16	0	0	19.16
Total (i+ii+iii)	2677.60	0	0	2677.60

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ In Lacs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Gautam D. Shah - CMD	Bela G. Shah - WTD	
1	Gross Salary			
	(a) As per provisions contained in section 17(1) of the Income-tax Act, 1961	60.00	42.00	102.00
	(b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961	0	0	0
	(c) Profit in lieu of salary under section 17(3) of the Income-tax Act, 1961	5.79	6.19	11.98
2	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission As % of profit Others, specify	34.01	51.61	85.62
5.	Others, please specify	0	0	0
	Total (A)	99.80	99.80	199.60
	Ceiling as per Act	99.80	99.80	199.60

SHREE AJIT PULP AND PAPER LIMITED



B. Remuneration to other Directors:

(` In Lacs)

Sr. No.	Particulars of Remuneration	Name of Director				Total Amount
1.	Independent Directors	Laxminarayan J. Garg	Darshak B. Shah	Nawal kishor D Modi		
	Fee for attending board / committee meetings	0.80	0.80	0.10		1.70
	Commission	0	0	0		0
	Others, please specify	0	0	0		0
	Total (1)	0.80	0.80	0.10		1.70
2.	Non-executive Directors				Dhansukhlal G. Shah	
	Fee for attending board / committee meetings				0.15	
	Commission				0	
	Others, please specify				0	
	Total (2)				0.15	0.15
	Total (B)=(1+2)					1.85
	Overall Ceiling as per Act					19.96

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(` In Lacs)

Sr No.	Particulars of Remuneration	CS G.G. Dobariya (from 01/04/15 to 10/09/15)	CS Vaibhav Netke (from 11/09/15 to 11/02/16)	CS Rakesh kumar Kumawat (from 23/03/16 to 31/03/16)	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3.32	2.87	0.07	6.26
	(b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961	0	0	0	0
	(c) Profit in lieu of salary under section 17(3) of the Income-tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission As % of Profit Others, specify	0	0	0	0
5.	Others, please specify	0	0	0	0
	Total	3.32	2.87	0.07	6.26

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

ANNEXURE

Conservation of Energy

A. POWER AND FUEL CONSUMPTION

Disclosure of particulars with respect to Conservation of energy

Sr. No.	Particulars	Unit	Current Year 2015-16	Previous Year 2014-15
1	(a) Electricity Purchases	(KWH) *	15135200	16169700
	Total Amount	(` In Lacs)	1268.35	1278.49
	Rate per unit	(`)	8.38	7.91
	*Includes 3999669 units (Previous year 3837684) Generated by Wind Power Projects of the Company			
	(b) Own Generation through Steam Turbine	Unit (KWH)	11341120	7152720
	Total Amount	(` In Lacs)	266.52	214.58
	Rate per unit	(`)	2.35	3.00
	(c) Total Unit ((a+b)	(KWH)	26476320	23322420
	Total Amount	(` In Lacs)	1534.87	1493.07
	Rate per unit	(`)	5.80	6.40
2	Coal & Lignite (Used in Boiler)	(Kgs)	26913000	24931865
	Total Amount	(` In Lacs)	1199.78	1167.03
	Rate per Kg	(`)	4.46	4.68
3	Other/ Internal Generation/ Wind Power Projects	(KWH)	4444076	4264094

B. CONSUMPTION PER UNIT OF PRODUCTION

Sr. No.	Products Multilayer Testliner & Testliner Paper / Unit of Production - MT	Unit/MY	Current Year 2015-16	Previous Year 2014-15
1	Electricity	KWH	331	343
2.	Steam Coal	KGS	336	367

Technology Absorption

Disclosure of particulars with respect to absorption.

I. Research and Development (R & D):

- Specific areas in which R & D carried out by the Company > None at present.
- Benefits derived as a result of the above R & D > Does not arise.
- Future plan of action. > None under consideration at present.
- Expenditure on R & D. > NIL.

II. Technology absorption, adaptation and innovation:

- Efforts in brief made towards technology absorption, adaptation and innovation > None.
- Benefits derived as a result of the above efforts. eg. Product improvement, cost reduction, product development, import substitution etc. > Does not arise.
- In the case of imported technology (imported during last 5 years reckoned from the beginning of the financial year) following information may be furnished:
 - Technology Imported
 - Year of import
 - Has technology been fully absorbed
 - If not fully absorbed, areas where this has not taken place, reasons thereof and further plans of action > Not applicable as technology has not been imported.

C. Foreign Exchange earning and outgo:

- During the year the Company has not done any export business transaction.
- Foreign Exchange earned:- (` In Lacs) > 14.65 against Import Raw Material claims.
- Foreign Exchange used:
 - C.I.F. Value of import of Raw material and components, Capital Goods and Advance against capital goods (` In Lacs) > 6405.53
 - Others – For expenses (` In Lacs) > 13.49

ANNEXURE CORPORATE SOCIAL RESPONSIBILITY

Composition of CSR Committee:

Mr. Gautam D. Shah, Chairman and Managing Director as Chairman
Mr. Laxminarayan J. Garg, Non Executive Independent Director as Member
Mr. Dhansukhlal G. Shah, Non Executive Director as Member

Average net profit and prescribed CSR expenditure;

Particulars	(` In Lacs)
Average net profits for last three financial year	1592.89
Prescribed CSR expenditure (2% of the amount as above)	31.86

Details of CSR spent during the financial year 2015-16

Particulars	(` In Lacs)
Total amount spent during the year	13.17
Amount unspent	18.69

Manner in which the amount spent during the financial year is detailed below;

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the project or programs Sub-heads: (1) Direct expenditure on project or programs. (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementing agency
1	Contribution to Lions Club of Vapi Udyognagar Charitable Trust for setting up of Blood Component Separation unit	Healthcare	Local Area	1.16	1.16	1.16	Implementing Agency
2	Contribution to Manav kalyan Trust for Enrichment of Academy contents of mentally challenged children school	Education	Navsari Gujarat	10.00	10.00	10.00	Implementing Agency
3	Contribution to Vapi Rotary Niramay Trust for Enrichment of Medical Aid	Healthcare	Local Area	1.00	1.00	1.00	Implementing Agency
4	Contribution to Bulsar District Cricket Association for enrichment of sports	Sports	Valsad	0.50	0.50	0.50	Implementing Agency
5	Contribution to Maheshwari Seva Samitee for construction and development of school of under privileged of children.	Education	Local Area	0.51	0.51	0.51	Implementing Agency
	Total			13.17	13.17	13.17	

Reason for unspent CSR amount:

The Company has spent Rs. 13.17 lacs and balance amount of Rs. 18.69 lacs could not be spent as the suitable projects could not be finalized in time. The same will now be spent in coming year.

Responsibility Statement:

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, Chairman and Managing Director Mr. Gautam D. Shah, Chairman CSR committee, do confirm that the implementation and monitoring of CSR Policy, are in compliance with the CSR objectives and policy of the Company.

Place : Vapi
Date : 26-05-2016

Gautam D. Shah
Chairman (CSR Committee)

ANNEXURE
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Shree Ajit Pulp and Paper Limited
Survey No. 239, Near Morai Railway Crossing,
Village Salvav, Vapi – 396191.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Shree Ajit Pulp and Paper Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 / 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the amendments from time to time: Not applicable to the Company during the audit period.
 - (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulation, 2014: Not applicable to the Company during the audit period.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not applicable to the Company during the audit period.
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client : Not applicable to the Company.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: Not applicable to the Company during the audit period.
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 : Not applicable to the Company during the audit period.
- (vi) I have relied on the representations made by the Company and its officers for the systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given as under.
 - (a) Factories Act, 1948
 - (b) Industries (Development & Regulation) Act, 1951
 - (c) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, Compensation etc.
 - (d) Acts prescribed under Environment and control of pollution
 - (e) Acts prescribed under Environmental protection
 - (f) Acts as prescribed under Direct Tax and Indirect Tax
 - (g) Land Revenue laws of the State
 - (h) Labour Welfare Act of the State

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- (i) Trade Marks Act, 1999 & Copy Right Act, 1957

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Ltd., Ahmedabad Stock Exchange Ltd. and Vadodara Stock Exchange Ltd and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that during the audit period the Company has not passed any Special Resolution which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

V. C. KHAMBHATA
COMPANY SECRETARY IN PRACTICE
ACS No.4887
C.P.No. 6177

Place: Vapi
Date: 26th May, 2016

This report is to be read with my letter of even date which is annexed as annexure and forms an integral part of this report.

Annexure to the Secretarial Audit report

To,
The Members,
Shree Ajit Pulp and Paper Limited.

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. I believe that the process and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Vapi
Date: 26th May, 2016

V. C. KHAMBHATA
COMPANY SECRETARY IN PRACTICE
ACS No.4887
C.P.No. 6177

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Company manufactures Multilayer Testliner and Testliner Paper from 70 to 300 GSM and 16 to 35 BF. This product is mainly used for making Corrugated Boxes, Duplex Cartons, Corrugated small e-fluets etc. as packaging material.

The Company is having two wind mills for total capacity of 2.75 MW in Gujarat State, set up for captive consumption. These are in operation. The Company is having wheeling arrangement with GETCO and DGVCL whereby the set off is given to the Company for generation of electricity from the wind mills.

2. AN OVERVIEW:

The overall performance of the Company during the year under report has been satisfactory in line with general economic conditions in the country. The total income of the Company has increased by 17.67% to ₹ 24334.82 lacs during the year from ₹ 20679.96 lacs in the previous year. The Profit before Tax has increased to ₹ 1796.38 lacs from ₹ 988.22 lacs and the Profit after Tax at ₹ 1209.76 lacs as compared to ₹ 712.12 lacs of the previous year. The profit before tax has increased by 81.78% and profit after tax has increased by 69.88%.

3. OVERALL PRODUCTION AND SALES PERFORMANCE:

NAME OF PRODUCT	PRODUCTION (MT)			SALES (MT)		
	2015-16	2014 - 15	INCREASE %	2015-16	2014 - 15	INCREASE %
Multilayer Testliner & Testliner Paper	80010	68018	17.63	81084	67729	19.72

4. CURRENT AND FUTURE OUTLOOK:

The company has been constantly upgrading manufacturing facilities for improving production, quality of products and yields.

The Directors expect that there will be reasonable improvement in production, sales turnover and profitability of the Company in the current year.

5. PLANS FOR UP-GRADATION AND IMPROVEMENT:

The management has held detailed discussion with technical team for finding solution for improvement of quality of product and reduction in cost of production. It is concluded that certain latest technically advanced machinery and equipments are required to be installed in the existing plant for improvement in quality of product and general efficiency and optimizing production. A detailed project report has been prepared which envisages an investment about ₹ 24.81 crores which includes cost of machinery, civil work and other internal infrastructure for smooth operation. The Company is in the process of negotiating term loan from the Company's bankers to part finance the project.

The wholly owned subsidiary of the Company, namely Shree Samrudhi Industrial Papers Pvt Ltd has not yet commenced business.

6. OPPORTUNITIES AND THREATS / RISKS AND CONCERNS:

The future of the Paper industry in general and Multilayer Testliner and Testliner Paper in particular is linked with the future of world economy. When the economy in general is on the down turn, the demand for Company's products is also likely to fall. On the other hand, when the economy in general is on the up-turn, the demand for the Company's products is likely to increase. The Company is having advantage over most of the other manufacturers as it is professionally managed and its operations are efficient, cost effective and highly competitive.

7. FINANCIAL ANALYSIS:

a) REVENUE:

During the year under review, the revenue has increased by 17.67% to ₹ 24334.82 Lacs from ₹ 20679.96 lacs in the previous year. The sales in terms of volume increased by 19.72% compared to previous year. The profit before tax has increased by 81.78%.

b) DEBT:

As at 31st March, 2016, the Company's total debt including Term Loans and Working Capital Facilities was ₹ 2677.61 lacs as compared to ₹ 3437.36 lacs in the previous year. The finance cost has decreased to ₹ 406.44 lacs during the year under report from ₹ 448.28 lacs during the previous year. The repayment of Term Loan is being done regularly.

c) NET PROFIT:

The Net Profit for the year under review was ₹ 1209.76 lacs as compared to ₹ 712.12 lacs in the previous year. The EPS has increased to ₹ 22.58 against ₹ 13.29 in the previous year.

d) INTERNAL CONTROL SYSTEMS:

The Company has adequate Internal Control System in place. The Internal Audit is conducted by a reputed Firm of Chartered Accountants specializing in Internal Audits, whose report is placed before the Audit Committee periodically. The Audit Committee closely reviews the progress made on the observations which helps strengthen overall financial control. The details of the Audit Committee Meetings are given under the Corporate Governance Section of this report.

8. INCREASE IN SHAREHOLDER VALUE:

Your Company makes all efforts to adopt the best systems and methods of doing the business, reduce overheads, improve productivity and establish better customer relations with improved quality and effective distribution network. The Company periodically, evaluates the overall business and tries to shift towards value added products. The Company is making sincere efforts to devise better strategy for growth and improving profitability, thereby enhancing shareholder value in the changing market situation.

9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NO. OF PEOPLE EMPLOYED:

The Company has a team of 31 competent and highly motivated technical and management staff. It has 72 clerical, computer operating and other staff and 164 workmen handling factory operations. There is continuous communication between all levels of employees. The Employer-Employee relations are harmonious and cordial.

CORPORATE GOVERNANCE

1. Brief Statement of Company's Philosophy on Corporate Governance:

The Company believes in adoption of best Corporate Governance practices. It constantly reviews Corporate Governance practices followed to ensure that they reflect new developments from time to time. It takes feedback into account in its periodic reviews to ensure relevance, effectiveness and responsiveness to the needs of investors and other stakeholders.

2. Composition and Category of Directors, Relationship of Directors with each other and Directorship held in other Companies by the Directors of the Company.

The Composition of the Board is in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has optimum combination of Executive and Non Executive Directors with one Woman Director and not less than 50% comprising Non Executive Independent Directors. The Chairman of the Company is Executive Director.

Name of the Director	Category	Relationship with each other	Directorship in other Companies**	No. of Membership(s) / Chairmanship (s) of Board Committee in other Companies
Gautam D. Shah	Managing Director / Promoter	Son of Dhansukhlal Shah	Nil	Nil
Bela G. Shah	Executive Director	Wife of Gautam Shah	Nil	Nil
Dhansukhlal G. Shah	Non Executive / Promoter	Father of Gautam Shah	Nil	Nil
Laxminarayan J. Garg	Non-Executive / Independent	-----	Nil	Nil
Darshak B. Shah	Non-Executive/ / Independent	-----	Nil	Nil
Nawal kishor D. Modi *	Non-Executive / Independent	-----	Nil	Nil

Notes:

* Mr. Nawal Kishor D. Modi was appointed as Additional Director w.e.f. 8th December, 2015.

** The Directorships held by the Directors in other companies do not include Directorships in private Limited Companies.

Details of Directors seeking Appointment / reappointment at the Annual General Meeting a required under regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Mrs. Bela G. Shah	Mr. Nawal kishor D. Modi
DIN	01044910	00722024
Age	50	49
Date of Appointment	07/02/2015	08/12/2015
Qualifications	Bachelor degree in Science with Mathematics	Chartered Accountant
Expertise in specific functional area	Specializing in Management of Business Undertakings	Specializing in Finance, Accounts and Management of Business Undertakings
Directorship held in other Public Companies	Nil	Nil
Membership / Chairmanships of committees of other public Companies (Includes only Audit and Stakeholders Relationship Committee)	Nil	Nil
Number of Shares held in the Company	385540	Nil
Relationship between Directors inter se	Mr. Gautam D. Shah – Husband Mr. Dhansukhlal G. Shah – Father in law	N.A.

Attendance of each director at the board meetings held during the year and the last AGM:

S N.	NAME OF DIRECTOR	ATTENDENCE PARTICULARS	
		NO. OF BOARD MEETINGS	LAST AGM
1	Mr. Gautam D. Shah	8	Yes
2	Mrs. Bela G. Shah	8	Yes
3	Mr. Dhansukhlal G. Shah	2	No
4	Mr. Laxminarayan J. Garg	8	Yes
5	Mr. Darshak B. Shah	8	Yes
6	Mr. Nawal kishor D. Modi (From 08/12/2015)	2	NA
7	Mr. Mitesh M. Mehta (upto 09/09/2015)	0	No

NO. OF BOARD OF DIRECTORS MEETINGS HELD, DATES ON WHICH HELD :

Eight (8) Board Meetings were held during the year as against the minimum requirement of Four (4) meetings. The dates on which the meetings were held are as follows:

- (1) 6th April, 2015 (2) 28th May, 2015 (3) 29th July, 2015 (4) 11th September, 2015
(5) 5th November, 2015 (6) 8th December, 2015 (7) 11th February, 2016 (8) 22nd March, 2016

The maximum time gap between any two meetings was not more than 120 days. None of the Directors of the Company was a member of more than 10 committees nor was the Chairman of more than 5 committees across all companies in which he was a Director.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The familiarization programme and other disclosures as specified under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the website of the Company at www.shreeajit.com

INFORMATION PLACED BEFORE THE BOARD:

All the relevant and necessary information and details are placed before the Board at its meetings, such as productions, sales, capital expenditure, budgets, actual performance statistics, review of business, any legal proceedings by or against the Company, quarterly financial results, minutes of meetings of Audit Committee, Stakeholders Relationship Committee and other Board Committees, staff matters, significant labour and human relation matters, financial statements of subsidiary and joint ventures and such other information.

