



30th ANNUAL REPORT 2014-2015

CORPORATE INFORMATION

Board of Directors

Shri Ankit Jalan - Executive Director
Shri Sheo Shankar Joshi - Director
Shri Kamal Kumar Khetawat - Director
Smt Sudha Dhanuka - Additional Director

Company Secretary

Shri Saikat Ghosh

Statutory Auditors

M/S Singhi & Co.
Chartered Accountants
1B, Old Post Office Road
Emerald House, Kolkata - 700 001

Secretarial Auditor

Subhasis Bosu & Co.
Company Secretaries
53, N. S. Road
Kolkata - 700 001

Bankers

Allahabad Bank
Axis Bank
State Bank of India

Registrar & Transfer Agent

Maheshwari Datamatics Pvt. Ltd.
6 Mangoe Lane, Kolkata - 700 001
Ph. : (033) 2243 5809/5029

Registered Office

Agio Paper & Industries Ltd.
41A, AJC Bose Road
Suite No. 505, Kolkata - 700 017
Phone : +91-33-4022 5900
Fax : +91-33-4022 5999
E-mail : ho@agiopaper.com

Mill

Village : Dhenka, P.O : Darrighat
Masturi, Bilaspur - 495 551
Chhattisgarh
Ph. : +91-7752-257 010
Fax : +91-7752-257 371

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NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Members of Agio Paper & Industries Ltd. (CIN L21090WB1984PLC037968) will be held at Auditorium of Bengal National Chamber of Commerce & Industry , Bengal National Chamber House, 23, R.N. Mukherjee Road, Kolkata – 700001 on Saturday the 30th May, 2015 at 10:30 A. M. to transact the following Business:

Ordinary Business

1. To consider and adopt the audited financial statements of the Company for the year ended 31st March, 2015, together with the Report of the Directors and Auditors' thereon.
2. To appoint a director in place of Shri Ankit Jalan (DIN: 02577501), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 (2) and 142(1) of the Companies Act, 2013 the reappointment of the statutory auditors of company M/s Singhi & Co (Firm registration No : 302049E), Chartered Accountants, be and is hereby ratified by the members of the company for the financial year 2015-2016 at such remuneration as may be determined by the Board of Directors of the Company."

Special Business

4. Reappointment of Whole Time Director: To re-appoint Shri Ankit Jalan (DIN: 02577501) as a Whole-time Director designated as Executive Director –Finance and in this regard to consider and if thought fit, to pass, the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT, pursuant to the provisions of Section 196, 197, 203 and Schedule V of the Companies Act, 2013 and the Rules made there under and the Articles of Association of the Company, Shri Ankit Jalan be and is hereby reappointed as Wholetime Director of the company for a period of Five years with effect from 14th August, 2015 on such terms and conditions as set out in the Statement annexed to the notice convening this meeting, with the liberty given to the Board of Directors to alter and vary the terms and conditions of the said re appointment and/ or remuneration in such manner as may be agreed to by and between the Company and Shri Ankit Jalan provided however, such alterations are within the maximum limits laid down in the Companies Act, 2013 for the time being in force."

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

5. Confirmation of appointment of Additional Director: To confirm the appointment of Smt Sudha Dhanuka (DIN: 06417787) as Director who was appointed as an Additional Director and in this regard to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Smt Sudha Dhanuka (DIN: 06417787) who has been appointed as an Additional Director of the Company by Board of Directors with effect from 26th September, 2014 in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director under Section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company.

6. Appointment of Woman/Independent Director: To appoint Smt Sudha Dhanuka (DIN: 06417787) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt Sudha Dhanuka (DIN: 06417787) , who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of the 35th Annual General Meeting of the Company in the calendar year 2020 not liable to retire by rotation."

7. Reclassification of share capital: To reclassify the authorized share capital of the company and in this regard to consider and if thought fit, to pass the following resolution as a special resolution:

"RESOLVED THAT pursuant to the provisions of Section 13, 61 and 64 of the companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and other applicable provisions, if any, and the provisions of the Memorandum and Articles of Association of the Company, the authorized share capital of Rs. 200,000,000 (Twenty Crores Only) comprising of 18,000,000 (One Crore Eighty Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each and 200,000 (Two Lacs) 10% Non-cumulative Redeemable Preference shares of Rs. 100/- (Rupees One Hundred) each be re-classified and re-organised as authorized share capital of Rs. 200,000,000 (Twenty Crores Only) comprising of 16,500,000 (One Crore Sixty Five Lacs)) Equity Shares of Rs. 10/- (Rupees Ten) each and 350,000 (Three lacs and fifty thousand) 10% Non-cumulative Redeemable Preference shares of Rs. 100/- (Rupees One Hundred) and clause V of Memorandum of Association shall stand altered accordingly.

RESOLVED FURTHER THAT Board of Director of the company be and is hereby authorised to do all such acts and to take such steps, as may be necessary, to give effect to the resolution."

8. Increase in the Authorized Share Capital of the Company: To increase the authorized share capital and consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 13 and 61 of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and all other applicable provisions, if any, and subject to the approval of the resolution for reclassification of share capital as proposed the Authorized Share Capital of the Company be and is hereby increased from Rs.200,000,000 (Twenty Crores Only) divided into 16,500,000 (One Crore Sixty Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each and 350,000 (Three lacs and fifty thousand) 10% Non-cumulative Redeemable Preference shares of Rs. 100/- (Rupees One Hundred) each to Rs.310,000,000 (Thirty One Crores Only) divided into 16,500,000 (One Crore Sixty Five Lacs)) Equity Shares of Rs. 10/- (Rupees Ten) each and 1,450,000 (Fourteen Lac fifty thousand) 10% Non-cumulative Redeemable Preference shares of Rs. 100/- (Rupees One Hundred) each and consequently the respective Capital Clause V in the Memorandum of Association of the Company do stand altered accordingly as follows:

The Authorized Share Capital of the Company is Rs. 310,000,000 (Thirty One Crores Only) divided into 16,500,000 (One Crore Sixty Five Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each and 1,450,000 (Fourteen lacs fifty thousand) 10% Non-cumulative Redeemable Preference shares of Rs. 100/- (Rupees One Hundred) each with the power to the Company to increase and reduce the capital for the time being into several classes and attach thereto respectively such preferential or special rights, privileges or conditions as may be determined by or in accordance with the regulation of the Companies Act, 2013 and to vary, modify or abrogate any such rights, privileges and conditions in such manner as may be for the time being be provided by the regulation of the Company.

9. Adoption of new set of Articles of Association of the company containing Articles in conformity with the Companies Act, 2013: To adopt new set of Articles of Association containing Articles in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the existing Articles of Association of the company be and is hereby replaced with the new set of Articles of Association and the said new Articles of Association be and is hereby approved and adopted as the Articles of Association of the company in place of, in substitution and to the entire exclusion of the existing Articles of Association of the company.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient, required or incidental thereto, in this regard."

10. Issue of 10% Non-cumulative Redeemable Preference Shares on Private Placement Basis : To issue 10% Non-cumulative Redeemable Preference shares of Rs. 100/- each on private placement basis and to consider and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 62(1) (c), section 42 and section 55 of the Companies Act, 2013 read with Companies (Prospectus & Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto or re-enactment thereof for the time being in force) and the provisions of any rules/regulations/guidelines issued/framed by the Central Government the consent of the Company be and is hereby given to the Board of Directors of the Company to offer, issue, and allot up to 1,450,000 (Fourteen Lacs fifty thousand only) 10% Non-cumulative

Redeemable Preference shares of Rs. 100/- (Rupees One Hundred) each on private placement basis to M/S Bengal Orion Financial Hub Ltd. in one or more tranches during the next twelve months at such time or times and subject to such terms and conditions as may be decided by the Board.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid special resolution the Board of Directors of the Company be and is hereby authorized to take such steps and to do all such other acts, deeds, matters and things as it may deem fit and appropriate and give such directions/ instructions as may be necessary to settle any question, difficulty or doubt that may arise in regard to offer, issue, allotment of the said equity shares.”

11. Approval of Related Party Transaction: To approve material related party transaction and in this regard to consider and , if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of clause 49 of the Listing Agreement of the Stock Exchanges (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the transaction entered with between Shri Ankit Jalan, Whole Time Director (a related party) for taking a loan of Rs.42,600,000/- (Rupees Four crores and twenty six lacs only) from him and which falls under the definition of material related party transaction during the financial year on the terms as briefly mentioned in the explanatory statement to this resolution.

RESOLVED FURTHER THAT consent of the members of the Company be and is hereby accorded to all acts, deeds and things which was done and documents executed in connection with such material related party transaction.”