The Board also reviews from time to time the legal compliance report presented by the Managing Director.

CODE OF CONDUCT:

The Board has laid down a code of conduct for all Board members and senior management of the Company. All Board members and senior management personnel have affirmed compliance with the code of conduct as on 31st March, 2016. This report contains a declaration to this effect signed by the Managing Director.

3. BOARD COMMITTEES:

The Company has the following Standing Committees of the Board:

1. AUDIT COMMITTEE:

The Audit Committee of the Company comprises of four Directors, of which three are independent Directors and one Managing Director. Mr. Laxminarayan J. Garg is the Chairman of the Committee and Mr. Darshak B. Shah, Mr. Nawal kishor D. Modi (from 11/02/2016) and Mr. Gautam D. Shah, Managing Director are the members of the Committee.

The Audit Committee also meets with the requirements of section 177 of the Companies Act, 2013. The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained in clause 49 of the Listing Agreement/ Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of the Companies Act, 2013, briefly as follows:

- Oversight of the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment of External Auditors and Internal Auditors, fixation of their Fees and approval for payment for any other services.
- Reviewing with management the Quarterly, Half Yearly and Annual Financial Statements before submission to the Board, focusing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgment by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with stock exchanges and legal requirements concerning financial statements and (viii) any related party transactions i.e., transactions of the Company of material nature, with promoters or the management, or relatives etc. that may have potential conflict with the interest of the Company.

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- d) Reviewing with the management and external and internal auditors, the adequacy and compliance of internal control systems.
- e) Reviewing the adequacy of internal audit functions.
- f) Discussion with internal auditors on any significant findings and follow-up there of.
- g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- h) Discussion with external auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.

During the year the Audit Committee has met 4 times as against the minimum requirement of 4 meetings. The Statutory Auditors were also invited to attend the Audit Committee meetings. The dates on which the meetings were held on (1) 28th May, 2015 (2) 29th July, 2015 (3) 05th November, 2015 (4) 11th February, 2016.

Attendance of each member of Audit Committee meetings held during the year:

SR. NO.	NAME OF MEMBERS	ATTENDENCE PARTICULARS
1	Mr. Laxminarayan J. Garg	4
2	Mr. Darshak B. Shah	4
3	Mr. Mitesh M. Mehta (upto 09/09/2015)	0
4	Mr. Nawal Kishor D. Modi (from 11/02/2016)	0
5	Mr. Gautam D. Shah	4

2. NOMINATION AND REMUNERATION COMMITTEE:

The terms of reference of Nomination and remuneration committee cover all applicable matters specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013, briefly as under:

- Identify persons qualified to become Directors or hold senior management positions and advise the Board for such appointments/ removals where necessary.
- Formulate criteria for determining qualifications, positive attributes and independence of Director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- Evaluate the performance of every Director.
- Devise a policy on Board diversity.
- Whether to extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of independent Directors.

The Nomination and Remuneration Committee comprises of three Directors, (1) Mr. Laxminarayan J. Garg, Independent Director- Chairman (2) Mr. Darshak B. Shah, Independent Director- member, and (3) Mr. Dhansukhlal G. Shah, Non Executive Director- member (w.e.f.11/09/2015). Mr. Mitesh M. Mehta ceased to be Chairman of the Committee consequent upon his resignation as Independent Director w.e.f.09/09/2015. The Committee recommends remuneration payable to Executive Director and Managing Director, in terms of requirements of schedule V of the Companies Act, 2013.

During the year the Nomination and Remuneration Committee has met 4 times. The dates on which the meetings were held on (1) 28th May, 2015 (2) 11th September, 2015 (3) 08th December, 2015 (4) 22nd March, 2016.

Attendance of each member of Nomination and Remuneration Committee meetings held during the year:

SR. NO.	NAME OF MEMBERS	ATTENDENCE PARTICULARS
1	Mr. Laxminarayan J. Garg	4
2	Mr. Darshak B. Shah	4
3	Mr. Dhansukhlal G. Shah (from 11/09/2015)	1
4	Mr. Mitesh M. Mehta (upto 09/09/2015)	0

Performance Evaluation Criteria for Independent Directors:

The criteria for performance evaluation are as follows:

1. Attendance and contribution at Board, members and Committee meetings.
2. Compliance with ethical standards & code of conduct of Company.
3. Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
4. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
5. Rendering independent unbiased opinion.
6. Safeguard of stakeholders' interests and under Vigil Mechanism.
7. Reporting of frauds, violation etc

REMUNERATION OF DIRECTORS:

A statement of remuneration paid to the Executive Directors is given below:

(` in Lacs)

Name of Director-Executive	Salary	Perquisites	Profit in lieu of Salary	Commissions	Total
Mr. Gautam D. Shah -Chairman & Managing Director	60.00	5.79	0.00	34.01	99.80
Mrs. Bela G. Shah -Executive Director	42.00	6.19	0.00	51.61	99.80

The remuneration to the Managing Director and Executive Director is fixed by the Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee of the Company and also approved by the Shareholders of the Company.

Name of Director-Executive	Service Contract	Notice Period	Severance Fees	Performance Linked Incentives	Stock Option
Mr. Gautam D. Shah -Chairman & Managing Director	5 Year	6 Month	Nil	Nil	Nil
Mrs. Bela G. Shah -Executive Director	5 Year	6 Month	Nil	Nil	Nil

No remuneration is paid to Non Executive Directors except sitting fees for attending meetings of the Board and Committees.

A statement of sitting fees paid to the Non Executive Directors is given below:

Name of Director-Non Executive	Sitting Fees (Rs. in Lacs)
Mr. Dhansukhlal G. Shah	0.15
Mr. Laxminarayan J. Garg	0.80
Mr. Darshak B. Shah	0.80
Mr. Nawal Kishor D. Modi	0.10

A policy on criteria on making payment to Non Executive Directors is available on Company's website at www.shreeajit.com

3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee comprises of Mr. Laxminarayan J. Garg –Chairman, Mr. Dhansukhlal G. Shah, and Mr. Gautam D. Shah, members.

The Committee looks into redressal of Shareholders' complaints like transfer of shares, non-receipt of annual report etc. The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for over all improvement in the quality of services.

During the year the Stakeholders Relationship Committee has not meet.

The Board has designated Mr. Rakesh Kumar Kumawat, Company Secretary as the Compliance officer of the Company.

No. of complaints received during the year	No. of complaints resolved during the year
1	1
No. of transfers received during the year) (in physical form)	No. of transfers attended during the year (in physical form)
25	25
No. of demat / remat request received during the year	No. of demat /remat requests attended during the year
22	22

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board has constituted the Corporate Social Responsibility (CSR) Committee, comprising of three Directors, (1) Chairman Mr. Gautam D. Shah, Chairman and Managing Director, (2) Mr. Laxminarayan J. Garg, Member, Non Executive Independent Director, and (3) Mr. Dhansukhlal G. Shah, Member, Non Executive Director.

During the year the CSR Committee has met 2 times. The dates on which the meetings were held on (1) 11th September, 2015 (2) 22nd March, 2016.

Attendance of each member of CSR Committee meetings held during the year:

SR. NO.	NAME OF MEMBERS	ATTENDENCE PARTICULARS
1	Mr. Gautam D. Shah	2
2	Mr. Laxminarayan J. Garg	2
3	Mr. Dhansukhlal G. Shah	1

5. MEETING OF INDEPENDENT DIRECTORS:

In accordance with the Provisions of schedule IV of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a meeting of Independent Directors of the Company was held on 22nd March, 2016.

4. ANNUAL GENERAL MEETING:

Location and time for last three Annual General Meetings were as follows:

YEAR	LOCATION	DATE	TIME
2012-2013	At Regd. Office at Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi- 396191	05/08/2013	11 A.M.
2013-2014	-do-	29/09/2014	11 A.M.
2014-2015	-do-	29/09/2015	11 A.M.

During the year ended 31st March, 2016, no resolutions have been passed by the Company's Shareholders through Postal Ballot.

5. DISCLOSURE:

- a) Disclosures on materially significant related party transactions, i.e.; Transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large: - None of the transactions with any of the Related Parties were in conflict with the interest of the Company.
- b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years: - None.

- c) Mandatory requirements: The Company is fully compliant with the applicable mandatory requirements of the clause 49 of the listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as were applicable during the year under review.
- d) Adoption of non-mandatory requirements: Adoption of non-mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time to time.
- e) Policy for determining material subsidiary is available on the website of the Company at www.shreeajit.com
- f) Policy on materiality of related party transaction is available on the website of the Company at www.shreeajit.com

6. CEO/CFO CERTIFICATION:

The Managing Director who has been designated by the Board as CEO and CFO has certified to the Board Compliance in respect of all matters specified in sub clause V of Clause 49 of the Listing Agreement/Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MEANS OF COMMUNICATION:

The unaudited quarterly and half yearly results for the periods ended 30th June, 2015, 30th September, 2015 were published in Indian Express (English) Baroda Edition, Financial Express (Gujarati) Ahmedabad Edition and Free Press Journal (English) Mumbai Edition and for the quarter and nine months ended 31st December 2015 and audited results for the year ended 31st March, 2016 were published in Indian Express (English) Baroda Edition and Sandesh (Gujarati) Surat Edition & the said results were put on the Company's web site : www.shreeajit.com.

GENERAL SHARE HOLDERS' INFORMATION:

a) ANNUAL GENERAL MEETING:

Date and Time - Tuesday, 30th August, 2016 at 11.00 A. M.

Venue - At Regd. Office of the Company at: Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi-396 191, Dist. Valsad, (Gujarat).

b) Financial year: The Company follows 1st April to 31st March as the financial year.

c) Financial Calendar (tentative)

Results for the quarter ending June 30, 2016	-	Second week of August 2016
Results for the quarter / half year ending Sept. 30, 2016	-	Second week of November 2016
Results for the quarter ending December 31, 2016	-	Second week of February 2017
Results for the year ending March 31, 2017	-	Last week of May 2017
Annual General Meeting	-	Last week of September 2017.

d) Book Closure Date : From Tuesday, 23rd August 2016 to Tuesday, 30th August 2016 (Both days inclusive) for Annual General Meeting and payment of dividend.

e) Dividend Payment Date - 20/09/2016

f) Listing of Equity Shares on Stock Exchanges:

(i) Bombay Stock Exchange Ltd. - Mumbai

(ii) Ahmedabad Stock Exchange Ltd. - Ahmedabad.

(iii) Regional Stock Exchange - Vadodara Stock Exchange Ltd - Vadodara

Annual Listing Fees for the year 2016-17 have been paid to Bombay Stock Exchange Limited. The Vadodara Stock Exchange Ltd. and Ahmedabad Stock Exchange Limited have informed the Company that the said Exchanges are under the process of compulsory de-recognition and so as per instruction of SEBI, they are not issuing the listing fee bill for the year 2016-17.

- g) (a) Stock Code
 - Bombay Stock Exchange Ltd. - 538795
 - Ahmedabad Stock Exchange Ltd. - 52657/SHREEAJITP
 - Vadodara Stock Exchange Ltd. - 600252
- (b) Demat ISIN Nos.
 - NSDL and CDSL - INE185C01017

SHREE AJIT PULP AND PAPER LIMITED



h) Market Price Data: (in Rupees per share):
High and Low prices of the Company's Shares on BSE with corresponding BSE Sensex.

Months	High		Low	
	Shree Ajit Pulp and Paper Ltd. Price (₹)	BSE Sensex	Shree Ajit Pulp and Paper Ltd. Price (₹)	BSE Sensex
April 2015	80.00	29094.61	65.60	26897.54
May 2015	80.00	28071.16	60.00	26423.99
June 2015	85.00	27968.75	60.60	26307.07
July 2015	106.55	28578.33	71.00	27416.39
Aug. 2015	126.50	28417.59	86.00	25298.42
Sept 2015	120.90	26471.82	80.10	24833.54
Oct. 2015	122.40	27618.14	84.00	26168.71
Nov. 2015	139.80	26824.30	101.00	25451.42
Dec. 2015	144.50	26256.42	110.00	24867.73
January 2016	143.80	26197.27	109.00	23839.76
February 2016	134.40	25002.32	95.00	22494.61
March 2016	114.00	25479.62	93.10	23133.18

i) Registrar and Transfer Agents:

Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W) Mumbai – 400 078

j) Share Transfer System:

Presently share transfers which are received in physical form are processed and the Share Certificates returned within a period of 15 days from the date of receipt, subject to the documents being valid & complete in all respects.

k) Distribution of Share Holding As on 31/03/2016

No. of Equity Shares	No. of Shares Held	% To Total Shares	No. of Shareholders	% To Total Shareholders
1 to 500	317367	5.93	983	78.26
501 to 1000	111955	2.09	136	10.83
1001 to 5000	195453	3.65	84	6.69
5001 to 10000	156592	2.92	22	1.75
10001 and above	4575333	85.41	31	2.47
Total	5356700	100.00	1256	100.00

Sr. No.	Category	No. of Shareholders	No. of Shares Held	% To Total Shares
1	Promoters	8	2540790	47.43
2	Public Financial Institutions	0	0	0
3	Bodies Corporate	18	2901	0.06
4	Clearing Member /Market Maker	7	14545	0.27
5	NRI	5	6003	0.11
6	Resident Individuals/HUF	1218	2792461	52.13
	Total	1256	5356700	100

SHREE AJIT PULP AND PAPER LIMITED



l) Dematerialization of Shares:

As on 31st March, 2016, 673 Shareholders were holding 4479840 Equity Shares in Demat form, which constitutes 83.63% of the total share capital of the Company.

Liquidity: The Company's shares are regularly traded on the Bombay Stock Exchange Limited

- m) Plant Location: Survey No. 239, Village Salvav, Survey No. 105/P,106 /107 & 108/P Morai, Near Morai Rly. Crossing, Via-Vapi - 396191. Wind Mill 1.50 MW: Village Bagasara, Taluka Maliya Miyana, Dist Rajkot, Gujarat
Wind Mill 1.25 MW: Village Murvel, Taluka Dwarka, Dist Jamnagar, Gujarat

n) Address for correspondence:

For transfer / dematerialization of shares:

For shares held in physical form:

Link Intime India Pvt. Ltd. C-13 Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai-400 078.

For shares held in demat form: To the Depository Participants

For any query on Annual Report/ Payment of Dividend etc.

To the Secretarial Dept.

Shree Ajit Pulp And Paper Limited, Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via- Vapi -396191.

- o) Buy-back of shares: The Company has not proposed buy-back of shares during the year.

- p) Unclaimed Dividend: In terms of section 205 C of the Companies Act, 1956, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, to the Investor Education and Protection Fund (IEPF). Till the unpaid amount is transferred to IEPF, a shareholder can claim the amount of dividend from the Company. The position of unclaimed dividend is as under:

Financial year ended	Date of declaration of dividend	Last date for claiming unpaid dividend from Company
31/03/2009	29/09/2009	28/09/2016
31/03/2010	17/08/2010	16/08/2017
31/03/2011	29/09/2011	28/09/2018
31/03/2012	29/09/2012	28/09/2019
31/03/2013	05/08/2013	04/08/2020
31/03/2014	29/09/2014	28/09/2021
31/03/2015	29/09/2015	28/09/2022

SHREE AJIT PULP AND PAPER LIMITED



CEO/CFO Compliance Certificate under Clause 49 (V) of Listing Agreement / Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors of
Shree Ajit Pulp and Paper Limited

- We have reviewed financial statements and the cash flow statement of Shree Ajit Pulp and Paper Limited for the year ended 31st March, 2016 and to the best of our knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 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.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- We have indicated to the auditors and the Audit committee:
 - that there are no significant changes in internal control over financial reporting during the year;
 - that there are no significant changes in accounting policies during the year;
 - that there are no instances of significant fraud of which we have become aware.

Place : Vapi
Date : May 26, 2016

Gautam D. Shah
CFO/Chairman and Managing Director

DECLARATION ON CODE OF CONDUCT

As required by clause 49(1)(D) of Listing Agreement/Regulation 34(3) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirm that all the Board Members and senior management Personnel have complied with code of conduct as on 31st March, 2016.