25th April, 2015
Registered Office:
41A, AJC Bose Road
Suite No. 505
Kolkata – 700 017

By Order of the Board
For Agio Paper & Industries Limited

Saikat Ghosh
Company Secretary

CIN : L21090WB1984PLC037968
Phone : (033) 40225900, Fax : (033) 4022 5999
Email : ho@agiopaper.com, Website : www.agiopaper.com

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy and the proxy need not be a member of the Company.
2. The Proxy form must be deposited at the registered office of the Company not less than 48 hours before the scheduled hour of commencement of the meeting i.e. by 10:30 A. M. on 28th May, 2015.
3. Members/Proxies should bring their attendance slips duly filled in for attending the meeting.
4. Members are requested to bring their copy of the Annual Report with them at the Annual General Meeting, as the copies of the report will not be circulated at the meeting.
5. The Register of Members and Share Transfer Registers of the Company will remain closed from 28th May, 2015 to 30th May, 2015 (both days inclusive).
6. Explanatory statements pursuant to section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting under Item No.4 to 11 is Annexed hereto.
7. Members who hold shares in dematerialized form are requested to bring their Depository ID Number and Client ID Number for easier identification of attendance at the Annual General Meeting.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 10 days prior to the Meeting so that the required information can be made available at the Meeting.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Registrar M/s Maheshwari Datamatics Pvt. Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001, Phone : (033) 2243 5029/5809, Fax : (033) 2248 4787, E-mail : mdpldc@yahoo.com.
11. Members who have not registered their email addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
12. The details of directors who are proposed to be reappointed/newly appointed are given in Corporate Governance Report. There are no inter-se relationships between the Board Members.
13. 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, the Company is pleased to offer the facility of voting through electronic means.
The cut off date for determining the eligibility to vote by electronic means or by ballot in the general meeting shall be 23rd May, 2015.
The members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting in terms of notification issued by the Ministry of Corporate Affairs dated 19.03.2015.
A separate communication containing all necessary instructions and relevant information is being sent separately.
14. The results of voting shall be declared at the Registered Office of the Company within 3 days of the conclusion of the Annual General Meeting by the chairman of the meeting and shall also be displayed at the website of the company www.agiopaper.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT")

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item no.4:

Reappointment of Whole Time Director

Shri Ankit Jalan (DIN: 02577501) was appointed as Whole Time Director of the company on 14th August, 2010 and subsequently he was also entrusted with the duties of Chief Finance Officer (CFO). Since his appointment he has been heading the finance division of the company.

The duties of the Wholetime Director –Finance shall be discharged subject to the superintendence, control and direction of the Board and he shall perform on behalf of the company in the ordinary course of business all such acts, deeds, and things, which in the ordinary course of business, he may consider necessary or proper or in the interest of the company.

Terms & Conditions

- 1) Designation: Wholetime Director- Finance
- 2) Term: 5 years with effect from 14.08.2015
- 3) Salary: No salary will be paid to him as on date. However the Board of Directors has the liberty to fix a minimum remuneration and other perquisites pursuant to the provisions of section 196, 197, 203 and Schedule V of the Companies Act, 2013 and the Rules made there under and the Articles of Association of the Company.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives, other than Shri Ankit Jalan, in his personal capacity are concerned or interested, financially or otherwise, in these Resolutions.

The Board recommends this Resolution for your Approval.

Item no.5 to 6

Appointment of Woman / Independent Director

Smt Sudha Dhanuka (DIN: 06417787) was appointed by the board at its meeting held on 26.09.2014 as an additional director. The Board of Directors has received a notice from the shareholder proposing the candidature of Smt Sudha Dhanuka as a Woman / Independent Director to be appointed under the provisions of Section 149 and 152 of the Companies Act, 2013. Smt Sudha Dhanuka possesses business experience of more than 10 years.

The Company has received from Smt Sudha Dhanuka (i) consent in writing to act as Woman / Independent Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form DIR- 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Smt Sudha Dhanuka as Women / Independent Director of the Company for a term of 5 consecutive years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder. She is not liable to retire by rotation.

In the opinion of the Board of Directors, Smt Sudha Dhanuka proposed to be appointed, as a Women / Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the Rules made hereunder and also the provisions as laid down in listing agreement and she is independent.

No Director or Key Managerial Personnel of the Company and/ or their relatives, except Smt Sudha Dhanuka in her personal capacity for whom the Resolution relates, are interested or concerned in the Resolution.

The Board recommends this Resolution for your Approval.

Items No 7 to 8

Reclassification and alteration of authorized share capital and change in capital clause of Memorandum of Association

In order to enable the Company to raise additional finance by issue of redeemable preference shares since the existing Authorised Share Capital may not be sufficient for the purpose. It is therefore considered necessary to reclassify and also to increase the Authorised Share Capital of the Company to the extent mentioned in item No.7 and 8 of the Notice, with the consequential alterations in the Capital Clauses of the Memorandum of Association of the Company as set out in the Notice.

The present Authorised Share Capital of the Company is Rs. 200,000,000 (Twenty Crores Only) divided into 18,000,000 (One Crore Eighty Lacs) Equity Shares of Rs. 10/- (Rupees Ten) each and 200,000 (Two Lacs) 10% Non-cumulative Redeemable Preference shares of Rs. 100/- (Rupees One Hundred) each.

It is proposed to convert the unissued 1,500,000 (Fifteen Lacs) Equity Shares of Rs.10/- (Rupees Ten only) each aggregating Rs.15,000,000/- (Rupees One Crore fifty lacs Only) into 150,000 (One Lac fifty thousand only) 10% Non-cumulative Redeemable Preference shares of Rs.100/- (Rupees One hundred only) each aggregating to Rs.15,000,000/- (Rupees One Crore and fifty lacs Only).

It is further proposed to increase the authorized share capital to Rs.310,000,000 (Thirty One Crores Only) divided into 16,500,000 (One Crore Sixty Five Lacs)) Equity Shares of Rs. 10/- (Rupees Ten) each and 1,450,000 (Fourteen Lac fifty thousand) 10% Non-cumulative Redeemable Preference shares of Rs. 100/- (Rupees One Hundred) each.

The above reclassification and subsequent increase in Authorised Share Capital when approved would require certain consequential amendments in clause V of the Memorandum of Association of the Company.

The provisions of the Companies Act, 2013 require the Company to seek the approval of the Members for reclassification as well as increase in the Authorised Share Capital and for the alteration of Capital Clause of the Memorandum of Association and accordingly the Board recommends the relevant resolutions for the approval of the Members.

The proposed new draft of Memorandum of Association is available for inspection to the shareholders at the registered office of the company on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M and 1.00 P.M till the date of the meeting.

No Director or Key Managerial Personnel of the Company and/or their relatives are concerned or interested financially or otherwise in this item of business.

The Board recommends this Resolution for your Approval.

Item No.9

Adoption of new set of Articles of Association

The existing Articles of Association ("AoA") are based on the Companies Act, 1956 and several regulations in the existing AoA contain

reference to specific sections of the Companies Act, 1956 and some articles in the existing AoA are no longer in conformity with the Act. With the enactment of the Companies Act, 2013 and substantive sections of the Act which deal with the general working of the Companies stand notified, several regulations in the existing AoA of the company require alteration and/or deletion.

Given this position it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new set of AoA to be replaced in place of the existing AoA is based on Table F of Schedule I of the Companies Act, 2013 which sets out the model AoA for a company limited by shares and also carries forward certain provisions from the existing AoA suitably rephrased and which are not in conflict with the provisions of the Companies Act, 2013.

The proposed new draft of AoA is available for inspection to the shareholders at the registered office of the company on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M and 1.00 P.M till the date of the meeting.

No Director or Key Managerial Personnel of the Company and/or their relatives are concerned or interested financially or otherwise in this item of business.

The Board recommends this Resolution for your Approval.

Item No 10

Issue of 10% Non-cumulative Redeemable Preference Shares on Private Placement Basis

The Board of Directors on 11th April, 2015 subject to necessary approval(s), has approved the proposal for raising funds up to Rs. 145,000,000/- (Fourteen crores fifty lacs only) by way of issue of 10% Non-cumulative Redeemable Preference Shares on private placement basis to M/S Bengal Orion Financial Hub Limited in order to increase and strengthen the capital base of the company and to meet working capital requirement and general corporate purposes.