Place : Vapi
Date : May 26, 2016

Gautam D. Shah
Chairman and Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Shree Ajit Pulp And Paper Limited.

I have examined the compliance of conditions of Corporate Governance by Shree Ajit Pulp And Paper Limited, for the year ended on 31st March, 2016 as stipulated in clause 49 of the Listing agreements with stock exchanges and regulation 17-27 and 46 (2) (b) to (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as the "Corporate Governance Requirements").

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Corporate Governance Requirements.

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

Place : Vapi
Date : May 26, 2016

V. C. KHAMBHATA
COMPANY SECRETARY IN PRACTICE
ACS No.4887
C.P. No. 6177

SHREE AJIT PULP AND PAPER LIMITED



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREE AJIT PULP AND PAPER LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Shree Ajit Pulp and Paper Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act, as applicable.
 - e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Place : Vapi
Date: 26th May, 2016

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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

We have audited the internal financial controls over financial reporting of Shree Ajit Pulp and Paper Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Place : Vapi
Date: 26th May, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Immovable properties of land whose title deeds have been pledged as security for loans are held in the name of the Company based on the confirmations directly received by us from lenders. In respect of immovable properties of land that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2016 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs.)	Amount Unpaid (Rs.)
Central Excise Act, 1944	Service Tax	Additional Commissioner	April 2014- March 2015	9,30,268	9,30,268
The Customs Act, 1952	Custom Duty	CESTAT	April 2011- March 2013	62,07,454*	56,54,543
Income Tax Act, 1961	Income Tax	ITAT	Assessment Year 2010-11	12,49,152	12,49,152

*Amount paid under protest is Rs. 5,52,911

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place : Vapi
Date : 26th May, 2016

Rupen K. Bhatt
Partner
(Membership No.046930)

SHREE AJIT PULP AND PAPER LIMITED



BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31 March, 2016	As at 31 March, 2015
A EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	5,35,67,000	5,35,67,000
(b) Reserves and Surplus	3	81,86,54,358	70,25,13,828
		87,22,21,358	75,60,80,828
(2) Non-current Liabilities			
(a) Long-term Borrowings	4	10,22,39,603	9,04,08,768
(b) Deferred Tax Liabilities (Net)	5	15,78,27,337	15,18,39,543
(c) Long-term Provisions	6	64,19,944	58,91,695
		26,64,86,884	24,81,40,006
(3) Current Liabilities			
(a) Short-term Borrowings	7	9,66,77,351	19,47,25,380
(b) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	8.1	16,69,304	10,50,840
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	8	14,16,36,595	12,18,42,965
(c) Other Current Liabilities	9	9,23,12,004	9,03,00,277
(d) Short-term Provisions	10	1,05,45,811	54,43,003
		34,28,41,065	41,33,62,465
TOTAL		1,48,15,49,307	1,41,75,83,299
B ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	81,97,10,736	85,40,46,165
(ii) Intangible Assets	11	2,42,062	3,03,496
(iii) Capital Work-in-progress	11	1,10,94,251	78,52,238
		83,10,47,049	86,22,01,899
(b) Non-current Investments	12	5,48,17,500	4,45,67,500
(c) Long-term Loans and Advances	13	2,37,75,126	3,72,14,260
		7,85,92,626	8,17,81,760
(2) Current Assets			
(a) Inventories	14	16,41,30,661	19,52,36,562
(b) Trade Receivables	15	37,06,09,966	24,78,69,653
(c) Cash and Cash Equivalents	16	60,00,406	52,91,451
(d) Short-term Loans and Advances	17	2,82,56,047	2,47,66,528
(e) Other Current Assets	18	29,12,552	4,35,446
		57,19,09,632	47,35,99,640
TOTAL		1,48,15,49,307	1,41,75,83,299
See accompanying notes forming part of the financial statements	1-35		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner

Place : Vapi
Date : 26th May, 2016

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Place : Vapi
Date : 26th May, 2016

Bela G Shah
Executive Director

Rakesh Kumar Kumawat
Company Secretary

SHREE AJIT PULP AND PAPER LIMITED



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
INCOME			
1 Revenue from Operations (Gross)	19	2,36,26,64,258	2,01,02,25,597
Less: Excise Duty		(13,99,92,221)	(12,21,97,246)
Revenue from Operation (Net)		2,22,26,72,037	1,88,80,28,351
2 Other Income	20	4,36,121	8,38,870
3 Total Revenue (1+2)		2,22,31,08,158	1,88,88,67,221
EXPENSES			
4 a) Cost of Materials Consumed	21	1,37,98,19,880	1,22,26,79,654
b) Changes in Inventories of Finished Goods and Work-in-progress	22	2,92,20,272	(59,03,631)
c) Employee Benefits Expense	23	11,96,41,470	8,90,34,385
d) Finance Costs	24	4,06,44,569	4,48,28,482
e) Depreciation and Amortisation Expense	11	5,14,98,308	5,10,85,476
f) Other Expenses	25	42,26,45,337	38,83,21,295
Total Expenses (a+b+c+d+e+f)		2,04,34,69,836	1,79,00,45,661
5 Profit Before Tax (3-4)		17,96,38,322	9,88,21,560
6 Tax Expense/(Benefit)			
a) Current Tax Expense		5,29,44,468	2,08,49,490
b) Less : Mat Credit		7,83,943	(1,46,79,039)
c) Tax Adjustments for Prior Years		(10,53,812)	10,178
Net Current Tax Expense		5,26,74,599	61,80,629
d) Deferred Tax			
Current year		59,87,794	2,14,29,289
Net Deferred Tax		59,87,794	2,14,29,289
Net Tax Expense		5,86,62,393	2,76,09,918
7 Profit for the year (5-6)		12,09,75,929	7,12,11,642
7.1 Earning per share of ` 10/- each (Basic and Diluted)	29	22.58	13.29
See accompanying notes forming part of the financial statements		1-35	

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K Bhatt
Partner

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

Rakesh Kumar Kumawat
Company Secretary

Place : Vapi
Date : 26th May, 2016

Place : Vapi
Date : 26th May, 2016

SHREE AJIT PULP AND PAPER LIMITED



Cash Flow Statement for the year ended 31 March, 2016

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
A. Cash flow from operating activities		
Profit before tax as per statement of profit and loss	17,96,38,322	9,88,21,560
Adjustments for:		
Depreciation and amortisation	5,14,98,308	5,10,85,476
Loss on sale of assets (net)	-	64,000
Finance costs	4,06,44,569	4,48,28,482
Interest income	(4,28,396)	(4,14,875)
Dividend income	(7,725)	(7,515)
Unrealised exchange (gain)	4,63,095	(72,542)
Investment written off	-	1,00,000
Sundry Balances written off / (written back)	3,67,971	(4,16,480)
Operating profit before working capital changes	27,21,76,144	19,39,88,106
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	3,11,05,901	(5,05,87,558)
Trade receivables	(12,27,40,313)	1,09,34,052
Short-term loans and advances	(34,89,519)	34,05,634
Long-term loans and advances	(1,93,886)	20,87,593
Other current assets	(21,10,100)	14,56,558
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	1,95,81,028	2,64,43,943
Other current liabilities	41,74,591	(95,32,890)
Short-term provisions	5,00,582	1,94,874
Long-term provisions	5,28,249	16,14,821
Cash generated from operations	19,95,32,677	18,00,05,133
Net income tax (paid)	(3,50,41,080)	(3,00,54,635)
Net cash flow from operating activities (A)	16,44,91,597	14,99,50,498
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(3,38,09,991)	(6,49,69,635)
Proceeds from sale of fixed assets	-	5,93,858
Purchase of long-term investments in Joint Venture	(1,02,50,000)	(1,05,00,000)
Bank balance not considered as cash and cash equivalents	(7,15,791)	(78,488)
Interest received	61,390	8,76,499
Dividend received	7,725	7,515
Net cash flow (used in) investing activities (B)	(4,47,06,667)	(7,40,70,251)
C. Cash flow from financing activities		
Proceeds from long-term borrowings	8,28,87,282	1,44,74,686
Repayment of long-term borrowings	(6,22,04,211)	(7,15,36,612)
Proceeds from / (repayment of) short-term borrowings (net)	(9,80,48,029)	2,27,56,031
Finance costs	(3,92,03,208)	(4,46,09,494)
Dividends paid	(26,78,350)	(26,78,350)
Tax on dividend	(5,45,250)	(4,55,186)
Net cash flow (used in) financing activities (C)	(11,97,91,766)	(8,20,48,925)
Net decrease in Cash and cash equivalents (A+B+C)	(6,836)	(61,68,678)
Cash and cash equivalents at the beginning of the year	2,58,590	64,27,268
Cash and cash equivalents at the end of the year *	2,51,754	2,58,590
* Comprises: @		
(a) Cash on hand	2,18,662	1,06,191
(b) Balances with banks		
- In current accounts	33,092	1,52,399
Total Cash and cash equivalents	2,51,754	2,58,590

Note1- Cash flow Statement has been prepared under the indirect method as set out in Accounting Standard -3 " Cash Flow Statement".
See accompanying notes forming part of the financial statements (1-35)

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K Bhatt
Partner

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

Rakesh Kumar Kumawat
Company Secretary

Place : Vapi
Date : 26th May, 2016

Place : Vapi
Date : 26th May, 2016

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Financial Statements

Note 1

A. Corporate information:

Shree Ajit Pulp And Paper Ltd ('the company') is a public company incorporated in India. Its shares are listed on Bombay Stock Exchange, Vadodara Stock Exchange and Ahmedabad Stock Exchange. The Company is engaged in the manufacturing of Kraft Paper (Testliner / Multilayer Testliner) which is mainly used for manufacturing corrugated boxes.

The company owns and operate manufacturing unit located in the state of Gujarat, India at Morai, Vapi.

B. Significant accounting policies:

a) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

c) Inventories

Inventories are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

d) Depreciation and amortization

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

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Leasehold land is amortised over the duration of the lease.

Intangible assets are amortised over their estimated useful life.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

e) Revenue recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the dispatch of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Income from electricity units generated by windmills is accounted as income from windmills at landed cost and has been shown as such in the Statement of Profit and Loss.

f) Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

g) Fixed Assets (Tangible / Intangible)

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable

Notes Forming Part of the Financial Statements

expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

h) Foreign currency transactions and translations

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

i) Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

j) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (ii) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

k) Borrowing costs

Borrowing costs include interest, and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Notes Forming Part of the Financial Statements

l) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

Under the primary segment there are two reportable segments viz., Paper and Power generation by Windmill. These were identified considering the nature of the products, the different risks and return.

The Company caters mainly to the needs of the domestic market and thus there are no reportable geographical segments.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

m) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

n) Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

o) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Financial Statements

Note : 2 Share Capital

Particulars	As At 31 March, 2016	As At 31 March, 2015
a) AUTHORISED 1,50,00,000 (1,50,00,000) Equity Shares of ₹ 10 each with voting rights	15,00,00,000	15,00,00,000
b) ISSUED 53,56,700 (53,56,700) Equity Shares of ₹ 10 each with voting rights	5,35,67,000	5,35,67,000
c) SUBSCRIBED AND FULLY PAID UP 53,56,700 (53,56,700) Equity Shares of ₹ 10 each with voting rights	5,35,67,000	5,35,67,000
Total in ₹	5,35,67,000	5,35,67,000

2.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year.

Particulars	As At 31 March, 2016		As At 31 March, 2015	
	Number of Shares	Amount in ₹	Number of Shares	Amount in ₹
Equity Shares at the beginning and at the end of the year	53,56,700	5,35,67,000	53,56,700	5,35,67,000

2.2 Details of Shares held by each shareholder holding more than 5 % shares :

Name of the Shareholders	As At 31 March, 2016		As At 31 March, 2015	
	Number of Shares held	% Holding	Number of Shares held	% Holding
Gautam D Shah	10,64,750	19.88%	10,64,750	19.88%
Sureshbhai C Shah	4,54,000	8.48%	4,54,000	8.48%
Jayantilal M Shah	4,35,000	8.12%	4,35,000	8.12%
Bela G Shah	3,85,540	7.20%	3,85,540	7.20%
Varun Shah	3,05,300	5.70%	3,05,300	5.70%
Bharat Mafatlal Shah	2,70,900	5.06%	2,70,900	5.06%

2.3 Terms and Rights attached to Equity Shares :

The company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. Further, the Board of Director may also announce an interim dividend.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

Note : 3 Reserves and Surplus

Particulars	As At 31 March, 2016	As At 31 March, 2015
a) Capital Reserve Opening and closing balance	12,92,993	12,92,993
b) Surplus in Statement of Profit and Loss Opening balance	70,12,20,835	63,53,58,479
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax) (Refer note 11.3)	-	21,25,686
Add: Profit for the year	12,09,75,929	7,12,11,642
Less: Dividends proposed to be distributed to equity shareholders ₹ 0.75 per share (Previous Year ₹ 0.50 per share)	40,17,525	26,78,350
Tax on Proposed Dividend	8,17,874	5,45,250
Closing Balance	81,73,61,365	70,12,20,835
Total in ₹	81,86,54,358	70,25,13,828

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Financial Statements

Note : 4 Long-term Borrowings

Particulars	As At 31 March, 2016	As At 31 March, 2015
Secured		
a) Term loans from banks	10,18,02,199	8,87,37,713
b) Other loans	4,37,404	16,71,055
Total in `	10,22,39,603	9,04,08,768

4.1 Details of terms of repayment and securities provided

Sr. No.	Particulars	Balance as at 31 March, 2016	Start date of loan repayment	Repayment of installments	Number of installments sanctioned (Monthly)	End date of loan repayment
	Term loan					
1	-from bank (Refer note a)	64,16,754	January, 2014	8,60,000	60	November,2017
2	-from bank (Refer note a)	43,46,300	January, 2014	5,73,333	60	November,2017
3	-from bank (Refer note b)	90,20,000	March, 2013	8,20,000	60	February, 2018
4	-from bank (Refer note c)	2,47,50,000	October, 2013	13,75,000	60	September,2018
5	-from bank (Refer note a)	4,33,95,282	April,2016	14,16,000	72	March,2022
6	-from bank (Refer note c)	1,38,73,863	May,2015	3,75,000	60	April,2020
7	-from Bank (Refer note d)	-	August , 2013	2,36,355	35	June,2016
8	-from NBFC (Refer note d)	4,37,404	August,2014	1,13,050	36	July,2017
9	-current maturities of Long term borrowings (refer note 9)	6,69,27,257				
		16,91,66,860				

Note a. Term loan is secured by way of pari passu charges on proposed plant and machinery & office building and other construction at Vapi of the company and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company.

Note b. Term loan is Secured by way of exclusive charge on plant and machinery and building of windmill situated at village Murvel Dist Jamnagar and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note c. Term loan is secured by way of exclusive charge on plant and machinery and building of co generation power plant situated at Vapi of the company and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note d. Vehicle loan ` 19,35,257 included in current maturities of long term borrowings is secured by way of hypothecation of Vehicle.

Note e. All term loans from banks and from others are further secured by way of shares pledged and personal guarantee of Mr. Gautam D Shah Managing Director of the company and bears rate of interest at base rate plus 2.90 % to 3.50 %.

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Financial Statements

Note : 5 Deferred Tax Liabilities (Net)

Particulars	As At 31 March, 2016	As At 31 March, 2015
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of fixed assets	16,21,28,223	15,54,59,046
Deferred Tax Liability (DTL) (A)	16,21,28,223	15,54,59,046
Tax effect of items constituting deferred tax assets		
Provision for compensated absences and gratuity	34,76,458	32,20,564
Disallowances under Section 43B of the Income Tax Act, 1961	6,51,388	2,25,899
Others	1,73,040	1,73,040
Deferred Tax Assets (DTA) (B)	43,00,886	36,19,503
Net Deferred Tax Liability (A-B) in `	15,78,27,337	15,18,39,543

Note : 6 Long-term Provisions

Particulars	As At 31 March, 2016	As At 31 March, 2015
Provision for employee benefits		
i) Provision for gratuity (refer note 10 and 23.2)	29,62,613	28,21,118
ii) Provision for compensated absences (refer note 10 and 23.2)	34,57,331	30,70,577
Total in `	64,19,944	58,91,695

Note : 7 Short-term Borrowings

Particulars	As At 31 March, 2016	As At 31 March, 2015
Secured		
Loan repayable on demand from banks	9,66,77,351	19,47,25,380
Total in `	9,66,77,351	19,47,25,380

7.1 Cash Credit is secured by way of hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment and plant and machinery and equitable mortgage of immovable properties on pari passu basis and personal guarantee of Chairman and Managing Director of the Company. The Cash Credit is repayable on demand and bears interest at the rate of base rate plus 1.5% to 3.25%.