The information as required under Rule 13 of Companies (Share Capital & Debenture) Rules, 2014 as amended are as under:

1. Object of the Issue: To strengthen the capital base of the company and to meet working capital requirement and general corporate purposes.
2. Total number of shares to be issued : Upto 1,450,000 (Fourteen lacs fifty thousand only) 10% Non-cumulative Redeemable Preference shares to be issued.
3. Price at which the allotment is proposed: Rs.100/- each.
4. Report of Registered Valuer: M/S Tibrewal & Co. (FRN. No 325908E) Chartered Accountants have provided a report on the valuation of the shares as required under the Companies Act, 2013. A copy of the Report is kept for inspection at the Registered office of the company during office hours.
5. Relevant Date : Relevant Date for the purpose is 11.04.2015
6. Class of persons to whom the allotment is proposed to be made: An existing Public Limited company.
7. Intention of promoters/ directors/ Key management personnel to subscribe to the preferential issue: M/S Bengal Orion Financial Hub Limited have intended to subscribe to non cumulative redeemable preference shares proposed to be issued. The existing promoters will continue to remain in the management of the company and there is no change in management or control. Further, the composition of present Board of Directors is not expected to undergo any change due to enhancement of preference share capital.
8. Proposed time within which the private placement shall be completed: The company proposes to complete the private placement within 12 months of passing this resolution.
9. Names of the Proposed Allottees and percentage of post preferential offer capital held by them:

Sl No.	Names of proposed Allottees	Category	Existing Holding		Post preferential Holding (assuming full subscription)	
			No of preference shares	Percentage of shareholding	No of preference shares	Percentage of shareholding
1	Bengal Orion Financial Hub Limited	Public Limited	Nil	Nil	1,450,000	100%

10. Change in control , if any, in the company occurring consequent to preferential offer: None
11. Number of persons to whom allotment on preferential basis has already been made during the year: Nil
12. The pre Issue and post Equity shareholding pattern of the company before and after the private placement is as under:

Sl No.	Category	Pre - Issue		Post - Issue	
		No of Shares	Percentage of shareholding	No of shares	Percentage of shareholding
A	Promoters' Holding				
1.	Indian :				
	Individual	108963	0.6757	108963	0.6757
	Bodies Corporate	2938194	18.2209	2938194	18.2209
	Sub Total	3047157	18.8966	3047157	18.8966
2.	Foreign Promoters	5695868	35.3223	5695868	35.3223
	Sub Total (A)	8743025	54.219	8743025	54.219
B	Non-Promoters' Holding				
1.	Institutional Investors	7100	0.0441	7100	0.0441
2.	Non Institutions				
	Private Corporate Bodies	340855	2.1138	340855	2.1138
	Directors and Relatives				
	Indian Public	7021247	43.5415	7021247	43.5415
	Others (including NRIs)	13173	0.0817	13173	0.0817
	Sub Total (B)	7382375	45.781	7382375	45.781
	Grand Total	16125400	100.00	16125400	100.00

Section 62 of the Companies Act, 2013 provides inter alia, that when it is proposed to increase the issued capital of a company by allotment of further shares, etc. such further shares shall be offered to the existing shareholders of the company in the manner laid down in the section. Therefore, consent of the shareholders by way of Special Resolution is being sought pursuant to the provisions of Sections 42 & 62 and all other applicable provisions of the Companies Act, 2013.

No Director or Key Managerial Personnel of the Company and/or their relatives except Shri Ankit Jalan who is also a director in M/S Bengal Orion Financial Hub Ltd. are concerned or interested financially or otherwise in this item of business.

The Board recommends this Resolution for your Approval.

Item No.11

The secured lender of the company the Allahabad bank has agreed and communicated to the company a compromise settlement of outstanding credit facilities vide its letter dated 27th March, 2015 whereby the company was required make an instant down payment before 31st march, 2015. Since the company is non operational the board had with the approval of audit committee decided that fund should only be availed from internal avenues. Therefore at the request of the board Shri Ankit Jalan Whole Time Director had lent Rs. 42,600,000 (Rupees Four crores and twenty six lacs only) to the company to meet the bank's commitment. Even though the provisions of Companies Act, 2013 regarding related party transactions are not attracted to such transaction it becomes a material related party transaction by virtue of clause 49 of listing agreement. The transaction executed with Shri Ankit Jalan is in ordinary course of business and at arm's length basis. Therefore the approval of the shareholders is being sought in compliance of Clause 49 of listing agreement.

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 are furnished hereunder:

1.	Name of the related party	Shri Ankit Jalan (Whole Time Director)
2.	Name of the Director or Key Managerial Personnel who is related, if any and nature of relationship	None
3.	Nature, Material Terms, Monetary Value and particulars of the contract or arrangement;	Loan of Rs. 42,600,000/- to the Company
4.	Any other information relevant or important for the members to take a decision on the proposed resolution	To be repaid within 5 years. Interest is to be paid at prevailing market rate .

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Shri Ankit Jalan, are concerned or interested, financially or otherwise, in these Resolutions.

The Board recommends this Resolution for your Approval.

BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

Your Directors have pleasure in presenting the 30th Annual Report together with the Audited Statement of Accounts of Agio Paper & Industries Limited for the year ended 31st March, 2015.

1. SUMMARISED FINANCIAL HIGHLIGHTS

	(Rs. in Lacs)	
	Current Year	Previous Year
Gross Turnover and other receipts	474.75	70.42
Profit / (Loss) before Interest and Depreciation	372.48	(53.47)
Less: Interest	-	495.66
Profit/(Loss) Before Depreciation	372.48	(549.08)
Less: Depreciation	28.86	27.57
Profit / (Loss) Before Tax	343.62	(576.65)
Less: Provision for taxation	-	-
Profit / (Loss) After Tax	343.62	(576.65)
Balance brought forward from previous year	(2699.81)	(2123.16)
Balance carried to Balance Sheet	(2356.18)	(2699.81)

2. BUSINESS PERFORMANCE

The resumption of productivity depends upon a host of factors and the main problem still revolves around the restrictions imposed by the Central Pollution Control Board. However, we remain optimistic about overcoming these hurdles in the near future.

3. DIVIDEND

In accordance with compromise settlement arrived with the lender bank during the year the company has written back interest accrued in earlier years in the books of accounts. However, in absence of any production activities no operational profit was generated for recommendation of dividend for the financial year ended 31st March, 2015.

4. SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2015 was Rs.16.12 crores. During the year under review the company has not issued any shares or any convertible instruments.

5. CREDIT FACILITIES

Before closure of our factory at Bilaspur the Allahabad Bank had granted us certain credit facilities in connection with our projects at factory site. Even after closure of factory the company was regular in its commitments to the bank but due to adversities after a period of time such adherence was not complied with which led the bank to exercising its rights. But the company had always been in contact with the bank to amicably arrive at a mutual settlement. The efforts finally came to fruition since an amicable settlement was reached which was formally communicated to the company by the bank vide its letter dated 27th March, 2015 and which certainly is a giant step towards in right direction.

6. ECONOMIC SCENARIO AND OUTLOOK

India is set to become the world's fastest-growing major economy by 2016 ahead of China, the International Monetary Fund (IMF) said in its recent latest forecast. India is expected to grow at 6.3 per cent in 2015, and 6.5 per cent in 2016 by when it is likely to cross China's projected growth rate, the IMF said in the latest update of its World Economic Outlook.

The government, engineering an economic rebound with a slew of reforms, has unveiled a new statistical method to calculate the national income with a broader framework that turned up a pleasant surprise: GDP in the past year 2013-14 grew 6.9 per cent instead of the earlier 4.7 per cent.

The International Monetary Fund (IMF) and the World Bank in a joint report have forecasted that India will register a growth of 6.4 per cent in 2015, due to renewed confidence in the market brought about by a series of economic reforms pursued by the government.

7. PAPER INDUSTRY OUTLOOK AND OPPORTUNITIES

There are about 700 – 800 paper mills (organized & unorganized sector) in the country out of which 12 large units accounts for production share of about 30% and balance units mostly comprising of medium (Agro-based) and Small (waste paper based) paper mills with production share of 70%. Wood based industry accounts for 35% of production while waste paper and agri residue accounts for 44% & 21% respectively.

The paper industry in India has become more promising as the domestic demand is on the rise. Increasing population and literacy rate, growth in GDP, improvement in manufacturing sector and lifestyle of individuals are expected to account for the growth in the paper industry of India.

According to “India Paper Industry Forecast & Opportunities, 2017” the paper industry in India is expected to grow at the CAGR of around 9.6% during 2012-2017, which will make the revenues of paper industry of India to reach up to USD 11.83 Billion by 2017.

8. CORPORATE SOCIAL RESPONSIBILITY

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

9. HUMAN RESOURCES

The well disciplined workforce which has served the company for three decades lies at the very foundation of the company's major achievements and shall well continue for the years to come. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The company has always recognized talent and has judiciously followed the principle of rewarding performance.

10. BUSINESS RISK MANAGEMENT

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion.

Therefore, in accordance with clause 49 of the listing agreement the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities.

Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk.

As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

11. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. Even through this non-production period the Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

12. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour the company has adopted a vigil mechanism policy. This policy is explained in corporate governance report and also posted on the website of company.

13. DIRECTORS & COMMITTEES

At the 29th Annual General Meeting of the company held on 24th September, 2014 the company had appointed the existing independent directors Shri Kamal Kumar Khetawat (DIN 00438830) and Shri Sheo Shankar Joshi (DIN 01180895) as independent directors under the companies Act, 2013 for 5 consecutive years for a term upto the conclusion of the 34th Annual General Meeting.

All independent directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and clause 49 of listing agreement.

At a board meeting held on 26.09.2014 the board had appointed Smt. Sudha Dhanuka (DIN 06417787) as an Additional Director in the category of Independent Director. At the same Board meeting the board also noted and condoled the passing away of Executive Director Shri Davinder Kumar (DIN 00289363) on 7th September, 2014.

In accordance with the provisions of Companies Act, 2013 Shri Ankit Jalan (DIN: 02577501), Executive Director retires by rotation and being eligible offers himself for re-appointment.

13.1 BOARD EVALUATION

Pursuant to the provisions of companies Act, 2013 and clause 49 of the Listing Agreement, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder committee. The manner in which the evaluation has been carried out has been explained in Corporate Governance Report.

13.2 REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

13.3 MEETINGS

During the year Seven Board Meetings and one independent directors' meeting was held. The Details of which are given in Corporate Governance Report. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

13.4 AUDIT COMMITTEE

The company is having an audit committee comprising of the following directors:

Name	Status	Category
Shri Kamal Kumar Khetawat	Chairman	Non Executive & Independent Director
Shri Ankit Jalan	Member	Executive Director
Shri Sheo Shankar Joshi	Member	Non Executive & Independent Director

13.5 NOMINATION AND REMUNERATION COMMITTEE

The company is having a Nomination and Remuneration Committee comprising of the following directors:

Name	Status	Category
Shri Kamal Kumar Khetawat	Chairman	Non Executive & Independent Director
Shri Sheo Shankar Joshi	Member	Non Executive & Independent Director
Smt Sudha Dhanuka	Member	Additional Director - Independent Category

14. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- that in the preparation of the annual financial statements for the year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken 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;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

15. RELATED PARTY TRANSACTIONS

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013. However, there were material related party transactions in terms of clause 49 of the listing agreement. All material related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

17. AUDITORS

17.1 STATUTORY AUDITORS

M/s Singhi & Co (Firm Registration No.302049E) ,Chartered Accountants have been appointed as statutory auditors of the company at the last Annual General Meeting held on 24.09.2014 for a period of three years subject to ratification by members at every consequent Annual General Meeting. Therefore, ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

17.2 SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Subhasish Bosu & Co. (CP No.:11469, FCS: 7277),Company Secretaries to undertake the secretarial audit of the company.The Secretarial Audit Report is annexed herewith as 'Annexure 1'.

17.3 INTERNAL AUDITORS

M/S Ashish K Gupta & Associates, Chartered Accountants performs the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

18. CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement with the Stock Exchanges, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Secretarial Auditor confirming compliance forms an integral part of this Report.

19. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure 2".

20. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 is annexed herewith as "Annexure 3".

21. PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

The company has one Executive Director and due to financial constraints being faced by the company he has forgone remuneration. Further, no sitting fees has been paid to any director during the year.

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- | | |
|----------------------------------|-----|
| a) Employed throughout the year | Nil |
| b) Employed for part of the year | Nil |

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company.

22. IMPAIRMENT OF ASSETS & CAPITAL WORK-IN-PROGRESS

The paper plant was closed on 6th October, 2010 to ensure due compliance of orders of the Central Pollution Control Board during which the expansion unit was still under the installation stage. As a result of the closure, the installation of the paper machine and the integration of the power plant with the old and new machines could not be carried out. In order to be effective as well as feasible both needs to operate in unison but since circumstances has led to non commissioning of the power plant and the new paper machine both of them have been shown as work in progress in auditor's report.

In compliance with Accounting Standard AS-28 relating to "Impairment of Assets", the company has reviewed the carrying amount of its fixed assets as at the end of the year. During the previous financial years the valuation of the various assets of the company situated at our mill site including the factory building and premises was carried out by a registered valuer in connection with various financial facilities granted by our banker. Although the report was submitted by the valuer to the bank directly in accordance with his norms of appointment it is significant to note that neither the bank has communicated any adverse remarks on such assets nor have they expressed any concern regarding the current state of such assets till date. Based on the strategic plans and such valuation of the fixed assets of the company, no impairment of assets is envisaged at the balance sheet date.

23. FINANCIAL VIABILITY OF COMPANY

As it has been pointed out in the statutory auditor's report that there has been complete erosion of net worth due to closure of our mill. The company is exploring various avenues to infuse funds into the company for repaying debts as well as revival of the company

24. CPCB RESTRICTIONS

As it has been pointed out in the secretarial auditor's report the factory still remains non operational due to restrictions imposed by the Central Pollution Control Board. The management is pursuing active steps to comply with norms in order to resume production activities.

25. ACKNOWLEDGEMENTS

The company has been very well supported from all quarters and therefore your directors wish to place on record their sincere appreciation for the support and co-operation received from Employees, Dealers, Suppliers, Central and State Governments, Bankers and others associated with the Company.

Your Directors wish to thank the banks, financial institutions, shareholders and business associates for their continued support and cooperation.

We look forward to receiving the continued patronage from all quarters to become a better and stronger company.

26. CAUTIONARY STATEMENT

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations.

Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

For and on behalf of the Board of Directors

Kolkata
11th April, 2015

ANKIT JALAN
(Executive Director)

K K KHETAWAT
(Director)

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Agio Paper & Industries Limited
41A, AJC Bose Road
Suite No.505, 5th Floor
Kolkata-700017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Agio Paper & Industries Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Agio Paper & Industries Limited 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Agio Paper & Industries Limited ("the Company") for the financial year ended on 31st March, 2015 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;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The Environment (Protection) Act, 1986
- (vii) The EPF & Misc. Provisions Act, 1952;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, yet to be approved by the Central Government;.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange and Calcutta Stock exchange;

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

1. *Non-fulfilment of certain pollution control measures as lay down by the Central Pollution Control Board (CPCB). Though the management of the company is taking active steps to comply with the required norms of the CPCB. The factory at Bilaspur is non-operational since long time.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes 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 are captured and recorded as part of the minutes.

We 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.

We further report that during the audit period the company has Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above).

CS Subhasis Bosu
For Subhasis Bosu & Co.
Company Secretaries
FCS No.:7277
C P No.:11469

Place : Kolkata

Date : 11th day of April, 2015

This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

To,
The Members
Agio Paper & Industries Limited
41A, AJC Bose Road
Suite No.505, 5th Floor
Kolkata-700017

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

CS Subhasis Bosu
For Subhasis Bosu & Co.
Company Secretaries
FCS No.:7277
C P No.:11469

Place : Kolkata
Date : 11th day of April, 2015

ANNEXURE 2

A. CONSERVATION OF ENERGY

Power:

- a) Efforts made for conservation of energy :-
 - (i) By controlling process parameters.
 - (ii) Replacement of high capacity motor.
 - (iii) Installation of energy saving lamps wherever possible in plant and colony.
 - (iv) Replacing old pumps & motors by high efficiency Pumps & low power consumption motors.
 - (v) By changing process pipe line system.
- b) Additional investment and proposal, if any:
 - (i) Self power generation unit to overcome power tripping and breakdown in supply from Chhattisgarh State Electricity Board (CSEB).
 - (ii) For better efficiency of Boiler and pollution free emission we are installing Electro Static Precipitator (ESP) in power plant.
- c) Impact of above measures on consumption of energy :
Saving in consumption of electricity & steam.
- d) Capital investment on energy conservation equipments
Capital investments were incurred previously but nothing during the previous year.
- e) Power & Fuel Consumption:
Refer Form 'A' attached

B. TECHNOLOGY ABSORPTION

Refer Form 'B' attached.

C. FOREIGN EXCHANGE EARNING AND OUTGO

(Rs. In Lacs)

	2014 - 15	2013 - 14
Earning: Export	Nil	Nil
Outgo: Imports	Nil	Nil
Outgo on repayment of unsecured loan	Nil	Nil

FORM A

	2014-15	2013-14
A. POWER & FUEL CONSUMPTION		
1. ELECTRICITY:		
a) Chhattisgarh State Electricity Board		
Units (KWH in lacs)	0.55	1.33
Total Amount (Rs. in lacs)	6.06	9.42
Rate/KWH (In Rs.)	11.03	7.11
b) Own Generation		
i) Through Diesel (KWH in lacs)	NIL	NIL
ii) Through Steam Turbine Generator	NIL	NIL
2. Coal:		
a) Grade E (ROM)		
Quantity (MT)	NIL	NIL
Total Cost (Rs. in lacs)	NIL	NIL
Average rate	NIL	NIL
b) ROM (Washery)		
Quantity (MT)	NIL	NIL
Total Cost (Rs. in lacs)	NIL	NIL
Average rate	NIL	NIL
3. RICE HUSK		
Quantity (MT)	NIL	NIL
Total Cost (Rs. in lacs)	NIL	NIL
Average rate	NIL	NIL
4. CONSUMPTION PER UNIT OF PRODUCTION		
Electricity (KWH/MT)	NIL	NIL
Coal/Husk (MT/MT)	NIL	NIL

FORM B

TECHNOLOGY ABSORPTION :-

I. RESEARCH AND DEVELOPMENT (R & D)

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

- Installed Basis Weight Control Valve at paper machine.
- Fresh water consumption further reduced by recycling the machine back water at couch pit dilution, machine and pulp mill vacuum pumps.
- Installed 2 Nos. sludge press – running well. Further we are going to install additional treatment before primary clarifier.
- Install ESP in power plant boiler which is running well.
- Further to reduce fresh water consumption, machine back water used in all vacuum pumps sealing water instead of fresh water.
- Installed black liquor recovery plant at ETP. 2nd filter press is commissioned & running well.

Benefits derived as a result of above R & D :

- a) Control over the grammage variation of paper
- b) Fresh water consumption reduced and ETP load minimized
- c) Reduce the SS load in primary clarifier also reduce the COD & BOD load.
- d) Emission in the air is negligible and maintains all emission parameters.
- e) Reduce fresh water consumption.
- f) Minimise black liquor storage problem and recovered lignin sludge is using as fuel alongwith coal in boiler. After commissioning the 2nd filter press black liquor lignin is utilised in boiler as fuel.