Note : 8 Trade Payables

Particulars	As At 31 March, 2016	As At 31 March, 2015
Trade payables	14,16,36,595	12,18,42,965
Total in `	14,16,36,595	12,18,42,965

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Notes Forming Part of the Financial Statements

8.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As At 31 March, 2016	As At 31 March, 2015
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	16,69,304	10,50,840
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with, the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note : 9 Other Current Liabilities

Particulars	As At 31 March, 2016	As At 31 March, 2015
(a) Current maturities of long-term borrowings (Refer note 4 and 9.1)	6,69,27,257	5,80,75,021
(b) Interest accrued but not due on borrowings	19,15,929	6,44,658
(c) Unclaimed dividend	7,53,830	7,00,143
(d) Other Payables		
i) Advances from customers	1,00,581	105,968
ii) Security deposits received	1,04,000	104,000
iii) Payables on purchase of fixed assets	1,39,44,657	2,62,31,028
iv) Statutory remittances		
Tax deducted at source payable	32,71,017	5,03,437
Central sales tax payable	28,47,074	22,56,060
Others (VAT, Excise, Service tax, Provident Fund, etc)	24,47,659	16,79,962
Total in	9,23,12,004	9,03,00,277

9.1 Current maturities of long-term borrowings consist of :

Particulars	As At 31 March, 2016	As At 31 March, 2015
a) Term Loans from banks (Secured)	6,56,90,690	569,63,108
b) Other loans (Secured)	12,36,567	11,11,913
Total in	6,69,27,257	5,80,75,021

Note : 10 Short Term Provisions

Particulars	As At 31 March, 2016	As At 31 March, 2015
a) Provision For Employee Benefits		
Provision for gratuity (refer note 6 and 23.2)	5,61,491	4,19,321
Provision for compensated absences (refer note 6 and 23.2)	18,52,270	14,93,858
b) Provisions- others		
Provision for proposed equity dividend	40,17,525	26,78,350
Provision for tax on proposed dividend	8,17,874	5,45,250
Provision for tax (Net of advance tax of ` 3,50,41,080) (Previous year ` 2,05,43,266)	32,96,651	3,06,224
Total in	1,05,45,811	54,43,003

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Note : 11 Fixed Assets

Particulars	Gross Block			Accumulated depreciation and amortisation				Net Block		
	Balance as at 1 April, 2015	Additions	Deductions/ Disposal	Balance as at 31st March, 2016	Balance as at 1 April, 2015	Depreciation/ amortisation expense for the year	Transition adjustment recorded against surplus balance in statement of Profit and loss (Refer note 11.3)	Deductions/ Disposal for the year	Balance as at 31st March, 2016	Balance as at 31st March, 2016
Tangible Assets										
Land- Freehold	92,00,016	15,12,221	-	1,07,12,237	-	-	-	-	-	1,07,12,237
Leasehold Land	85,01,634	6,98,382	-	92,00,016	-	-	-	-	-	92,00,016
Buildings	30,00,000	-	-	30,00,000	6,59,508	1,50,000	-	-	8,09,508	21,90,492
	30,00,000	-	-	30,00,000	5,09,508	1,50,000	-	-	6,59,508	23,40,492
	9,45,22,901	29,37,104	-	9,74,60,005	2,77,74,729	42,22,411	-	-	3,19,97,140	6,54,62,865
	9,38,70,387	6,52,514	-	9,45,22,901	2,03,32,536	62,24,355	12,17,838	-	2,77,74,729	6,67,48,172
Plant and Equipment	77,28,49,535	88,51,858	-	78,17,01,393	18,48,22,217	2,62,34,130	-	-	21,10,56,347	57,06,45,046
	70,46,42,485	7,02,79,379	20,72,329	77,28,49,535	16,17,15,294	2,44,19,309	1,11,619	14,24,006	18,48,22,217	58,80,27,318
Windmills	15,23,18,740	-	-	15,23,18,740	3,22,22,680	67,49,755	-	-	3,89,72,435	11,33,46,305
	15,23,18,740	-	-	15,23,18,740	2,54,91,367	67,31,313	-	-	3,22,22,680	12,00,96,060
Electrical Installations	6,36,80,441	5,37,981	-	6,42,18,422	2,23,47,117	82,25,676	-	-	3,05,72,793	3,36,45,629
	5,88,46,407	48,34,034	-	6,36,80,441	1,34,28,777	78,67,244	10,51,096	-	2,23,47,117	4,13,33,324
Furniture & Fixtures	71,44,376	2,43,302	-	73,87,678	25,28,470	6,64,674	-	-	31,93,144	41,94,534
	69,96,171	1,48,205	-	71,44,376	17,82,576	6,59,334	86,560	-	25,28,470	46,15,906
Vehicles	2,16,12,665	15,51,954	-	2,31,64,619	59,17,558	28,46,046	-	-	87,63,604	1,44,01,015
	1,74,01,715	42,10,950	-	2,16,12,665	32,62,296	26,55,262	-	-	59,17,558	1,56,95,107
Office Equipment	1,33,84,889	14,09,015	-	1,47,93,904	73,95,119	22,86,172	-	-	96,81,291	51,12,613
	1,14,37,701	19,80,188	33,000	1,33,84,889	43,55,002	23,10,446	7,53,136	23,465	73,95,119	59,89,770
SUB TOTAL (A)	1,13,77,13,563	1,70,43,435	-	1,15,47,56,998	28,36,67,398	5,13,78,864	-	-	33,50,46,261	81,97,10,736
Previous Year	1,05,70,15,240	8,28,03,652	21,05,329	1,13,77,13,563	23,08,77,356	5,10,17,263	32,20,249	14,47,471	28,36,67,398	85,40,46,165
Intangible Assets										
Software (acquired)	5,30,344	58,010	-	5,88,354	2,26,848	1,19,444	-	-	3,46,292	2,42,062
	4,35,994	94,350	-	5,30,344	1,58,635	68,213	-	-	2,26,848	3,03,496
SUB TOTAL (B)	5,30,344	58,010	-	5,88,354	2,26,848	1,19,444	-	-	3,46,292	2,42,062
Previous Year	4,35,994	94,350	-	5,30,344	1,58,635	68,213	-	-	2,26,848	3,03,496
Capital Work in Progress										
SUB TOTAL (C)										
Previous Year										
Total [A + B + C]	1,13,82,43,907	1,71,01,445	-	1,15,53,45,352	28,38,94,246	5,14,98,308	-	-	33,53,92,553	83,10,47,049
Previous Year	1,05,74,51,234	8,28,98,002	21,05,329	1,13,82,43,907	23,10,35,991	5,10,85,476	32,20,249	14,47,471	28,38,94,246	86,22,01,899

11.1 Addition during the year includes Nil (Previous year ` 1,74,355) on account of foreign exchange fluctuation capitalised on Plant and Equipment.

11.2 Previous year figures are shown in Italics.

11.3 Pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has, effective 1st April 2014, reviewed and revised the estimated useful life of its fixed assets in accordance with the provisions of Schedule II to the Act. Consequently, the depreciation charge for the previous year ended 31st March, 2015 is lower by ` 46,72,209. After considering the transition provision specified in Schedule II ` 21,25,686 (net of tax ` 10,94,563) has been adjusted to surplus in statement of profit and loss as on 1st April, 2014.

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Note : 12 Non-current Investments

(At cost, unless otherwise stated)

Particulars	As At 31 March, 2016	As At 31 March, 2015
A Trade (Unquoted)		
a) In Equity Shares of Subsidiary Company		
5,00,000 (Previous year 5,00,000) shares of Shree Samrudhi Industrial Papers Private Limited of ₹ 10 each fully paid up (out of the above 20 equity shares of ₹ 10 each are held in the names of nominees of the company)	50,00,000	50,00,000
b) In Equity Shares of Joint Ventures-		
49,75,000 (Previous year 39,50,000) shares of Shree Samrat Pulp and Paper Private Limited of ₹ 10, each fully paid up. (out of the above 10 equity shares of ₹ 10 each are held in the name of a nominee of the company)	4,97,50,000	3,95,00,000
c) Others		
501 (Previous year 501) shares of Sardar Bhiladwala Pardi Peoples Co Operative Bank Limited of ₹ 100 each fully paid up.	50,100	50,100
1 (Previous year 1) share of Shri Damanganga Sahakari Khand Udyog Mandali Limited of ₹ 2,000, each fully paid up.	2,000	2,000
300 (Previous year 300) shares of Wel-Treat Enviro Management Organisation of ₹ 10, each fully paid up.	3,000	3,000
B Other Investments (Quoted)		
2,300 (Previous year 2,300) equity shares of Gujarat State Financial Corporation of ₹ 10 each, at a premium of ₹ 10 per share, fully paid up plus interest of ₹ 6,386. (Market Value ₹ 6,900)	52,386	52,386
Less: Provision for diminution in value of investments	(52,386)	(52,386)
2,000 (Previous year 2,000) equity shares of Punjab National Bank of ₹ 2 each (Previous year ₹ 2 each) fully paid up (Market Value ₹ 1,69,400)	12,400	12,400
Total in ₹	5,48,17,500	4,45,67,500

12.1 Aggregate amount of quoted investments (including provision for diminution in value)	64,786	64,786
Aggregate Market value of listed and quoted investments	176,300	295,355
Aggregate amount of unquoted investments	5,48,05,100	4,45,55,100

Note : 13 Long - term Loans and Advances

Particulars	As At 31 March, 2016	As At 31 March, 2015
Unsecured considered good (Unless otherwise stated)		
a) Capital advances	50,29,186	38,49,024
b) Security deposits	13,60,282	15,49,721
Considered good	5,00,000	5,00,000
Doubtful	18,60,282	20,49,721
Less: Provision for doubtful deposit	5,00,000	5,00,000
	13,60,282	15,49,721
c) Prepaid Expenses	8,24,260	6,18,846
d) Custom duty paid under protest	5,52,911	-
e) Advance income tax (Net of provision for tax ₹ 5,77,43,929) (Previous year ₹ 3,77,78,161)	5,77,568	69
f) MAT credit entitlement	1,54,30,919	3,08,21,600
g) Other loans and advances	-	3,75,000
Total in ₹	2,37,75,126	3,72,14,260

SHREE AJIT PULP AND PAPER LIMITED



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Note : 14 Inventories

Particulars	As At 31 March, 2016	As At 31 March, 2015
a) Raw materials (includes Goods-in-transit ` 98,62,114) (Previous year ` Nil)	10,61,89,151	11,65,95,899
b) Work-in-progress (Refer note 14.1)	3,05,017	3,20,794
c) Finished goods	1,35,74,795	4,27,79,290
d) Stores and spares	4,03,97,126	3,21,59,036
e) Consumables (includes Goods-in-transit ` 23,06,884) (Previous year ` Nil)	31,73,423	31,54,371
f) Packing material stock	4,91,149	2,27,172
Total in `	16,41,30,661	19,52,36,562

14.1 Details of inventory of work- in- progress

Particulars	As At 31 March, 2016	As At 31 March, 2015
Multilayer Testliner and Testliner Paper	3,05,017	3,20,794

Note : 15 Trade Receivables

Particulars	As At 31 March, 2016	As At 31 March, 2015
Unsecured, considered good Trade receivables outstanding for a period exceeding six months from the date they were due for payment Other Trade receivables	29,07,121 36,77,02,845	22,98,129 24,55,71,524
Total in `	37,06,09,966	24,78,69,653

Note : 16 Cash and cash equivalents

Particulars	As At 31 March, 2016	As At 31 March, 2015
A) Cash and cash equivalents (a) Cash on hand (b) Balances with banks - In current accounts	2,18,662 33,092	1,06,191 1,52,399
Total Cash and cash equivalents (A)	2,51,754	2,58,590
B) Other bank balances * In earmarked accounts - In deposit accounts - Balances held as margin money - Unclaimed dividend accounts	45,000 49,49,822 7,53,830	45,000 42,87,718 7,00,143
Total Other bank balances (B)	57,48,652	50,32,861
Total Cash and cash equivalents (A+B) in `	60,00,406	52,91,451

*Restricted cash balance.

Note : 17 Short Terms Loans and Advances

Particulars	As At 31 March, 2016	As At 31 March, 2015
Unsecured and considered good a) Loans and advances to employees b) Prepaid expenses c) Balances with government authorities Cenvat credit receivable Custom duty advance d) Advance to vendors	4,15,500 51,42,503 1,04,41,810 2,03,983 1,20,52,251	3,31,750 39,74,876 1,27,40,711 3,48,853 73,70,338
Total in `	2,82,56,047	2,47,66,528

Note : 18 Other Current Assets

Particulars	As At 31 March, 2016	As At 31 March, 2015
Interest accrued on fixed deposits, margin money deposits etc.	4,19,846	52,840
Other Receivable	-	75,000
Insurance claims	24,92,706	3,07,606
Total in `	29,12,552	4,35,446

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Note : 19 Revenue from Operations

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Sale of products (Refer note 19.1)	2,33,34,74,289	1,98,35,65,337
Income from windmills	2,91,00,111	2,64,55,662
Total in	2,36,25,74,400	2,01,00,20,999
Other operating revenue		
Export incentive	89,858	2,04,598
Revenue from Operations (Gross)	2,36,26,64,258	2,01,02,25,597
Less : Excise duty	(13,99,92,221)	(12,21,97,246)
Revenue from operations (Net) Total in	2,22,26,72,037	1,88,80,28,351

19.1 Informations relating to products sold

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Multilayer Testliner and Testliner Paper	2,33,34,74,289	1,98,35,65,337
Total in	2,33,34,74,289	1,98,35,65,337

Note : 20 Other Income

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Interest income on fixed deposits, margin money deposits etc.	4,28,396	4,14,875
Dividend income from other long-term investments	7,725	7,515
Miscellaneous income	-	4,16,480
Total in	4,36,121	8,38,870

Note : 21 Cost of materials consumed

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Opening stock	11,65,95,899	7,12,43,950
Add: Purchases	1,36,94,13,132	1,26,80,31,603
	1,48,60,09,031	1,33,92,75,553
Less: Closing stock	10,61,89,151	11,65,95,899
Total in	1,37,98,19,880	1,22,26,79,654

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21.1 Materials consumed comprise:

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Amount in	% of Consumption	Amount in	% of Consumption
Consumption of raw material Imported				
Imported waste paper	60,19,77,854		34,94,56,838	
Colour and chemical	14,53,13,524		14,04,23,254	
Total of Imported	74,72,91,378	54.16	48,98,80,092	40.07
Indigenous				
Indian waste paper	56,95,13,743		66,73,11,519	
Colour and chemical	6,30,14,759		6,54,88,043	
Total of Indigenous	63,25,28,502	45.84	73,27,99,562	59.93
Total	1,37,98,19,880	100.00	1,22,26,79,654	100.00

Note : 22 Changes in Inventories of Finished Goods and work-in-progress

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Inventories at the end of the year		
Finished goods	1,35,74,795	4,27,79,290
Work-in-progress	3,05,017	3,20,794
Total in	1,38,79,812	4,31,00,084
Inventory at the beginning of the year		
Finished goods	4,27,79,290	3,68,25,039
Work-in-progress	3,20,794	3,71,414
Total in	4,31,00,084	3,71,96,453
Total in	2,92,20,272	(59,03,631)

Note : 23 Employee Benefits Expense

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Salaries and wages	11,49,83,571	8,43,36,751
Contribution to provident fund and pension scheme (Refer note 23.1)	15,11,525	12,74,041
Gratuity expenses (Refer Note 23.2)	4,79,975	8,68,598
Staff welfare expenses	26,66,399	25,54,995
Total in	11,96,41,470	8,90,34,385

23.1 Defined contribution plans

Contribution to defined contribution plans, recognised as expenses for the year as under

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Employer's contribution to provident fund	5,67,978	4,94,745
Employer's contribution to pension scheme	9,43,547	7,79,296
Total in	15,11,525	12,74,041

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23.2 Employment Benefits Expenses