Future Plan of action:

- a) To improve quality of paper further to increase market share in printing segment.
- b) To install slotted pressure screen in paper machine to minimize dirt & specks and improve the paper cleanliness.
- c) To install Waste Paper Street with deinking facility for which black liquor and effluent load reduced.
- d) To install 1 No. B-2 Thickness in machine back water system for recovery of black water fiber and reuse the back water.
- e) Installation of ESP in power plant boiler-reduce the Air pollution load in ambient.
- f) Minimum use of fresh water and recycling of such water.

Expenses on R & D :

- | | |
|--|--|
| a) Capital | The development work is carried by the concerned department on an ongoing basis. The expenses and the cost of assets are grouped under the respective heads. |
| b) Recurring | |
| c) Total | |
| d) Total R & D expenditure
As a % of total turnover | |

II. Technology absorption, adaptation and innovation :

1. Efforts made towards technology absorption, adaptation and innovation:-
Use of rice husk and low cost coal was introduced.
2. Benefits derived as a result of above efforts
This will result in reduction in over all cost of coal consumption.

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2015 of AGIO PAPER & INDUSTRIES LIMITED [Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

CIN	L21090WB1984PLC037968
Registration Date	20.09.1984
Name of the Company	Agio Paper & Industries Ltd.
Category / Sub-Category of the Company	Company having share capital
Address of the Registered Office and contact details	41A, AJC Bose Road, Suit No. 505, Kolkata - 700017 Tel No. : 033 40225900
Whether listed company	Yes
Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Maheshwari Datamatics Pvt. Ltd. 6, Mangoe Lane, Kolkata - 700001 Tel No. : 033 2248 2248

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 :-

Sl No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Writing & Printing Paper	1701	Nil
2.			
3.			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S.No.	Name and Address of the company	CIN/GLN	Holding / Subsidiary Associate	% of shares held	Applicable Section
1.	None				
2.					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total	Demat Shares	Physical	Total	% of Total Shares	
A. Promoters									
1) Indian									
a) Individual / HUF	108963	-	108963	0.6757	108963	-	108963	0.6757	Nil
b) Central Govt.									
c) State Govt (s)									
d) Bodies Corp.	2938194	-	2938194	18.2209	2938194	-	2938194	18.2209	Nil
e) Banks / FI									
f) Any Other...									
Sub-total (A) (1) :-	3047157	-	3047157	18.8966	3047157	-	3047157	18.8966	Nil
2) Foreign									
a) NRIs-Individuals	5695868	-	5695868	35.3223	5695868	-	5695868	35.3223	Nil
b) Other Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2) :-	5695868	-	5695868	35.3223	5695868	-	5695868	35.3223	Nil
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	8743025	-	8743025	54.219	8743025	-	8743025	54.219	Nil
B. Public Shareholding									
1) Institutions									
a) Mutual Funds	6800	-	6800	0.0422	6800	-	6800	0.0422	Nil
b) Banks / FI	100	200	300	0.0019	100	200	300	0.0019	Nil
c) Central Govt.									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) Flls									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1) :-	6900	200	7100	0.0441	6900	200	7100	0.0441	Nil
2) Non-Institutions									
a) Bodies Corp.	324580	22150	346730	1.1501	318705	22150	340855	2.1138	0.9637
i) Indian									
ii) Overseas									
b) Individuals									
i) Individuals shareholders holding nominal share capital upto Rs.1 lakh	1091240	776943	1868183	11.5853	1113677	766643	1880320	11.6606	0.0753
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5108080	39500	5147580	31.9222	5101427	39500	5140927	31.8809	Nil
c) Others (specify)									
Trusts	400	-	400	0.0025	400	-	400	0.0025	Nil
Custodians / Clearing member	14	-	14	0.0001	150	-	150	0.0009	0.0008
NRIs	12368	-	12368	0.0767	12623	-	12623	0.0783	0.0016
Sub-total(B)(2) :-	6536582	848693	7375275	45.737	6540482	834793	7375275	45.737	Nil
Total Public Shareholding (B)=(B)(1)+(B)(2)	6536782	845593	7382375	45.781	6540582	841793	7382375	45.781	Nil
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	15279807	845593	16125400	100.00	15283607	841793	16125400	100.00	Nil

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Murari Lal Jalan	5695868	35.3223	Nil	5695868	35.3223	Nil	Nil
2	Renu Jalan	108963	0.6757	Nil	108963	0.6757	Nil	Nil
3	Arrow Syntex Pvt. Ltd.	2938194	18.2209	Nil	2938194	18.2209	Nil	Nil
	Total	8743025	54.219		8743025	54.209		

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

Sl. No.		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	No changes during the year			
	Data wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat / equity etc.)	No changes during the year			
	At the end of the year	No changes during the year			

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Babulal Bahadur	1500000	9.3021	1500000	9.3021
2.	Anand Purohit	1500000	9.3021	1500000	9.3021
3.	Bharat Mekani	1500000	9.3021	1500000	9.3021
4.	Sangeetha S	122560	0.7600	122560	0.7600
5.	Brownia Business Ltd.	100000	0.6201	100000	0.6201
6.	Mili Consultants & Investment Pvt. Ltd.	83348	0.5169	83348	0.5169
7.	Sunil Kumar Kejriwal	73114	0.4534	73114	0.4534
8.	Abhay Krishi Udyog Pvt. Ltd.	64525	0.4001	64525	0.4001
9.	Dinesh Kumar Muktilal Paldiwal	45290	0.2809	45290	0.2809
10.	Rekha Khetawat	18000	0.1116	41852	0.2595

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	None of the Directors or KMP hold shares in company			
	Data wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat / equity etc.)	None of the Directors or KMP hold shares in company			
	At the end of the year	None of the Directors or KMP hold shares in company			

V. INDEBTEDNESS

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

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	30,50,00,000	12,12,00,000	19,13,268	42,81,13,268
ii) Interest due but not paid	6,05,63,782	-	-	6,05,63,782
iii) Interest accrued but not due	44,86,419	-	-	44,86,419
Total (i+ii+iii)	37,00,50,201	12,12,00,000	19,13,268	49,31,63,469
Change in Indebtedness during the financial year				
• Addition	-	4,26,00,000	-	4,26,00,000
• Reduction	9,50,50,201	-	74,000	9,51,24,201
Net Change	(9,50,50,201)	4,26,00,000	(74,000)	(5,25,24,201)
Indebtedness at the end of the financial year				
i) Principal Amount	27,50,00,000	16,38,00,000	18,39,268	44,06,39,268
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	27,50,00,000	16,38,00,000	18,39,268	44,06,39,268

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager :

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross Salary	-	-	-	-	
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961					
	b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	
	c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-	-	-	-	
2.	Stock Option	-	-	-	-	
3.	Sweat Equity	-	-	-	-	
4.	Commission	-	-	-	-	
	- as % of profit					
	- others, specify.....					
5.	Others, please specify	-	-	-	-	
	Total (A)	-	-	-	-	
	Ceiling as per the Act					

B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors					
	• Free for attending board / committee meetings	-	-	-	-	
	• Commission	-	-	-	-	
	• Others, please specify	-	-	-	-	
	Total (1)	-	-	-	-	
2.	Other Non-Executive Directors					
	• Free for attending board / committee meetings	-	-	-	-	
	• Commission	-	-	-	-	
	• Others, please specify	-	-	-	-	
	Total (2)	-	-	-	-	
	Total (B) = (1+2)	-	-	-	-	
	Total Managerial Remuneration	-	-	-	-	
	Overall Ceiling as per the Act					

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary				
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	3,26,040	-	3,26,040
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	15,000	-	15,000
	c) Profits in lieu of Salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify....	-	-	-	-
5	Others, please specify	-	-	-	-
	Total		3,41,040		3,41,040

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCIT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The company

The Company believes that Corporate Governance is a set of processes, customs, policies, rules, regulation and laws for ensuring transparency, professionalism and accountability in its dealings with its customers, principal, employees, shareholders and with every individual who comes in contact with the Company. The Company's philosophy on Corporate Governance is bounded upon a rich legacy of fair ethical governance practices which has been in practice since the beginning. In fact the company has long been a staunch supporter of this code even before it became mandatory. Integrity, transparency, accountability and compliance with laws which are columns of good governance have always been the hallmark of company. The Company is in full compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement entered into with the Stock Exchanges and in this regard, submits a report on the matters mentioned in the said clause and also the practices followed by the Company as stated below:

BOARD COMPOSITION

Size and Composition of Board of Directors

Board of Directors

- The Company has 4 Directors of which 1 is an Executive Director and 2 are Non-Executive and Independent Directors and a woman director who was appointed as additional director in the category of independent director. The composition of the Board is in conformity with clause 49 of the listing Agreement entered into with the stock Exchanges.
- The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanship /Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of Private Limited Companies, section 25 companies, and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

Name of the Director	Category	Attendance Particulars		No. of Directorship and other committee Membership/Chairmanship			No. of shares held in the Company as on 31.03.2015
		Board Meeting	Last AGM	Directorship	Committee Membership	Chairmanship	
^Shri Davinder Kumar	Executive Director	Nil	No	Nil	Nil	Nil	Nil
Shri Ankit Jalan	Executive Director	7	Yes	1	Nil	Nil	Nil
Shri Sheo Shankar Joshi	Independent Director	7	No	Nil	Nil	Nil	Nil
Shri Kamal Kumar Khetawat	Independent Director	7	Yes	1	Nil	Nil	Nil
Smt Sudha Dhanuka	Additional Director	3	No	Nil	Nil	Nil	Nil

^ Expired on 07.09.2014.

None of the present directors are "Relative" of each other as defined in Section 2 (77) of Companies Act, 2013 and Rule 4 of the companies (Specification of definitions details) Rule 2014

Seven Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

- 30th May, 2014	- 14th August, 2014
- 26th September, 2014	- 10th November, 2014
- 12th November, 2014	- 14th February, 2015
- 31st March, 2015	

During the year, information as mentioned in Annexure X to Clause 49 of the Listing Agreements has been placed before the Board for its consideration.

The company issued formal letters of appointment to independent directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment are disclosed on the website of the company.

The company has formulated a policy to familiarise the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes. The details of such familiarisation programmes are disclosed in the website of the company.

Code of Conduct for Board members and Senior Management

The Board of Directors has laid down the code of conduct for all the Board members and members of the Senior Management of the Company. Additionally all independent directors of the company shall be bound by duties of independent directors as set out in the Companies Act, 2013 read with the Schedules and Rules thereunder.

All the Board members and Senior Management personnel have affirmed compliance with the code of conduct.

The Code of Conduct is available on the website of the company.

BOARD COMMITTEES

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has three committees i.e Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided below:

AUDIT COMMITTEE

The audit committee was reconstituted in accordance with the provisions of Companies Act, 2013 and clause 49 of listing agreement at a board meeting held on 26.09.2014. The major tasks performed by the audit committee may be grouped under the following heads:

Statutory audit, internal audit, reporting and other aspects

- The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Committee acts as a link between the Management, Auditors and the Board of Directors of the Company and has full access to the financial Information.
- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and ensuring timely submission to statutory authorities.
- Reviewing the Management Discussion & Analysis of financial and operational performance.
- Reviewing with the management, the quarterly financial statements and annual financial statements and auditor's report thereon before submission to the board for approval.
- Review the adequacy and effectiveness of the company's system and internal control.
- Evaluation of internal financial controls and risk management systems.
- To review the functioning of the Whistle Blower mechanism.

Audit & other duties

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Discussion with internal auditors of any significant findings and follow up there on.
- Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and internal Auditors considering their independence and effectiveness and their replacement and removal.
- To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.
- To grant approval for related party transactions which are in the ordinary course of business and on an arms length pricing basis and to review and approve such transactions subject to the approval of the Board.

Composition of Audit Committee and attendance of each Director during the meetings held in financial year 2014-15 are given below:

Name	Status	Category	No of Meetings Attended during the year 2014-15
Shri Kamal Kumar Khetawat	Chairman	Non Executive & Independent Director	5
Shri Ankit Jalan	Member	Executive Director	5
Shri Sheo Shankar Joshi	Member	Non Executive & Independent Director	5

Five Audit Committee meetings were held during the year and the gap between two meetings never exceeded four months. The dates on which such meetings were held are as follows:

- 14th August, 2014

- 10th November, 2014

- 12th November, 2014

- 14th February, 2015

The company secretary acts as the secretary to the committee

NOMINATION AND REMUNERATION COMMITTEE

The remuneration committee was renamed and reconstituted as Nomination and Remuneration Committee at a board meeting held on 26.09.2014.

The terms of reference of the committee are as follows:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

Although no remuneration is paid to any director at present the company retains the option to do so in future. As and when it is done it shall be revealed in the report.

The committee meetings were held on 27.09.2014 and 14.02.2015 and both of the committee meetings were chaired during the year by Shri Kamal Kumar Khetawat who has been appointed as chairman. Smt Sudha Dhanuka who was inducted in to the committee during the year also attended both of the meetings. The details of the composition of the Remuneration Committee are as under:

NAME	Status	CATEGORY	No. of meeting during the year 2014-15	
			Held	Attended
Shri Kamal Kumar Khetawat	Chairman	Non-Executive & Independent Director	2	2
Shri Sheo Shankar Joshi	Member	Non-Executive & Independent Director	2	2
Smt Sudha Dhanuka	Member	Additional Director - Independent Category	2	2

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Shareholders / Investors Grievance Committee was renamed and reconstituted as Stakeholders Relationship Committee at a board meeting held on 26.09.2014.

The Committee performs following functions :

- 1 Transfer/Transmission of shares
- 1 Issue of Duplicate Share Certificates.
- 1 Review of Share dematerialization and rematerialization.
- 1 Monitoring the expeditious Redressal of Investor Grievances.
- 1 Monitoring the performance of company's Registrar & Transfer Agent.
- 1 All other matters related to the shares.

During 2014-15 the committee was chaired by Shri Kamal Kumar Khetawat. At present the committee comprises of two Non-Executive Directors and one Executive director. Five meetings were held as under:

28th August, 2014

25th September, 2014

31st March, 2015

The details of composition of the Committee are as under:

NAME	Status	CATEGORY	No. of meeting during the year 2014-15	
			Held	Attended
Shri Kamal Kumar Khetawat	Chairman	Non-Executive & Independent Director	5	5
Shri Ankit Jalan	Member	Executive Director	5	5
Shri Sheo Shankar Joshi	Member	Non-Executive & Independent Director	5	5

Shri Saikat Ghosh, the Company Secretary was the Compliance Officer during the year under review. He performed the functions of monitoring the complaints received vis-à-vis share transfer and other related processes and reported them to the Board. He also carried out his responsibility as liaison officer with the investors and regulatory authorities, such as SEBI, Stock Exchanges, Registrar of Companies, R.B.I. in respect of implementing laws, rules and regulations, and directives of such authorities concerning investor service and complaints.

No complaints were received from the shareholders during the year.

INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on March 31, 2015, inter alia to discuss:

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

FORMULATION OF POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee discussed and thereafter decided upon the policy for selection of appointment of directors and their remuneration. The highlights of this policy are as follows:

- Criteria of selection of Non Executive Directors
 - The Non Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.
 - In case of appointment of Independent Directors, the Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
 - The Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
 - The Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, Professional or business standing;
 - Diversity of the Board.
 - In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.
- Remuneration

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees for participation in the Board / Committee meetings and commission as detailed hereunder:

- A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee meeting attended by him/her at his/her discretion of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;
- The Committee may recommend to the Board, the payment of commission on uniform basis, to reinforce the principles of collective responsibility of the Board.
- The payment of such commission would be at the discretion of board only and shall not exceed 1% of the net profit of the Company;

- iv. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

3. Managing Director & Whole Time Director - Criteria for selection / appointment

For the purpose of selection of the Managing Director or Whole Time Director the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the Managing Director or Whole Time Director

- i. At the time of appointment or re-appointment, the Managing Director or Whole Time Director may be paid such remuneration as may be mutually agreed between the Company (which includes the nomination & Remuneration Committee and the Board of Directors) and the Managing Director or Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
- ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- iii. The remuneration of the Managing Director or Whole Time Director may be broadly divided into fixed and variable components. The fixed component shall comprise salary, allowances, perquisites, amenities and retiral benefits. The variable component shall comprise performance bonus.
- iv. In determining the remuneration (including the fixed increment and performance bonus) the Committee shall ensure / consider the following:
 - a. the relationship of remuneration and performance benchmarks is clear;
 - b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - c. responsibility required to be shouldered by the Managing Director or Whole Time Director, the industry benchmarks and the current trends.

REMUNERATION POLICY FOR THE SENIOR MANAGEMENT EMPLOYEES

- I. In determining the remuneration of the Senior Management Employees (i.e. KMPs and senior officers just below the board level) the Committee shall ensure / consider the following:
 - i. the relationship of remuneration and performance benchmark is clear;
 - ii. the balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals;
 - iii. the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;
 - iv. the remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individuals performance and current compensation trends in the market.
- II. The Managing Director or Whole Time Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors and thereafter shall recommend the annual increment and performance incentive to the Committee for its review and approval.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arms length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company.

Disclosures

The company has always ensured fair code of conduct and maintained transparency. There were no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

In accordance with requirement of Companies Act as well as listing agreement a vigil mechanism has been adopted by the board of directors and accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. A link to such policy is also provided in the website of the company.

Compliances, rules & regulations as laid down by various statutory authorities has always been observed by the company since such change over both in letter as well as in spirit.

The Board has obtained certificates/disclosures from key management personnel confirming they do not have any material financial and commercial interest in transactions with the company at large.