Disclosure relating to Employee benefits expense is as under :-

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
A Components of employer's expense	Non Funded		Non Funded	
Current service cost	3,75,016	4,76,243	2,89,062	2,69,229
Interest cost	2,57,291	3,62,416	2,27,058	3,31,093
Expected return on plan assets	-	-	-	-
Actuarial losses/(gains)	(1,52,332)	33,94,334	3,52,478	35,42,338
Total Expenses	4,79,975	42,32,993	8,68,598	41,42,660
B Net Liability recognized in the Balance Sheet				
Present value of defined benefit obligation	35,24,104	53,09,601	32,40,439	45,64,435
Fair value of plan assets	-	-	-	-
Net Liability recognized in the Balance sheet (Refer Note 6 and 10)	35,24,104	53,09,601	32,40,439	45,64,435
C Change in defined benefit obligations (DBO) during the year				
Present value of DBO at beginning of the year	32,40,439	45,64,435	24,38,862	35,56,317
Current service cost	3,75,016	4,76,243	2,89,062	2,69,229
Interest cost	2,57,291	3,62,416	2,27,058	3,31,093
Actuarial losses/(gains)	(1,52,332)	33,94,334	3,52,478	35,42,338
Benefits paid	(1,96,310)	(34,87,827)	(67,021)	(31,34,542)
Present value of DBO at the end of the year (Refer note 6 and 10)	35,24,104	53,09,601	32,40,439	45,64,435
D Actuarial assumptions:				
Discount rate	8.08%	8.08%	7.94%	7.94%
Salary escalation	5.00%	5.00%	5.00%	5.00%
Attrition Rate	2.00%	2.00%	2.00%	2.00%
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Experience adjustments				
Gratuity				
Present value of DBO	35,24,104	32,40,439	24,38,862	34,19,922
Experience gain / (loss) adjustments on plan liabilities	1,07,471	26,728	(27,464)	(53,515)
Compensated absences				
Present value of DBO	53,09,601	45,64,435	35,56,317	42,82,746
Experience gain / (loss) adjustments on plan liabilities	34,47,468	31,14,986	31,16,684	19,61,855
Experience gain / (loss) adjustments on plan assets	NA	NA	NA	NA

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

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Note :24 Finance Costs

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
a) Interest expense on		
i) Borrowings	3,68,01,424	4,18,04,861
ii) Interest on short fall of advance tax	-	3,52,354
b) Other borrowing costs	38,43,145	26,71,267
Total in `	4,06,44,569	4,48,28,482

Note : 25 Other Expenses

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Consumption of stores and spare parts (Refer note 25.1)	4,45,13,131	3,10,40,922
Power and fuel	25,17,10,571	24,84,85,709
Packing material consumed	1,91,28,837	1,68,86,389
Unloading charges	1,34,52,317	1,16,44,836
Insurance	49,07,565	44,89,353
Repairs and maintenance- Machinery	1,01,77,921	99,88,549
Repairs and maintenance- Building	9,57,447	17,03,862
Repairs and maintenance (others)	35,23,474	42,07,483
Increase/(decrease) of excise duty on inventory	(16,85,536)	2,83,673
Other manufacturing expenses	68,42,013	68,58,873
Selling expenses	1,10,54,010	62,85,999
Commission on sale	2,44,30,451	1,53,37,593
Audit fees (Refer note 25.2)	24,01,875	17,75,000
Consultancy fees	8,44,651	4,38,523
Foreign exchange fluctuation expenses (net)	12,74,891	4,64,704
Investment written off	-	1,00,000
Rent	11,97,374	11,03,828
Professional charges	31,48,415	22,85,095
Rates and taxes	3,39,525	2,86,334
Security charges	41,36,574	35,10,065
Travelling expenses	40,63,191	18,65,728
Vehicle expenses	14,84,812	20,59,144
Expenditure on Corporate Social Responsibilities (Refer note 25.3)	13,17,300	32,70,700
Windmill expenses (net off claim)	52,26,355	63,05,058
Miscellaneous expenses	81,98,173	76,43,875
Total in `	42,26,45,337	38,83,21,295

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Notes Forming Part of the Financial Statements

25.1 Details of consumption of stores and spares

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Amount in	% of Consumption	Amount in	% of Consumption
Consumption of stores and spares				
Imported	58,99,064	13.25	75,65,749	24.37
Indigenous	3,86,14,067	86.75	2,34,75,173	75.63
Total	4,45,13,131	100.00	3,10,40,922	100.00

25.2 Payment to Auditors as

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Payment to auditors comprise (net of service tax input credit, where applicable)		
a) To statutory auditors		
For audit	22,01,875	15,00,000
Tax Audit Fees	1,00,000	1,00,000
For other services	1,00,000	1,00,000
b) Cost auditor for cost audit	-	75,000
Total in	24,01,875	17,75,000

25.3 Expenditure on Corporate Social Responsibilities

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
a) Gross Amount required to be spent by the company during the year	31,85,776	32,70,677
b) Amount spent during the year In Cash	13,17,300	32,70,700

This amount is spent for promoting health, education and sports.
Amount spent on construction/acquisition of any assets is NIL.

Note : 26 Value of Imports on CIF basis

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Raw materials	63,35,57,104	45,01,11,542
Stores and spares	52,78,566	77,58,793
Capital Goods	15,19,560	1,51,43,444

Note : 27 Expenditure in Foreign Currency

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Travelling expenses	13,49,019	14,47,682

Note : 28 Earning in Foreign Exchange

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
FOB value of Export	47,29,391	35,89,545

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Financial Statements

Note : 29 Earning Per Share

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Profit for the year attributable to the equity shareholders	12,09,75,929	7,12,11,642
Weighted average number of equity shares	53,56,700	53,56,700
Earnings per share (Basic and Diluted)	22.58	13.29
Nominal value per share	10.00	10.00

Note : 30 Related Party disclosure

30.1 Details of related parties:

Description of relationship	Names of related parties
(i) Subsidiary (ii) Jointly Controlled Entities (JCE) (iii) Key Management Personnel	Shree Samrudhi Industrial Papers Private Limited Shree Samrat Pulp and Paper Private Limited Mr. Gautam D Shah, Mrs. Bela G Shah

30.2 Transactions with related parties during the year

Transactions with the related parties	For the year ended 31 March, 2016	For the year ended 31 March, 2015
i) Managerial Remuneration paid to Key Management Personnel Mr. Gautam D Shah Mr. Piyush R Shah Mrs. Bela G Shah	99,79,907 - 99,79,907	52,59,360 2,42,593 7,63,688
ii) Investment in share capital of Shree Samrat Pulp and Paper Private Limited	1,02,50,000	1,05,00,000

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Financial Statements

Note : 31 Interest in Joint Venture :

The company holds 50% interest in Shree Samrat Pulp and Paper Private Limited , jointly controlled entity which is involved in manufacturing activity. The company's share of assets , liabilities, income and expenses in the jointly controlled entity for the year ended 31st March as per their audited financial statements are as follows :

Particulars	31 March, 2016	31 March, 2015
Reserves and Surplus	(76,71,706)	(42,74,859)
Non-Current Liabilities		
Long-Term Borrowings	2,91,93,329	4,34,59,829
Deferred Tax Liabilities (Net)	17,37,525	(5,79,830)
Current Liabilities		
Short-Term Borrowings	2,06,47,612	1,03,48,645
Trade Payables		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,27,73,072	63,00,989
Other Current Liabilities	1,86,97,301	1,14,83,802
Short-Term Provisions	5,26,931	4,51,787
Non-Current Assets		
Fixed Assets		
Tangible Assets	8,80,43,545	5,81,67,373
Intangible Assets	40,914	82,053
Capital work-in-progress	-	2,30,19,050
Long-term loans and advances	27,74,357	35,39,066
Current Assets		
Inventories	94,43,558	68,82,885
Trade receivables	2,89,29,271	78,73,709
Cash and Bank Balance	64,733	19,665
Short-term loans and advances	61,85,590	69,70,068
Other current assets	1,72,096	1,36,497
Capital commitments	-	24,07,696

Particulars	31 March, 2016	31 March, 2015
Income		
Revenue from Operations (Gross)	15,92,69,610	14,96,17,018
Less:-Excise Duty	(95,18,243)	(91,55,043)
Revenue from Operations (Net)	14,97,51,367	14,04,61,975
Other Income	2,34,772	2,65,835
Total Revenue	14,99,86,139	14,07,27,810
Expenditure		
Cost of materials consumed	9,62,25,682	9,31,53,225
Purchase of stock-in-Trade	7,20,811	-
Changes in Inventories of Finished Goods and Work-in-progress	2,02,859	(2,97,749)
Employee Benefits Expense	51,31,996	51,26,942
Finance Costs	75,80,631	56,21,544
Depreciation and Amortisation Expense	29,13,227	17,96,248
Other Expenses	3,82,90,427	3,70,19,412
Tax expense / (Benefit)	23,17,354	(12,28,164)
Total Expenses	15,33,82,987	14,11,91,458

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Financial Statements

Note : 32 Segment Information

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. Accordingly, the Company has identified two primary business segments viz Paper and Windmill. The company does not have any secondary segment.

Primary Segment Information :

Particulars	For the year ended 31 March, 2016			Total
	Business segments		Eliminations	
	Paper	Windmill		
Revenue	2,19,35,71,926 <i>1,86,13,68,091</i>	2,91,00,111 <i>2,64,55,662</i>	-	2,22,26,72,037 <i>1,88,78,23,753</i>
Inter-segment revenue	-	-	-	-
Total	2,19,35,71,926 <i>1,86,13,68,091</i>	2,91,00,111 <i>2,64,55,662</i>	-	2,22,26,72,037 <i>1,88,78,23,753</i>
A. Segment result	24,62,26,284 <i>15,67,95,718</i>	1,69,74,001 <i>1,32,69,291</i>	-	26,32,00,285 <i>17,00,65,009</i>
B. Unallocable expenses (net)			-	8,39,98,084 <i>7,20,82,319</i>
C. Operating income (A-B)				17,92,02,201 <i>9,79,82,690</i>
D. Other income (net)				4,36,121 <i>8,38,870</i>
E. Profit before tax (C+D)				17,96,38,322 <i>9,88,21,560</i>
F. Tax expense				5,86,62,393 <i>2,76,09,918</i>
G. Profit for the year (E-F)				12,09,75,929 <i>7,12,11,642</i>

Particulars	For the year ended 31 March, 2016			Total
	Business segments		Total	
	Paper	Windmill		
Segment assets	1,26,37,29,020 <i>1,18,72,54,134</i>	11,68,65,886 <i>12,32,94,922</i>		1,38,05,94,906 <i>1,31,05,49,056</i>
Unallocable assets				10,09,54,401 <i>10,70,34,243</i>
Total assets				1,48,15,49,307 <i>1,41,75,83,299</i>
Segment liabilities	16,42,08,781 <i>16,05,92,235</i>	3,67,851 <i>10,66,556</i>		16,45,76,632 <i>16,16,58,791</i>
Unallocable liabilities				44,47,51,317 <i>49,98,43,680</i>
Total liabilities				60,93,27,949 <i>66,15,02,471</i>
Other information				
Capital expenditure (allocable)	1,71,39,187 <i>5,83,24,391</i>	-		1,71,39,187 <i>5,83,24,391</i>
Capital expenditure (unallocable)				32,04,271 <i>63,39,343</i>
Depreciation and amortisation (allocable)	3,88,01,661 <i>3,85,79,121</i>	68,99,755 <i>68,81,313</i>		4,57,01,416 <i>4,54,60,434</i>
Depreciation and amortisation (unallocable)				57,96,892 <i>56,25,042</i>
Other significant non-cash expenses (unallocable)				- <i>1,00,000</i>

Previous year figures are shown in Italics.

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Financial Statements

Note : 33 Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Contingent liabilities		
Claims against the company not acknowledged as debt	28,36,620	28,36,620
Custom duty demand disputed by the Company relating to issues of classification [Deposit paid ` 5,52,911 (previous year ` 2,36,963)]	62,07,453	62,07,453
Service tax demand disputed by the Company relating to issues of applicability	9,30,268	-
Income tax demand disputed by the company. (CIT (Appeals) has passed the order in favour of the company, for which department has gone into further appeal to ITAT.)	12,49,152	-
Future cash outflows in respect of above matters are determinable only on receipt of judgements /decisions pending at various forums /authorities and the company does not expect any outflow of resources.		
Commitments		
Estimate amount of contracts remaining to be executed on capital account and not provided for	58,25,851	32,84,081

Note : 34 Derivative Instruments

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as below:

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015	
	Forex (USD)	`	Forex (USD)	`
Import of Goods and Services	1,15,753	76,68,654	2,10,143	1,31,53,006
Particulars	Forex (EURO)	`	Forex (EURO)	`
Import of Goods and Services	12,750	9,58,740	13,662	9,22,327

Note : 35 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

Rakesh Kumar Kumawat
Company Secretary

Place: Vapi
Date : 26th May, 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHREE AJIT PULP AND PAPER LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Shree Ajit Pulp and Paper Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Jointly controlled entity in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its jointly controlled entity as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of one subsidiary and one jointly controlled entity, whose financial statements reflect total assets of Rs.14,14,16,278 as at 31st March, 2016, total revenues of Rs.14,97,51,368 and net cash flows amounting to Rs.1,84,735 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and jointly controlled entity, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, and jointly controlled company incorporated in India, none of the directors of the Group companies and its jointly controlled company incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company, subsidiary company and jointly controlled company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's, subsidiary company's and jointly controlled company's incorporated in India internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its jointly controlled entity.
 - ii. The Group and its jointly controlled entity did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company and jointly controlled company incorporated in India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place : Vapi
Date : 26th May, 2016

Rupen K. Bhatt
Partner
(Membership No.046930)

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT
(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory
Requirements’ of our report of even date)**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Shree Ajit Pulp and Paper Limited (hereinafter referred to as “the Holding Company”) and its subsidiary company and its jointly controlled company, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company and jointly controlled company, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary company and its jointly controlled company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company and one jointly controlled company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Place: Vapi
Date : 26th May, 2016

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

SHREE AJIT PULP AND PAPER LIMITED



CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at 31 March, 2016	As at 31 March, 2015
A EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	5,35,67,000	5,35,67,000
(b) Reserves and Surplus	3	81,16,05,189	69,85,93,776
		86,51,72,189	75,21,60,776
(2) Non-current Liabilities			
(a) Long-term Borrowings	4	13,14,32,932	13,38,68,597
(b) Deferred Tax Liabilities (Net)	5A	15,95,64,862	15,18,39,543
(c) Long-term Provisions	6	64,19,944	58,91,695
		29,74,17,738	29,15,99,835
(3) Current Liabilities			
(a) Short-term Borrowings	7	11,73,24,963	20,50,74,026
(b) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	8.1	16,69,304	10,50,840
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	8	16,44,62,117	12,83,40,189
(c) Other Current Liabilities	9	11,10,09,306	10,17,84,080
(d) Short-term Provisions	10	1,11,59,973	59,72,130
		40,56,25,663	44,22,21,265
TOTAL		1,56,82,15,590	1,48,59,81,876
B ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	90,77,54,282	91,22,13,539
(ii) Intangible Assets	11	2,82,976	3,85,549
(iii) Capital Work-in-progress	11	1,10,94,251	3,08,71,287
		91,91,31,509	94,34,70,375
(b) Non-current Investments	12	67,500	67,500
(c) Deferred Tax Assets (Net)	5B	-	5,79,830
(d) Long-term Loans and Advances	13	2,66,34,484	4,08,38,326
		2,67,01,984	4,14,85,656
(2) Current Assets			
(a) Inventories	14	17,35,74,220	20,21,19,448
(b) Trade Receivables	15	39,95,39,237	25,57,43,362
(c) Cash and Cash Equivalents	16	1,14,33,043	1,05,39,354
(d) Short-term Loans and Advances	17	3,44,41,638	3,17,36,596
(e) Other Current Assets	18	33,93,959	8,87,085
		62,23,82,097	50,10,25,845
TOTAL		1,56,82,15,590	1,48,59,81,876
See accompanying notes forming part of the consolidated financial statements		1-36	

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner

Place : Vapi
Date : 26th May, 2016

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Place : Vapi
Date : 26th May, 2016

Bela G Shah
Executive Director

Rakesh Kumar Kumawat
Company Secretary

SHREE AJIT PULP AND PAPER LIMITED



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Note No.	For the year ended 31 March, 2016	For the year ended 31 March, 2015
INCOME			
1 Revenue from Operations (Gross)	19	2,52,19,33,869	2,15,98,42,615
Less: Excise Duty		(14,95,10,464)	(13,13,52,289)
Revenue from Operations (Net)		2,37,24,23,405	2,02,84,90,326
2 Other Income	20	11,27,809	15,31,115
3 Total Revenue (1+2)		2,37,35,51,214	2,03,00,21,441
4 EXPENSES			
a) Cost of Materials Consumed	21	1,47,60,45,563	1,31,58,32,879
b) Purchases of Stock-in-trade		7,20,811	-
c) Changes in Inventories of Finished Goods and Work-in-progress	22	2,94,23,131	(62,01,380)
d) Employee Benefits Expense	23	12,47,73,466	9,41,61,326
e) Finance Costs	24	4,82,25,200	5,04,50,025
f) Depreciation and Amortisation Expense	11	5,44,11,535	5,28,81,725
g) Other Expenses	25	46,09,90,597	42,53,05,948
Total Expenses (a+b+c+d+e+f+g)		2,19,45,90,303	1,93,24,30,523
5 Profit Before Tax (3-4)		17,89,60,911	9,75,90,918
6 Tax Expense/(Benefit)			
a) Current Tax Expense		5,30,78,820	2,09,68,795
b) Less : Mat Credit		7,83,943	(1,46,79,039)
c) Tax Adjustments for Prior Years		(10,53,812)	14,519
Net Current Tax Expense		5,28,08,951	63,04,275
d) Deferred Tax			
Current year		83,05,148	2,02,01,125
Net Deferred Tax		83,05,148	2,02,01,125
Net Tax Expense		6,11,14,099	2,65,05,400
7 Profit for the year (5-6)		11,78,46,812	7,10,85,518
7.1 Earning per share of ` 10/- each (Basic and Diluted)	29	22.00	13.27
See accompanying notes forming part of the consolidated financial statements		1-36	

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner

Place : Vapi
Date : 26th May, 2016

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Place : Vapi
Date : 26th May, 2016

Bela G Shah
Executive Director

Rakesh Kumar Kumawat
Company Secretary

SHREE AJIT PULP AND PAPER LIMITED



Consolidated Cash Flow Statement for the year ended 31 March, 2016

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
A. Cash flow from operating activities		
Profit before tax as per statement of profit and loss	17,89,60,911	9,75,90,918
Adjustments for:		
Depreciation and amortisation	5,44,11,535	5,28,81,725
Loss on sale of assets (net)	-	64,000
Finance costs	4,82,25,200	5,04,50,025
Interest income	(10,53,605)	(9,92,948)
Dividend income	(7,725)	(7,515)
Unrealised exchange (gain)	4,63,095	(72,542)
Sundry Balances written off/ (written back)	3,67,971	(5,22,191)
Operating profit before working capital changes	28,13,67,382	19,93,91,472
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Inventories	2,85,45,228	(5,13,09,087)
Trade receivables	(14,37,95,875)	2,22,22,570
Short-term loans and advances	(27,17,080)	2,70,733
Long-term loans and advances	(3,12,083)	18,31,242
Other current assets	(21,10,100)	14,56,558
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	3,59,09,326	2,03,29,699
Other current liabilities	38,94,887	(90,80,142)
Short-term provisions	5,75,726	4,15,239
Long-term provisions	5,28,249	16,14,821
Cash generated from operations	20,18,85,660	18,71,43,105
Net income tax (paid)	(3,51,53,502)	(3,01,65,943)
Net cash flow from operating activities (A)	16,67,32,158	15,69,77,162
B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(3,84,25,874)	(8,76,27,085)
Proceeds from sale of fixed assets	-	5,93,858
Bank balance not considered as cash and cash equivalents	(10,24,651)	(25,78,488)
Interest received	6,56,831	12,71,221
Dividend received	7,725	7,515
Net cash flow (used in) investing activities (B)	(3,87,85,969)	(8,83,32,979)
C. Cash flow from financing activities		
Proceeds from long-term borrowings	8,28,87,282	3,59,66,099
Repayment of long-term borrowings	(7,30,32,711)	(7,97,86,612)
Proceeds from / (repayment of) Short-term borrowings (net)	(8,77,49,063)	1,98,61,933
Finance cost	(4,69,59,059)	(5,00,87,401)
Dividends paid	(26,78,350)	(26,78,350)
Tax on dividend	(5,45,250)	(4,55,186)
Net cash flow (used in) financing activities (C)	(12,80,77,151)	(7,71,79,517)
Net decrease in Cash and cash equivalents (A+B+C)	(1,30,962)	(85,35,334)
Cash and cash equivalents at the beginning of the year	5,06,493	90,41,827
Cash and cash equivalents at the end of the year *	3,75,531	5,06,493
* Comprises: @		
(a) Cash on hand	2,38,879	1,19,932
(b) Balances with banks	1,36,652	3,86,561
-In current accounts		
Total Cash and cash equivalents	3,75,531	5,06,493

Note1- Cash flow Statement has been prepared under the indirect method as set out in Accounting Standard -3 " Cash Flow Statement".

See accompanying notes forming part of the consolidated financial statements (1-36)
In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K Bhatt
Partner

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

Rakesh Kumar Kumawat
Company Secretary

Place : Vapi
Date : 26th May, 2016

Place : Vapi
Date : 26th May, 2016

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Consolidated Financial Statements

Note 1 Basis of consolidation and significant accounting policies

A. Corporate information:

Shree Ajit Pulp And Paper Ltd ('the Company') is a public company incorporated in India. Its shares are listed on Bombay Stock Exchange, Vadodara Stock Exchange and Ahmedabad Stock Exchange. The company is engaged in the manufacturing of Kraft Paper (Testliner / Multilayer Testliner) which is mainly used for manufacturing corrugated boxes.

Shree Samrat Pulp And Paper Private Limited (Joint Venture Entity) is also engaged in the manufacturing of Kraft Paper (Testliner / Multilayer Testliner) which is mainly used for manufacturing corrugated boxes.

Samrudhi Industrial Papers Private Limited ('the subsidiary') yet not started any activity.

B. Basis of consolidation and significant accounting policies:-

The consolidated financial statements relate to Shree Ajit Pulp and Paper Limited (the Company), its subsidiary company and joint venture entity.

(a) Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiary and jointly controlled entity (together the 'Group') have been prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Principles of consolidation:

The consolidated financial statements relate to the Company, its subsidiary company and jointly controlled entity. The consolidated financial statements have been prepared on the following basis:

- i. The financial statements of the subsidiary company and jointly controlled entity used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2016.
- ii. The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- iii. Share of profit / loss, assets and liabilities in the jointly controlled entity, which is not subsidiary, has been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, incomes and expenses on a proportionate basis to the extent of the Group's equity interest in such entity as per AS 27 Financial Reporting of Interests in Joint Ventures. The intra-group balances, intra-group transactions and unrealised profits or losses have been eliminated to the extent of the Group's share in the entity. Jointly controlled entity that is considered subsidiary under AS 21 Consolidated Financial Statements is consolidated similar to the manner of consolidating subsidiaries (Refer (ii) above) and the share of interest of the other venturer in such entity is included as part of minority interest.
- iv. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- v. The following subsidiary company and jointly controlled entity are considered in the preparation of the consolidated financial statements:

Sr. No.	Name of the entity	Relationship	Country of incorporation	% of holding as at 31st March, 2016	% of holding as at 31st March, 2015
1.	Samrudhi Industrial Papers Private Limited	Subsidiary Company	India	100%	100%
2.	Shree Samrat Pulp and Paper Private Limited	Jointly controlled entity	India	50%	50%

Notes Forming Part of the Consolidated Financial Statements

vi. The consolidated financial statements have been prepared using uniform accounting policies for liketransactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

(c) Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(d) Inventories

Inventories are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

(e) Depreciation and amortization

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

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Leasehold land is amortised over the duration of the lease.

Intangible assets are amortised over their estimated useful life.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

(f) Revenue recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the dispatch of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

Income from electricity units generated by windmills is accounted as income from windmills at landed cost and has been shown as such in the Consolidated Statement of Profit and Loss.

(g) Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

(h) Fixed Assets (Tangible / Intangible)

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

(i) Foreign currency transactions and translations

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Consolidated Statement of Profit and Loss.

Notes Forming Part of the Consolidated Financial Statements

(j) Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

(k) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date except for the joint venture which is done on actual basis. Actuarial gains and losses are recognised in the Consolidated Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (ii) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

(l) Borrowing costs

Borrowing costs include interest, and amortisation of ancillary costs incurred. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

(m) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

Notes Forming Part of the Consolidated Financial Statements

Under the primary segment there are two reportable segments viz., Paper and Power generation by Windmill. These were identified considering the nature of the products, the different risks and return.

The Company caters mainly to the needs of the domestic market and thus there are no reportable geographical segments.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

(n) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

(o) Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, except in case of revalued assets.

(p) Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the consolidated financial statements.

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Consolidated Financial Statements

Note : 2 Share Capital

Particulars	As at 31 March, 2016	As at 31 March, 2015
a) AUTHORISED		
1,50,00,000 (1,50,00,000) Equity Shares of ` 10 each with voting rights	15,00,00,000	15,00,00,000
	15,00,00,000	15,00,00,000
b) ISSUED		
53,56,700 (53,56,700) Equity Shares of ` 10 each with voting rights	5,35,67,000	5,35,67,000
c) SUBSCRIBED AND FULLY PAID UP		
53,56,700 (53,56,700) Equity Shares of ` 10 each with voting rights	5,35,67,000	5,35,67,000
Total in `	5,35,67,000	5,35,67,000

2.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year.

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of Shares held	Amount in `	Number of Shares held	Amount in `
Equity Shares at the beginning and at the end of the year	53,56,700	5,35,67,000	53,56,700	5,35,67,000

2.2 Details of Shares held by each shareholder holding more than 5 % shares :

Name of the Shareholders	As at 31 March, 2016		As at 31 March, 2015	
	Number of Shares held	% Holding	Number of Shares held	% Holding
Gautam D Shah	10,64,750	19.88%	10,64,750	19.88%
Sureshbhai C Shah	4,54,000	8.48%	4,54,000	8.48%
Jayantilal M Shah	4,35,000	8.12%	4,35,000	8.12%
Bela G Shah	3,85,540	7.20%	3,85,540	7.20%
Varun Shah	3,05,300	5.70%	3,05,300	5.70%
Bharat Mafatlal Shah	2,70,900	5.06%	2,70,900	5.06%

2.3 Terms and Rights attached to Equity Shares :

The company has only one class of equity shares having a par value of ` 10 per share. Each Shareholder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. Further, the Board of Director may also announce an interim dividend.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Consolidated Financial Statements

Note : 3 Reserve and Surplus

Particulars	As at 31 March, 2016	As at 31 March, 2015
a) Capital Reserve		
Opening and closing balance	30,25,374	30,25,374
b) Surplus in Statement of Profit and Loss		
Opening balance	69,55,68,402	62,98,32,170
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax) (Refer note 11.3)	-	21,25,686
Add: Profit for the year	11,78,46,812	7,10,85,518
Less:		
Dividends proposed to be distributed to equity shareholders ` 0.75 per share (Previous Year ` 0.50 per share)	40,17,525	26,78,350
Tax on Proposed Dividend	8,17,874	5,45,250
Closing Balance	80,85,79,815	69,55,68,402
Total in `	81,16,05,189	69,85,93,776

Note : 4 Long-term Borrowings

Particulars	As at 31 March, 2016	As at 31 March, 2015
Secured		
a) Term loans from banks	12,31,63,758	12,43,65,772
b) Other loans	4,37,404	16,71,055
Unsecured		
a) Deferred sales tax liability for the FY 2013-14	40,93,416	40,93,416
b) Deferred sales tax liability for the FY 2014-15	37,38,354	37,38,354
Total in `	13,14,32,932	13,38,68,597

4.1 Details of terms of repayment and securities provided

Sr. No.	Particulars	Balance as at 31 March, 2016	Start date of loan repayment	Repayment of installments	Number of installments sanctioned (Monthly)	End date of loan repayment
	Term loan					
1	-from bank (Refer note a)	64,16,754	January, 2014	8,60,000	60	November,2017
2	-from bank (Refer note a)	43,46,300	January, 2014	5,73,333	60	November,2017
3	-from bank (Refer note b)	90,20,000	March, 2013	8,20,000	60	February, 2018
4	-from bank (Refer note c)	2,47,50,000	October, 2013	13,75,000	60	September,2018
5	-from bank (Refer note a)	4,33,95,282	April,2016	14,16,000	72	March,2022
6	-from bank (Refer note c)	1,38,73,863	May,2015	3,75,000	60	April,2020
7	-from Bank (Refer note d)	-	August , 2013	2,36,355	35	June,2016
8	-from NBFC (Refer note d)	4,37,404	August,2014	1,13,050	36	July,2017
9	-from Bank (Refer note f)	96,25,000	June,2013	6,87,500	60	May,2018
10	-from Bank (Refer note f)	1,17,36,559	July,2015	2,86,500	72	July,2017
11	-current maturities of Long term borrowings -(refer note 9)	7,86,15,257				
	Total in `	20,22,16,419				

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Consolidated Financial Statements

- Note a. Term loan is secured by way of pari passu charges on proposed plant and machinery & office building and other construction at Vapi of the company and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company.
- Note b. Term loan is Secured by way of exclusive charge on plant and machinery and building of windmill situated at village Murvel dist Jamnagar and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.
- Note c. Term loan is secured by way of exclusive charge on plant and machinery and building of co generation power plant situated at Vapi of the company and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.
- Note d. Vehicle loan ₹ 19,35,257 included in current maturities of long term borrowings is secured by way of hypothecation of Vehicle.
- Note e. Term loan from Sr. No. 1 to 8 from banks and from others are further secured by way of share pledged and personal guarantee of Mr. Gautam D Shah Managing Director of the company and bears rate of interest base rate plus 2.90 % to 3.50 %.
- Note f. Term loan is secured by way of first charge on plant and machinery and equitable mortgage on Immovable property situated at Kurkumbh of the company, secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment and personal guarantee of Mr. Gautam D Shah, Mr. Pankaj K. Mansingka and Mr. Sandeep M Shah directors of the company and bears rate of interest base rate plus 4.65 % and 4.70 % respectively.

Note 4.2 Sales Tax Deferment

- (i) The joint venture entity has been granted deferment of Sales Tax for the year 2013-14 as per Sales Tax deferment scheme 1993 of the Government of Maharashtra. According to the scheme Sales Tax collected by the joint venture entity is deferred for 10 Years and thereafter it is repayable to the Government in 5 equal yearly installment starting from April, 2024 as per repayment schedule. The Total amount deferred Sale Tax upto 31st March, 2016 is ₹ 40,93,416/- (Previous year ₹ 40,93,416/-)
- (ii) The joint venture entity has been granted deferment of Sales Tax for the year 2014-15 as per Sales Tax deferment scheme 1993 of the Government of Maharashtra. According to the scheme Sales Tax collected by the joint venture entity is deferred for 10 Years and thereafter it is repayable to the Government in 5 equal yearly installment starting from April, 2025 as per repayment schedule. The Total amount deferred Sale Tax upto 31st March, 2016 is ₹ 37,38,354/- (Previous year ₹ 37,38,354/-)

Note : 5A Deferred Tax Liabilities (Net)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of fixed assets	16,75,04,125	15,54,59,046
Deferred Tax Liability (DTL) (A)	16,75,04,125	15,54,59,046
Tax effect of items constituting deferred tax assets		
Provision for compensated absences and gratuity	36,39,279	32,20,564
Disallowances under Section 43B of the Income Tax Act, 1961	6,89,234	2,25,899
Brought forward business losses including unabsorbed depreciation	34,37,710	-
Others	1,73,040	1,73,040
Deferred Tax Assets (DTA) (B)	79,39,263	36,19,503
Net Deferred Tax Liability (A-B) in ₹	15,95,64,862	15,18,39,543

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Consolidated Financial Statements

Note : 5B Deferred Tax Assets (Net)

Particulars	As at 31 March, 2016	As at 31 March, 2015
Tax effect of items constituting deferred tax liabilities		
On difference between book balance and tax balance of fixed assets	-	19,11,328
Deferred Tax Liability (DTL) (A)	-	19,11,328
Tax effect of items constituting deferred tax assets		
Provision for compensated absences and gratuity	-	1,39,602
Disallowances under Section 43B of the Income Tax Act, 1961	-	15,756
Others	-	23,35,800
Deferred Tax Assets (DTA) (B)	-	24,91,158
Net Deferred Tax Liability (B-A) in `	-	5,79,830

Note : 6 Long-term Provisions

Particulars	As at 31 March, 2016	As at 31 March, 2015
Provision for employee benefits		
i) Provision for gratuity (refer note 10 and 23.2)	29,62,613	28,21,118
ii) Provision for compensated absences (refer note 10 and 23.2)	34,57,331	30,70,577
Total in `	64,19,944	58,91,695

Note : 7 Short-term Borrowings

Particulars	As at 31 March, 2016	As at 31 March, 2015
Secured		
Loan repayable on demand from banks	11,73,24,963	20,50,74,026
Total in `	11,73,24,963	20,50,74,026

7.1 Cash Credit is secured by way of hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment and plant and machinery and equitable mortgage of immovable properties on pari passu basis and personal guarantee of Mr. Gautam D Shah, Mr. Pankaj Mansingka and Mr. Sandeep M Shah directors of the Company. The Cash Credit is repayable on demand and bears interest at the rate of base rate plus 1.5% to 4.50%.