Compliance with Accounting Standards

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provision of the Companies Act, 1956 read with General Circular 8/2014 dated April 04, 2014, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

GENERAL BODY MEETING

The details of last three Annual General Meeting of the Company held are given below :

Financial Year	Location of the Meeting	Date	Time
2011 - 2012	Bengal National Chamber of Commerce & Industry, 23, R.N.Mukherjee Road, Kolkata – 700 001	26.09.2012	10:30 A.M.
2012 - 2013	Bengal National Chamber of Commerce & Industry, 23, R. N. Mukherjee Road, Kolkata – 700 001	25.09.2013	10.30 A.M.
2013 - 2014	Bengal National Chamber of Commerce & Industry, 23, R. N. Mukherjee Road, Kolkata – 700 001	24.09.2014	11.00 A.M

Three special resolutions were passed during the last three Annual General Meetings. No resolution was passed through postal ballot last year.

CEO/CFO CERTIFICATION

As required under Clause 49 IX of the listing agreement with the stock exchanges Shri Ankit Jalan, Executive Director - Finance as well as CFO certify to the Board that:

- a) The financial statements and the Cash Flow Statement for the year have been reviewed and to the best of his knowledge and belief:
 - (i) these statements do not contain any untrue statement of material fact, have not omitted any material fact and do not contain any statement that is misleading;
 - (ii) 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.
- b) To the best of his knowledge and belief no transactions entered into by the company during the year are fraudulent, illegal or violate the Company's code of conduct.

- c) He accepts responsibility for establishing and maintaining internal controls for financial reporting and that he has evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.
- d) He has indicated to the auditors and the Audit Committee:
- Significant changes in the internal control over financial reporting during the year
 - Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - There have been no instances of significant fraud either by the management or an employee having a significant role in the Company's internal control system of financial reporting.

MEANS OF COMMUNICATION

Annual Reports in respect of each financial year are mailed to all shareholders in August/ September of each calendar year. Each Report contains the annual accounts of the company in respect of the financial year with the Directors' and Auditors' Reports. Also included in each Annual Report is the Notice convening the annual general meeting, the financial year's Corporate Governance Report and the cash flow statement together with the corresponding reports of the auditors.

The financial results of the company were officially released or would be released in accordance with the following schedule:

Sl no.	Nature of Communication	Media used for Publication	Date of Publication	Forwarded/to be forwarded to Stock Exchange on
1	Quarterly Un-audited Financial Statements (1st Quarter 2014-15)	Newspaper	17.08.2014	14.08.2014
2	Half -yearly Un-audited Financial Statements (2nd Quarter 2014-15)	Newspaper	13.11.2014	12.11.2014
3	Quarterly Un-audited Financial Statements (3rd Quarter 2014-15)	Newspaper	15.02.2015	14.02.2015
4	Annual Audited Financial Results for the financial year	Newspaper	14.04.2015	11.04.2015

The quarterly, half-yearly and annual financial results were/will be published in eminent daily newspapers like *Business Standard* and *Ekdin/Aajkaal* and also displayed on Coman's website : www.agiopaper.com.

SHAREHOLDER INFORMATION

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PARTICULARS OF DIRECTORS REAPPOINTED

As required under clause 49 of the Listing Agreement, the details of membership of the Director and other relevant details in respect of Directors who are being recommended for reappointment are given hereunder :

Name of the Director	Age	Qualification	Experience	Directorship in other Public Limited Companies
Shri Ankit Jalan	31	MBA-Finance	Shri Ankit Jalan has graduated with Bechelor of science in Business Management from the U.S.A. His area of specialization is finance and heads the finance division of the company	Bengal Orion Financial Hub Ltd.
Smt Sudha Dhanuka	40	B.Com	Smt Sudha Dhanuka possesses business expertise and experience over ten years and as a newly inducted woman director will lend balance to the board	None

Registrar and Transfer Agent

Shareholders may contact the Company's Registrar and Share Transfer Agent (for both physical and demat segments) at the following address for any assistance regarding dematerialization of shares, share transfers, transmission, change of address, non-receipt of annual report and any other query relating to the shares of the Company:

Maheshwari Datamatics Private Limited

6, Mangoe Lane, Kolkata – 700 001

Telephone No: (033) 2243-5809 / 2248-2248

E Mail: mdpldc@yahoo.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

Plant Location

Village – Dhenka

Post - Darrighat, Masturi

District – Bilaspur

Chhatisgarh – 495 551

Telephone: +91 7752 257010

Compliances

Mandatory Requirements

The Company has fully complied with the applicable mandatory requirements of clause 49 of the listing agreement.

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by M/S A.K labh & Co. (CP No.:3238, FCS : 4848) Company Secretaries with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The Auditors' Certificate in regard to the same is submitted to BSE Limited.

A secretarial audit report for the year 2014-15 carried out by M/S Subhasish Bosu & Co, (CP No.:11469, FCS: 7277), Company Secretaries is annexed to the Directors Report and forms a part of the Annual Report.

Adoption of non-mandatory requirements under Listing Agreement

The Board :

Since the company does not have a non executive chairman it does not maintain such office.

Shareholders Rights :

The quarterly and half-yearly financial results are published in widely circulated dailies and also displayed on Company's website www.agiopaper.com. Hence, these are not individually sent to the Shareholders.

Audit Qualification :

The Qualifications given in the Auditors' Report on Financial Accounts are adequately dealt with in Directors' Report.

Separate posts of Chairman and CEO:

The company does not have a CEO and therefore there are no separate posts.

Reporting of Internal Auditor:

The internal auditor reports to audit committee.

General Shareholders Information

Annual General Meeting

- t Date : 30th May, 2015
t Day : Saturday
t Time : 10.30 A.M
t Venue : Bengal National Chamber of Commerce & Industry, 23, R. N. Mukherjee Road, Kolkata – 700 001

FINANCIAL CALENDAR

- o Financial Year : 1st April to 31st March
o For the year ended 31st March, 2015, results were announced on:
- August 2014 : First Quarter
 - November 2014 : Second Quarter
 - February 2015 : Third Quarter
 - April 2015 : Audited Results

Book Closure

The dates of book closure are from 28th May, 2015 to 30th May, 2015 (inclusive of both days).

No dividend recommended considering the closure of the factory of the company.

Listing

At present, the equity shares of the company are listed on the Bombay Stock Exchange Limited (BSE) and the Calcutta Stock Exchange Limited (CSE).

Stock Exchanges	Stock Code
Bombay Stock Exchange Ltd. 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	Demat Segment - 516020
The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata 700 001	Demat Segment – 10021021

SHARE TRANSFER SYSTEM

The Company's shares are in demat mode. The shares received for transfer in physical mode are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respect.

Stock Market Data

Bombay Stock Exchange Limited

Market Price Data as compared to closing Sensex during 2014-2015 :

Month	HIGH (Rs)	LOW (Rs)	Close (Rs)	No of Shares Traded	No of Trades	SENSEX Closing
April, 2014	2.54	2.05	2.05	2,216	13	22,417.80
May, 2014	1.95	1.52	1.52	2,350	22	24,217.34
June, 2014	2.31	1.49	2.31	8,692	63	25,413.78
July, 2014	4.00	2.42	4.00	5,335	83	25,894.97
August, 2014	4.04	3.85	4.00	3,930	28	26,638.11
September, 2014	4.05	3.90	3.90	699	9	26,630.51
October, 2014	-	-	-	-	-	27,865.83
November, 2014	3.72	3.71	3.71	5,273	7	28,693.99
December, 2014	4.19	3.88	4.19	213	12	27,499.42
January, 2015	3.99	3.09	3.09	862	24	29,182.95
February, 2015	2.94	1.80	1.80	11,811	30	29,361.50
March, 2015	1.71	1.45	1.45	2,138	24	27,957.49

Distribution of Shareholding as on 31st March, 2015

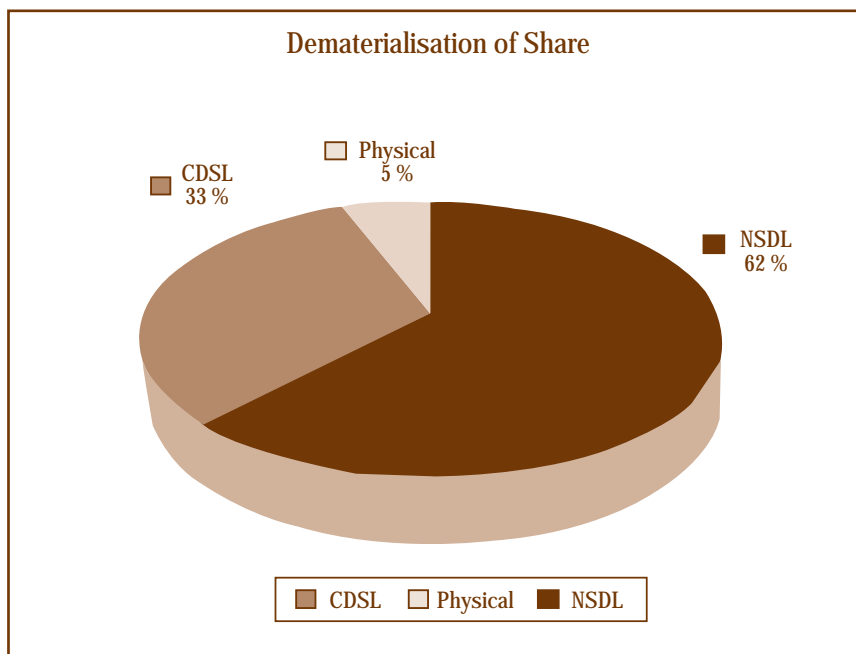
Shareholding	Holders	Percentage %	No of shares	Percentage %
Upto 500	7228	92.4533	10389470	6.4429
501 to 1000	320	4.0931	258436	1.6027
1001 to 2000	120	1.5349	183023	1.1350
2001 to 3000	45	.5756	114791	.7119
3001 to 4000	19	.2430	68580	.4253
4001 to 5000	19	.2430	88074	.5462
5001 to 10,000	32	.4093	226642	1.4055
10001 and above	35	.4477	14146907	87.7306
Grand Total	7818	100.0000	16125400	100.0000