Note : 8 Trade Payables

Particulars	As at 31 March, 2016	As at 31 March, 2015
Trade payables	16,44,62,117	12,83,40,189
Total in `	16,44,62,117	12,83,40,189

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Consolidated Financial Statements

8.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2016	As at 31 March, 2015
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	16,69,304	10,50,840
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note : 9 Other Current Liabilities

Particulars	As at 31 March, 2016	As at 31 March, 2015
(a) Current maturities of long-term borrowings (Refer note 4 and 9.1)	7,86,15,257	6,63,25,021
(b) Interest accrued but not due on borrowings	22,91,206	11,95,155
(c.) Unclaimed dividend	7,53,830	7,00,143
(d) Other Payables		
i) Advances from customers	1,14,129	4,13,647
ii) Security deposits received	1,04,000	1,04,000
iii) Payables on purchase of fixed assets	2,01,96,173	2,82,52,121
iv) Statutory remittances		
Tax deducted at source payable	33,32,601	5,30,438
Central sales tax payable	28,58,997	22,56,060
Others (VAT, Excise, Service tax, Provident Fund, etc)	27,43,113	20,07,495
Total in	11,10,09,306	10,17,84,080

9.1 Current maturities of long-term borrowings consist of :

Particulars	As at 31 March, 2016	As at 31 March, 2015
a) Term Loans from banks (Secured)	7,73,78,690	6,52,13,108
b) Other loans (Secured)	12,36,567	11,11,913
Total in	7,86,15,257	6,63,25,021

Note : 10 Short Term Provisions

Particulars	As at 31 March, 2016	As at 31 March, 2015
a) Provision For Employee Benefits		
Provision for gratuity (refer note 6 and 23.2)	7,45,980	5,39,645
Provision for compensated absences (refer note 6 and 23.2)	21,94,713	18,25,322
b) Provisions- others		
Provision for proposed equity dividend	40,17,525	26,78,350
Provision for tax on proposed dividend	8,17,874	5,45,250
Provision for tax (Net of advance tax of ₹ 3,50,86,060) (Previous year ₹ 2,05,43,266)	33,83,881	3,83,563
Total in	1,11,59,973	59,72,130

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Note : 11 FIXED ASSETS

Particulars	Gross Block			Accumulated depreciation and amortisation				Net Block	
	Balance as at 1 April, 2015	Additions	Deductions /Disposal	Balance as at 31 March, 2016	Balance as at 1 April, 2015	Depreciation /amortisation expense for the year	Transition adjustment recorded against surplus balance in statement of Profit and loss (Refer note 11.3)	Deductions /Disposal for the year	Balance as at 31 March, 2016
Tangible Assets									
Land- Freehold	92,00,016	15,12,221	-	1,07,12,237	-	-	-	-	1,07,12,237
Leasehold Land	85,01,634	6,98,382	-	92,00,016	-	-	-	-	92,00,016
Buildings	2,96,81,534	-	-	2,96,81,534	13,52,534	4,97,463	-	-	2,78,31,537
Plant and Equipment	2,96,81,534	-	-	2,96,81,534	8,56,021	4,96,513	-	-	2,83,29,000
Windmills	11,25,77,893	31,90,262	-	11,57,68,155	2,89,37,067	48,18,321	-	-	8,20,12,767
Electrical Installations	11,18,71,010	7,06,883	-	11,25,77,893	2,09,08,899	68,10,330	12,17,838	-	8,36,40,826
Furniture & Fixtures	78,81,10,705	4,07,76,381	-	82,88,87,086	18,61,17,804	2,79,05,826	-	-	61,48,63,456
Vehicles	71,93,09,040	7,08,73,994	20,72,329	78,81,10,705	16,24,15,301	2,50,14,890	1,11,619	14,24,006	60,19,92,901
Office Equipment	15,23,18,740	-	-	15,23,18,740	3,22,22,680	67,49,755	-	-	11,33,46,305
	6,44,59,627	10,53,330	-	6,55,12,957	2,54,91,367	67,31,313	-	-	3,22,22,680
	5,96,14,863	48,44,764	-	6,44,59,627	2,24,44,385	83,18,663	-	-	3,07,63,048
	71,95,003	2,75,497	-	74,70,500	1,34,50,647	79,42,642	10,51,096	-	2,24,44,385
	70,46,798	1,48,205	-	71,95,003	25,39,422	6,71,388	-	-	32,10,810
	2,20,56,369	15,51,954	-	2,36,08,323	17,88,899	6,63,962	86,560	-	25,39,422
	1,78,45,419	42,10,950	-	2,20,56,369	60,16,868	29,03,360	-	-	89,20,228
	1,37,63,259	14,32,051	-	1,51,95,310	75,18,848	23,86,176	-	-	60,16,868
	1,17,64,823	20,31,436	33,000	1,37,63,259	43,88,761	24,00,416	7,53,136	23,465	52,90,286
SUB TOTAL (A)	1,19,93,63,146	4,97,91,696	-	1,24,91,54,842	28,71,49,608	5,42,50,952	-	-	90,77,54,282
Previous Year	1,11,79,53,861	8,35,14,614	21,05,329	1,19,93,63,146	23,26,04,343	5,27,72,486	32,20,249	14,47,471	28,71,49,608
Intangible Assets									
Software (acquired)	6,84,171	58,010	-	7,42,181	2,98,622	1,60,583	-	-	4,59,205
	5,89,821	94,350	-	6,84,171	1,89,383	1,09,239	-	-	2,98,622
SUB TOTAL (B)	6,84,171	58,010	-	7,42,181	2,98,622	1,60,583	-	-	4,59,205
Previous Year	5,89,821	94,350	-	6,84,171	1,89,383	1,09,239	-	-	2,98,622
Capital Work in Progress									
SUB TOTAL (C)									
Previous Year									
Total [A + B + C]	1,20,00,47,317	4,98,49,706	-	1,24,98,97,023	28,74,48,230	5,44,11,535	-	-	34,18,59,766
Previous Year	1,11,85,43,682	8,36,08,964	21,05,329	1,20,00,47,317	23,27,93,726	5,28,81,725	32,20,249	14,47,471	28,74,48,230

11.1 Addition during the year includes ₹ 4,32,348 (Previous year Nil) on account of interest capitalised on Plant and Equipment and Nil (Previous year ₹ 1,74,355) on account of foreign exchange fluctuation capitalised on Plant and Equipment.

11.2 Previous year figures are shown in Italics.

11.3 Pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has, effective 1st April 2014, reviewed and revised the estimated useful life of its fixed assets in accordance with the provisions of Schedule II to the Act. Consequently, the depreciation charge for the previous year ended 31st March, 2015 is lower by ₹ 47,46,088. After considering the transition provision specified in Schedule II ₹ 21,25,686 (net of tax ₹ 10,94,563) has been adjusted to surplus in statement of profit and loss as on 1st April, 2014.

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Notes Forming Part of the Consolidated Financial Statements

11.4 The expenses capitalised during the year are as under :-

Particulars of Expenses	31 March, 2016	31 March, 2015
Interest on Borrowings	4,32,348	7,91,138
Other Borrowings cost	-	81,169
Salary & Wages	6,55,632	2,26,788
Unloading charges	1,72,982	59,678
Other Manufacturing Exp	12,40,500	1,26,355
Total Expenses Capitalised during the year Total in `	25,01,462	12,85,128

Note : 12 Non-current Investments (At cost, unless otherwise stated)

Particulars	As at 31 March, 2016	As at 31 March, 2015
A Trade (Unquoted)		
501 (Previous year 501) shares of Sardar Bhiladwala Pardi Peoples Co Operative Bank Limited of ` 100 each fully paid up .	50,100	50,100
1 (Previous year 1) share of Shri Damanganga Sahakari Khand Udyog Mandali Limited of ` 2,000, each fully paid up.	2,000	2,000
300 (Previous year 300) shares of Wel-Treat Enviro Management Organisation of ` 10, each fully paid up.	3,000	3,000
B Other Investments (Quoted)		
2,300 (Previous year 2,300) equity shares of Gujarat State Financial Corporation of ` 10 each, at a premium of ` 10 per share, fully paid up plus interest of ` 6,386. (Market Value ` 6,900)	52,386	52,386
Less: Provision for diminution in value of investments	(52,386)	(52,386)
2,000 (Previous year 2,000) equity shares of Punjab National Bank of ` 2 each (Previous year ` 2 each) fully paid up (Market Value ` 1,69,400)	12,400	12,400
Total in `	67,500	67,500

12.1 Aggregate amount of quoted investments (including provision for diminution in value)	64,786	64,786
Aggregate Market value of listed and quoted investments	1,76,300	2,95,355
Aggregate amount of unquoted investments	55,100	55,100

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Note : 13 Long - term Loans and Advances

Particulars	As at 31 March, 2016	As at 31 March, 2015
Unsecured considered good (Unless otherwise stated)		
a) Capital advances	57,17,247	54,19,990
b) Security deposits	34,13,382	36,02,821
Considered good	5,00,000	5,00,000
Doubtful		
	39,13,382	41,02,821
Less: Provision for doubtful deposit	5,00,000	5,00,000
	34,13,382	36,02,821
c) Prepaid Expenses	9,42,457	6,18,846
d) Custom duty paid under protest	5,52,911	-
e) Advance income tax (Net of provision for tax ` 5,77,43,929) (Previous year ` 3,77,78,161)	5,77,568	69
f) MAT credit entitlement	1,54,30,919	3,08,21,600
g) Other loans and advances	-	3,75,000
Total in `	2,66,34,484	4,08,38,326

Note : 14 Inventories

Particulars	As at 31 March, 2016	As at 31 March, 2015
a) Raw materials (includes Goods-in-transit ` 98,62,114) (Previous year ` Nil)	11,06,87,266	11,96,10,497
b) Work-in-progress (Refer note 14.1)	3,56,743	3,20,794
c) Finished goods	1,53,08,837	4,47,67,917
d) Stores and spares	4,31,69,777	3,39,01,779
e) Consumables (includes Goods-in-transit ` 23,06,884) (Previous year ` Nil)	34,39,188	31,84,755
f) Packing material stock	6,12,409	3,33,706
Total in `	17,35,74,220	20,21,19,448

14.1 Details of inventory of work- in- progress

Particulars	As at 31 March, 2016	As at 31 March, 2015
Multilayer Testliner and Testliner Paper	3,56,743	3,20,794

Note : 15 Trade Receivables

Particulars	As at 31 March, 2016	As at 31 March, 2015
Unsecured, considered good		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	29,21,288	23,12,296
Other Trade receivables	39,66,17,949	25,34,31,066
Total in `	39,95,39,237	25,57,43,362

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Notes Forming Part of the Consolidated Financial Statements

Note : 16 Cash and cash equivalents

Particulars	As at 31 March, 2016	As at 31 March, 2015
A) Cash and cash equivalents		
(a) Cash on hand	2,38,879	1,19,932
(b) Balances with banks -		
In current accounts	1,36,652	3,86,561
Total Cash and cash equivalents (A)	3,75,531	5,06,493
B) Other bank balances		
i) In other deposit accounts original maturity more than 3 months	53,08,860	50,00,000
ii) In earmarked accounts *		
- Balances held as margin money	49,49,822	42,87,718
- In deposit accounts	45,000	45,000
- Unclaimed dividend accounts	7,53,830	7,00,143
Total Other bank balances (B)	1,10,57,512	1,00,32,861
Total Cash and cash equivalents (A+B) in `	1,14,33,043	1,05,39,354

*Restricted cash balance.

Note :17 Short Terms Loans and Advances

Particulars	As at 31 March, 2016	As at 31 March, 2015
Unsecured and considered good		
a) Loans and advances to employees	4,32,101	3,41,190
b) Prepaid expenses	53,78,190	41,54,892
c) Balances with government authorities		
Cenvat credit receivable	1,09,63,719	1,42,50,730
Custom duty advance	2,03,983	3,48,853
Vat credit receivable	46,44,776	46,45,952
Advance Income Tax	15,982	28,020
d) Advance to vendors	1,28,02,887	79,66,959
Total in `	3,44,41,638	3,17,36,596

Note :18 Other Current Assets

Particulars	As at 31 March, 2016	As at 31 March, 2015
Interest accrued on fixed deposits, margin money deposits etc.	9,01,253	5,04,479
Other Receivable	-	75,000
Insurance claims	24,92,706	3,07,606
Total in `	33,93,959	8,87,085

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Note : 19 Revenue from Operations

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Sale of products (Refer note 19.1)	2,49,27,43,900	2,13,31,82,355
Income from windmills	2,91,00,111	2,64,55,662
Total in	2,52,18,44,011	2,15,96,38,017
Other operating revenue		
Export incentive	89,858	2,04,598
Revenue from Operations (Gross)	2,52,19,33,869	2,15,98,42,615
Less : Excise duty	(14,95,10,464)	(13,13,52,289)
Revenue from Operations (Net) Total in	2,37,24,23,405	2,02,84,90,326

19.1 Informations relating to products sold

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Multilayer Testliner and Testliner Paper	2,49,27,43,900	2,13,31,82,355
Total in	2,49,27,43,900	2,13,31,82,355

Note : 20 Other Income

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Interest income on fixed deposits, margin money deposits etc.	10,52,847	9,92,948
Dividend income from other long-term investments	7,725	7,515
Interest on income tax refund	758	-
Miscellaneous income	66,479	5,30,652
Total in	11,27,809	15,31,115

Note : 21 Cost of materials consumed

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Opening stock	11,96,10,497	7,37,26,238
Add: Purchases	1,46,71,22,332	1,36,17,17,138
	1,58,67,32,829	1,43,54,43,376
Less: Closing stock	11,06,87,266	11,96,10,497
Total in	1,47,60,45,563	1,31,58,32,879

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21.1 Materials consumed comprise:

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Amount in ₹	% of Consumption	Amount in ₹	% of Consumption
Consumption of raw material Imported				
Imported waste paper	60,60,15,309		35,95,70,972	
Colour and chemical	14,58,12,125		14,04,23,254	
Total of Imported	75,18,27,434	50.94	49,99,94,226	38.00
Indigenous				
Indian waste paper	65,50,00,924		74,53,31,382	
Colour and chemical	6,92,17,205		7,05,07,271	
Total of Indigenous	72,42,18,129	49.06	81,58,38,653	62.00
Total	1,47,60,45,563	100.00	1,31,58,32,879	100.00

Note : 22 Changes in Inventories of Finished Goods and work-in-progress

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Inventories at the end of the year		
Finished goods	1,53,08,837	4,47,67,917
Work-in- progress	3,56,743	3,20,794
Total in `	1,56,65,580	4,50,88,711
Inventories at the beginning of the year		
Finished goods	4,47,67,917	3,84,86,651
Work-in-progress	3,20,794	4,00,680
Total in `	4,50,88,711	3,88,87,331
Total in `	2,94,23,131	(62,01,380)

Note : 23 Employee Benefits Expense

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Salaries and wages	11,96,59,609	8,89,33,756
Contribution to provident fund and pension scheme (Refer note 23.1)	16,96,896	14,20,747
Gratuity expenses (Refer Note 23.2)	5,44,141	9,88,921
Staff welfare expenses	28,72,820	28,17,902
Total in `	12,47,73,466	9,41,61,326

23.1 Defined contribution plans

Contribution to defined contribution plans, recognised as expenses for the year as under

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Employer's contribution to provident fund	6,38,148	5,51,698
Employer's contribution to pension scheme	10,58,748	8,69,049
Total in `	16,96,896	14,20,747

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23.2 Employment Benefits Expense

Disclosure relating to Employee benefits expense is as under :-

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015		
	Gratuity	Compensated Absences	Gratuity	Compensated Absences	
A Components of employer's expense	Non Funded		Non Funded		
Current service cost	3,75,016	4,76,243	2,89,062	2,69,229	
Interest cost	2,57,291	3,62,416	2,27,058	3,31,093	
Expected return on plan assets	-	-	-	-	
Actuarial losses/(gains)	(1,52,332)	33,94,334	3,52,478	35,42,338	
Total Expenses	4,79,975	42,32,993	8,68,598	41,42,660	
B Net Liability recognized in the Balance Sheet					
Present value of defined benefit obligation	35,24,104	53,09,601	32,40,439	45,64,435	
Fair value of plan assets	-	-	-	-	
Net Liability recognized in the Balance sheet (Refer Note 6 and 10)	35,24,104	53,09,601	32,40,439	45,64,435	
C Change in defined benefit obligations (DBO) during the year					
Present value of DBO at beginning of the year	32,40,439	45,64,435	24,38,862	35,56,317	
Current service cost	3,75,016	4,76,243	2,89,062	2,69,229	
Interest cost	2,57,291	3,62,416	2,27,058	3,31,093	
Actuarial losses/(gains)	(1,52,332)	33,94,334	3,52,478	35,42,338	
Benefits paid	(1,96,310)	(34,87,827)	(67,021)	(31,34,542)	
Present value of DBO at the end of the year (Refer note 6 and 10)	35,24,104	53,09,601	32,40,439	45,64,435	
D Actuarial assumptions:					
Discount rate	8.08%	8.08%	7.94%	7.94%	
Salary escalation	5.00%	5.00%	5.00%	5.00%	
Attrition Rate	2.00%	2.00%	2.00%	2.00%	
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	
Experience adjustments					
Gratuity	2015-16	2014-15	2013-14	2012-13	2011-12
Present value of DBO	35,24,104	32,40,439	24,38,862	34,19,922	17,88,094
Experience gain / (loss) adjustments on plan liabilities	1,07,471	26,728	(27,464)	(53,515)	(69,335)
Compensated absences					
Present value of DBO	53,09,601	45,64,435	35,56,317	42,82,746	19,09,931
Experience gain / (loss) adjustments on plan liabilities	34,47,468	31,14,986	31,16,684	19,61,855	14,03,250
Experience gain / (loss) a adjustments on plan assets	NA	NA	NA	NA	NA

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

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Note : 24 Finance Costs

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
a) Interest expense on		
i) Borrowings	4,45,82,606	4,81,00,401
Less: Interest capitalised	(4,32,348)	(7,91,138)
ii) Interest on short fall of advance tax	-	3,52,354
b) Other borrowing costs	40,74,942	27,88,408
Total in `	4,82,25,200	5,04,50,025

Note : 25 Other Expenses

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Consumption of stores and spare parts (Refer note 25.1)	4,69,05,860	3,53,36,725
Power and fuel	27,86,72,219	27,26,71,428
Packing material consumed	2,05,10,160	1,80,91,418
Unloading charges	1,42,23,175	1,24,75,049
Insurance	49,80,277	45,61,558
Repairs and maintenance- Machinery	1,09,11,662	1,07,17,787
Repairs and maintenance- Building	10,31,172	17,41,663
Repairs and maintenance (others)	35,23,474	42,94,408
Increase/(decrease) of excise duty on inventory	(17,00,230)	2,99,841
Other manufacturing expenses	1,03,43,289	97,43,452
Selling expenses	1,20,69,127	73,98,954
Commission on sale	2,45,60,932	1,53,77,284
Audit fees (Refer note 25.2)	24,33,325	18,06,236
Consultancy fees	8,67,658	4,46,238
Foreign exchange fluctuation expenses (net)	12,74,891	4,64,704
Rent	12,33,374	11,03,828
Professional charges	32,03,915	23,59,595
Rates and taxes	3,81,644	5,32,575
Security charges	47,71,179	42,20,115
Stamp duty	30,250	10,500
Travelling expenses	40,75,872	18,95,954
Vehicle expenses	15,41,005	21,10,714
Expenditure on Corporate Social Responsibilities (Refer note 25.3)	13,17,300	32,70,700
Windmill expenses (net off claim)	52,26,355	63,05,058
Miscellaneous expenses	86,02,712	80,70,164
Total in `	46,09,90,597	42,53,05,948

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25.1 Details of consumption of stores and spares

Particulars	For the year ended 31 March, 2016		For the year ended 31 March, 2015	
	Amount in ₹	% of Consumption	Amount in ₹	% of Consumption
Consumption of stores and spares				
Imported	65,60,405	13.99	80,22,737	22.70
Indigenous	4,03,45,455	86.01	2,73,13,988	77.30
Total	4,69,05,860	100.00	3,53,36,725	100.00

25.2 Payment to Auditors as :

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Payment to auditors comprise (net of service tax input credit, where applicable)		
a) To statutory auditors		
For audit	22,28,325	15,26,236
Tax Audit Fees	1,05,000	1,05,000
For other services	1,00,000	1,00,000
b) Cost auditor for cost audit	-	75,000
Total in `	24,33,325	18,06,236

25.3 Expenditure on Corporate Social Responsibilities in respect of parent company

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
a) Gross Amount required to be spent by the company during the year	31,85,776	32,70,677
b) Amount spent during the year In Cash	13,17,300	32,70,700

This amount is spent for promoting health, education and sports. Amount spent on construction/acquisition of any assets is ` NIL.

Note : 26 Value of Imports on CIF basis

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Raw materials	63,76,59,531	45,92,27,111
Stores and spares	56,27,938	81,52,589
Capital Goods	15,19,560	1,82,49,847

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Consolidated Financial Statements

Note : 27 Expenditure in Foreign Currency

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Travelling expenses	13,49,019	14,47,682

Note : 28 Earning in Foreign Exchange

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
FOB value of Export	47,29,391	35,89,545

Note : 29 Earning Per Share

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Profit for the year attributable to the equity shareholders	11,78,46,812	7,10,85,518
Weighted average number of equity shares	53,56,700	53,56,700
Earnings per share (Basic and Diluted)	22.00	13.27
Nominal value per share	10.00	10.00

Note : 30 Related Party disclosure

30.1 Details of related parties

Description of relationship	Names of related parties
(i) Jointly Controlled Entities (JCE)	Shree Samrat Pulp and Paper Private Limited
(ii) Key Management Personnel	Mr. Gautam D Shah, Mrs Bela G Shah, Mr. Pankaj Mansingka, Mr. Sandeep M Shah

30.2 Transactions with related parties during the year

Transactions with the related parties	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Managerial Remuneration paid to Key Management Personnel		
Mr. Gautam D Shah	99,79,907	52,59,360
Mr. Piyush R Shah	-	2,42,593
Mrs. Bela G Shah	99,79,907	7,63,688

SHREE AJIT PULP AND PAPER LIMITED

Notes Forming Part of the Consolidated Financial Statements

Note : 31

Additional information of enterprises consolidated as Subsidiary / Associate/ Joint Venture, as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the Enterprise	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount in `	As % of consolidated profit or loss	Amount in `
I. Parent Shree Ajit Pulp and Paper Limited	94.49% <i>94.60%</i>	81,74,71,358 <i>71,15,80,828</i>	102.66% <i>100.31%</i>	12,09,75,929 <i>7,13,05,355</i>
II. Subsidiaries				
Indian Shree Samrudhi Industrial Papers Private Limited	0.66% <i>0.72%</i>	56,22,536 <i>53,54,804</i>	0.23% <i>0.34%</i>	2,67,731 <i>2,43,811</i>
Foreign		NIL <i>NIL</i>		
Minority Interests in all subsidiaries		NIL <i>NIL</i>		
III. Associates (Investment as per the equity method)		NIL <i>NIL</i>		
IV. Joint Venture (as per proportionate consolidation)				
Indian Shree Samrat Pulp and Paper Private Limited	4.86% <i>4.68%</i>	4,20,78,295 <i>3,52,25,144</i>	(2.88%) <i>(0.65%)</i>	(33,96,848) <i>(4,63,648)</i>
Foreign		NIL <i>NIL</i>		
Total Total		86,51,72,189 <i>75,21,60,776</i>		11,78,46,812 <i>7,10,85,518</i>

Previous year figures are shown in Italics.

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Consolidated Financial Statements

Note : 32 Segment Information

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. Accordingly, the Company has identified two primary business segments viz Paper and Windmill. The company does not have any secondary segment.

Primary Segment Information :

Particulars	For the year ended 31 March, 2016			
	Business segments		Eliminations	
	Paper	Windmill		
Revenue	2,34,33,23,294 <i>2,00,18,30,066</i>	2,91,00,111 <i>2,64,55,662</i>	-	2,37,24,23,405 <i>2,02,82,85,728</i>
Inter-segment revenue	-	-	-	-
Total	2,34,33,23,294 <i>2,00,18,30,066</i>	2,91,00,111 <i>2,64,55,662</i>	-	2,37,24,23,405 <i>2,02,82,85,728</i>
A. Segment result	25,24,92,651 <i>16,04,59,614</i>	1,69,74,001 <i>1,32,69,291</i>	-	26,94,66,652 <i>17,37,28,905</i>
B. Unallocable expenses (net)				9,16,33,550 <i>7,76,69,102</i>
C. Operating income (A-B)				17,78,33,102 <i>9,60,59,803</i>
D. Other income (net)				11,27,809 <i>15,31,115</i>
E. Profit before tax (C+D)				17,89,60,911 <i>9,75,90,918</i>
F. Tax expense				6,11,14,099 <i>2,65,05,400</i>
G. Profit for the year (E-F)				11,78,46,812 <i>7,10,85,518</i>

Particulars	For the year ended 31 March, 2016		
	Business segments		Total
	Paper	Windmill	
Segment assets	1,39,91,46,258 <i>1,29,37,60,316</i>	11,68,65,886 <i>12,32,94,922</i>	1,51,60,12,144 <i>1,41,70,55,238</i>
Unallocable assets			5,22,03,446 <i>6,89,26,638</i>
Total assets			1,56,82,15,590 <i>1,48,59,81,876</i>
Segment liabilities	19,41,42,812 <i>17,00,28,316</i>	3,67,851 <i>10,66,556</i>	19,45,10,663 <i>17,10,94,872</i>
Unallocable liabilities			50,85,32,738 <i>56,27,26,228</i>
Total liabilities			70,30,43,401 <i>73,34,68,170</i>
Other information			
Capital expenditure (allocable)	2,68,13,168 <i>8,14,14,878</i>	-	2,68,13,168 <i>8,14,14,878</i>
Capital expenditure (unallocable)			32,59,502 <i>63,39,343</i>
Depreciation and amortisation (allocable)	4,17,14,887 <i>4,03,75,370</i>	68,99,755 <i>68,81,313</i>	4,86,14,642 <i>4,72,56,683</i>
Depreciation and amortisation (unallocable)			57,96,893 <i>27,77,697</i>
Other significant non-cash expenses (unallocable)			- <i>1,00,000</i>

Previous year figures are shown in italics.

SHREE AJIT PULP AND PAPER LIMITED



Notes Forming Part of the Consolidated Financial Statements

Note : 33 Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	For the year ended 31 March, 2016	For the year ended 31 March, 2015
Contingent liabilities		
Claims against the company not acknowledged as debt	28,36,620	28,36,620
Custom duty demand disputed by the Company relating to issues of classification [Deposit paid ` 5,52,911 (previous year ` 2,36,963)]	62,07,453	62,07,453
Service tax demand disputed by the Company relating to issues of applicability	9,30,268	-
Income tax demand disputed by the company. (CIT (Appeals) has passed the order in favour of the company, for which department has gone into further appeal to ITAT.)	12,49,152	-
Future cash outflows in respect of above matters are determinable only on receipt of judgements /decisions pending at various forums /authorities and the company does not expect any outflow of resources.		
Commitments		
Estimate amount of contracts remaining to be executed on capital account and not provided for	58,25,851	56,91,777

Note : 34 Derivative Instruments

The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are as below:

Particulars	For the year ended 31 March 2016		For the year ended 31 March 2015	
	Forex (USD)	`	Forex (USD)	`
Import of Goods and Services	1,15,753	76,68,654	2,10,143	1,31,53,006
Particulars	Forex (EURO)		Forex (EURO)	
Import of Goods and Services	12,750	9,58,740	13,662	9,22,327

Note : 35 The company's subsidiary viz Shree Samrudhi Industrial Paper Private Limited has not commenced any business.

Note : 36 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

Rakesh Kumar Kumawat
Company Secretary

Place: Vapi

Date : 26th May, 2016

SHREE AJIT PULP AND PAPER LIMITED



Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Account) Rules, 2013)

Statement containing salient features of the financial statement of subsidiaries

Part "A" : Subsidiaries

(Amount in `)

1	Sr. No.	1
2	Name of the subsidiary	Shree Samrudhi Industrial Papers Pvt. Ltd.
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01-04-2015 to 31-03-2016
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiary	Not Applicable
5	Share capital	50,00,000
6	Reserves & surplus	6,22,535
7	Total Assets	57,62,215
8	Total Liabilities	1,39,680
9	Investments	Nil
10	Turnover	Nil
11	Profit before taxation	4,02,082
12	Provision for taxation	1,34,351
13	Profit after taxation	2,67,731
14	Proposed Dividend	Nil
15	% of shareholding	100%
1	Names of subsidiaries which are yet to commence operations	Shree Samrudhi Industrial Papers Pvt. Ltd.

Part "B" : Associates and Joint Ventures

(Amount in `)

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates / Joint Ventures	Shree Samrat Pulp and Paper Pvt. Ltd.
1	Latest audited Balance Sheet Date	31-03-2016
2	Shares of Associates / Joint Ventures held by the company on the year end	
	No.	49,75,000
	Amount of Investment in Associates / Joint Venture	4,97,50,000
	Extent of Holding %	50%
3	Description of how there is significant influence	
4	Reason why the associate / Joint venture is not consolidated	Not Applicable
5	Networth attributable to Shareholding as per latest audited Balance Sheet	4,20,78,294
6	Profit / Loss for the year	
	i. Considered in consolidated	(33,96,848)
	ii. Not Considered in Consolidated	(33,96,848)

For and on behalf of the Board of Directors

Gautam D Shah
CFO & CMD

Bela G Shah
Executive Director

Rakesh Kumar Kumawat
Company Secretary

Place : Vapi

Date : 26th May, 2016



SHREE AJIT PULP AND PAPER LIMITED

Registered Office: Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi-396191.
Email: investors@shreeajit.com • website:www.shreeajit.com
Tel: 0260 2437059 • Fax: 0260-2437090.
CIN: L21010GJ1995PTC025135.

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s)	:
Registered Address	:
E-mail Id	:
Folio No. / Client Id	:
DP Id	:

I/We, being the member (s) of shares of the above named company, hereby appoint

- (1) Name..... Address.....
E mail Id: Signature:, or failing him;
- (2) Name..... Address.....
E mail Id: Signature:, or failing him;
- (3) Name..... Address.....
E mail Id: Signature:, or failing him;

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty -first Annual General Meeting of the Company, to be held on Tuesday the 30th August, 2016 at 11.00 A.M. at Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi-396191 and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1.	Adoption of Financial Statements including report of Board of Directors and Auditors for the year ended 31st March 2016.
2.	Declaration of dividend for the year 2015-2016.
3.	Re-appointment of Mrs. Bela G. Shah, who retire by rotation, as Director.
4.	Appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, as the Statutory Auditors of the Company.
Special Business	
5.	Appointment of Mr. Nawal Kishor D. Modi, as a Director.

Signed this day of 2016

Signature of Shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

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Notes

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ajit

SHREE AJIT PULP AND PAPER LIMITED

Regd. Office :

Survey No. 239, Near Morai Railway Crossing,
Village Salvav, Via-Vapi - 396 191.


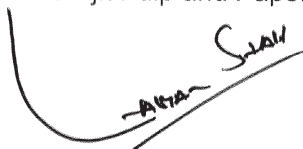

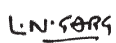
FORM A

Form A (for audit report with unmodified opinion) along with Financial Results

(Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

1	Name of the Company	SHREE AJIT PULP AND PAPER LIMITED
2	Annual standalone financial statements for the year ended	31 st March, 2016
3	Type of Audit observation	Un-modified
4	Frequency of observation	Not Applicable

To be signed by

<p>Refer our Audit Report dated 26th May, 2016 on the Standalone financial statements of the Company.</p> <p>For DELOITTE HASKINS & SELLS LLP Chartered Accountants (Registration no. No 117366W/W-100018)</p>  <p>Rupen K. Bhatt Partner Membership No. 46930 Vapi, 26th May, 2016</p>	<p>For Shree Ajit Pulp and Paper Limited</p>  <p>Chairman and Managing Director</p>  <p>----- CFO</p> <p> ----- Audit Committee Chairman Vapi, 26th May, 2016</p>
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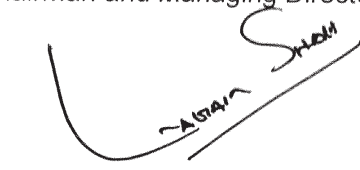
FORM A

Form A (for audit report with unmodified opinion) along with Financial Results

(Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015)

1	Name of the Company	SHREE AJIT PULP AND PAPER LIMITED
2	Annual consolidated financial statements for the year ended	31 st March, 2016
3	Type of Audit observation	Un-modified
4	Frequency of observation	Not Applicable

To be signed by

<p>Refer our Audit Report dated 26th May, 2016 on the Consolidated financial statements of the Company.</p> <p>For DELOITTE HASKINS & SELLS LLP Chartered Accountants (Registration no. No 117366W/W-100018)</p>  <p>Rupen K. Bhatt Partner Membership No. 46930 Vapi, 26th May, 2016</p>	<p>For Shree Ajit Pulp and Paper Limited</p>  <p>Chairman and Managing Director</p>  <p>----- CFO</p> <p><u>L.N. SARG</u></p> <p>----- Audit Committee Chairman Vapi, 26th May, 2016</p>
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