Shareholding pattern as on 31st March, 2015

Category Code	Category	Total Shares	% of Share Capital
A	Shareholding of Promoter & Promoter Group		
	1. Indian Promoters	3,047,157	18.8967
	2. Foreign Promoters	5,695,868	35.3223
	Sub - Total	8,743,025	54.2190
B	Public Shareholding		
	1. Institutions		
	a. Mutual Funds / UTI	6,800	.0421
	b. Financial Institutions / Banks	300	.0019
	c. Central Govt. / State Govt.	Nil	Nil
	d. F.I.I	Nil	Nil
	2 Non Institutions		
	a. Bodies Corporate	340,855	2.1138
	b. Individual Holding		
	i. Nominal Share Capital up to Rs 1 Lakh	1,880,320	11.6606
	ii. Nominal Share Capital in excess of Rs. 1 Lakh	5,140,927	31.8809
	Non Resident Individual	12,623	0.0783
	Others	550	0.0034
	Sub Total	7,382,375	45.7810
	Grand Total	16,125,400	100.00

Physical/NSDL/CDSL/Summary Report as on 31st March, 2015

PARTICULARS	HOLDERS	SHARES	PERCENTAGE (%)
PHYSICAL	4785	835,293	5.1800
NSDL	2053	10,021,050	62.1445
CDSL	980	5,269,057	32.6755
TOTAL	7818	16,125,400	100.0000



ADDRESS OF CORRESPONDENCE

Shareholders may contact:

Shri Saikat Ghosh,
(Company Secretary)

Agio Paper & Industries Ltd.
41A, AJC Bose Road
Suite No. 505
Kolkata – 700 017
Telephone : (033) 4022 – 5900/5901
E-mail : ho@agiopaper.com
E-mail : redressal@agiopaper.com

TO WHOMSOEVER IT MAY CONCERN

I, Ankit Jalan, the Executive Director of the Company, do hereby declare that all the Board Members and Senior Management personnel of the Company have affirmed their compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to the requirements of Clause 49 of the Listing Agreements with the Stock Exchanges.

Place: Kolkata

Date: 11th April, 2015

Ankit Jalan

Executive Director

SECRETARIAL AUDITORS CERTIFICATE OF COMPLIANCES WITH THE CORPORATE GOVERNANCE
REQUIREMENT UNDER CLAUSE 49 OF THE LISTING AGREEMENT

TO THE MEMBERS OF

AGIO PAPER & INDUSTRIES LIMITED

We have examined the compliance of Corporate Governance by Agio Paper & Industries Limited for the year ended on 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

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

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

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

For Subhasis Bosu & Co.
Company Secretaries

Sd/-
(Subhasis Bosu)
CP NO : 11469

Membership No. F-7277

53, N. S. Road, Kolkata - 700 001
The 11th Day of April, 2015

INDEPENDENT AUDITORS' REPORT

To The Members of Agio Paper & industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Agio Paper & industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 qualified audit opinion on the financial statements.

Basis for Qualified Opinion

The Paper Factory of the Company has been under shut down since 6th October, 2010 to fulfil certain pollution control measures as enumerated in note no. 2.18.F in the financial statements. As further explained in note no 2.18.G, based on the future plans and valuation of fixed assets, the management of the Company is not envisaging any impairment loss in the fixed assets & Capital Work in Progress of the Company as at the balance sheet date as per the requirements of Accounting Standard AS- 28 on "Impairment of Assets". However in absence of any certainty towards future plans of the Company or a binding sale agreement at arm's length basis indicating the amount obtainable from sale of fixed assets & Capital Work in progress, we are unable to comment on the quantum of impairment loss on the fixed assets & Capital Work in progress, if any, at the balance sheet date.

The impact of the above on the financial statements therefore could not be determined.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the basis of qualified opinion paragraph, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to the following matter in the Notes to the financial statements:

Note no. 2.18.E & Note No. 2.18.F indicates fact that the net worth of the Company is completely eroded and the production facility at the paper factory is at a halt due to reasons mentioned in the note. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the above notes. The appropriateness of the said basis is interalia dependent on the Company's ability to infuse requisite funds for meeting its obligations, repayment of term loans and resuming normal operations.

Our opinion is not modified in respect of above matter.

Report on Other Legal and Regulatory Requirements

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. Except for the effects of the matter described in the basis for qualified opinion paragraph, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. The matter described in the "Basis of Qualified Opinion" paragraph and in the "Emphasis of Matter" paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f. On the basis of the written representations received from the directors as on 31st March, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The company neither entered into any derivative contract during the year nor have any outstanding derivative contract at the year-end.
 - iii. The provisions relating to transferring any amounts to the Investor Education and Protection Fund is not applicable to the Company during the year.

For and on behalf of
Singhi & Co
Chartered Accountants
Firm Registration No. 302049E

Gopal Jain
Partner
Membership No - 059147

Date : 11th April, 2015

AGIO PAPER & INDUSTRIES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in Rs.)

	Note No.	As at March 31, 2015		As at March 31, 2014	
EQUITY AND LIABILITIES					
Shareholders' Fund					
Share Capital	2.1	161,273,500		161,273,500	
Reserves & Surplus	2.2	(184,981,285)	(23,707,785)	(219,343,618)	(58,070,118)
Non-Current Liabilities					
Long-term borrowings	2.3	213,800,000		198,000,000	
Long term provision	2.4	457,560	214,257,560	886,686	198,886,686
Current Liabilities					
Short-Term Borrowings	2.5	163,800,000		121,200,000	
Trade payables	2.6	7,386,002		8,907,523	
Other current liabilities	2.7	67,145,641		178,775,817	
Short-Term Provisions	2.4	4,511,093	242,842,736	4,452,065	313,335,405
TOTAL			433,392,511		454,151,973
ASSETS					
NON CURRENT ASSETS					
Fixed Assets	2.8				
Tangible Assets		41,377,410		44,884,858	
Capital Work-In-Progress		358,271,041		358,271,042	
Long-Term Loans And Advances	2.9	8,954,562		8,843,192	
Other Non-Current Assets	2.10	-	408,603,013	-	411,999,092
CURRENT ASSETS					
Inventories	2.11	16,422,965		17,277,065	
Cash & Bank Balances	2.12	1,408,806		10,947,228	
Short Term Loans & Advances	2.9	6,838,698		12,858,342	
Other Current Assets	2.13	119,029	24,789,498	1,070,246	42,152,881
TOTAL			433,392,511		454,151,973

SIGNIFICANT ACCOUNTING POLICIES

1

The accompanying notes (1 to 2.18) and Cash Flow Statement are an integral part of the Financial Statements.

As per our report of even date annexed

For and on behalf of Board of Directors

For SINGHI & CO.

Chartered Accountants

Firm Registration No. 302049E

Gopal Jain
Partner

SAIKAT GHOSH

ANKIT JALAN

K K KHETAWAT

Membership No - 059147
Kolkata : 11th April, 2015

(Company Secretary)

(Executive Director)

(Director)

AGIO PAPER & INDUSTRIES LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

	Note No.	For the Year ended 31st March, 2015	For the Year ended 31st March, 2014
INCOME			
Other Income	2.14	47,474,555	7,041,630
TOTAL		<u>47,474,555</u>	<u>7,041,630</u>
EXPENSES			
Employee Benefit Expense	2.15	3,054,488	3,543,624
Financial costs	2.16	-	49,560,522
Other Expenses	2.17	7,171,394	8,844,645
TOTAL		<u>10,225,882</u>	<u>61,948,791</u>
Profit before Tax, Depreciation and Amortization		37,248,673	(54,907,161)
Depreciation and Amortization Expense	2.8	2,886,340	2,756,741
Profit / (Loss) before Tax		<u>34,362,333</u>	<u>(57,663,902)</u>
Tax expense:			
Current Tax		-	-
Deferred Tax		-	-
Profit / (Loss) for the year		<u>34,362,333</u>	<u>(57,663,902)</u>
Basic & Diluted Earning Per Share (in Rs.)		2.13	(3.58)
[nominal value Rs.10/]			
(Refer Note No. 2.18.P)			

SIGNIFICANT ACCOUNTING POLICIES

1

The accompanying notes (1 to 2.18) and Cash Flow Statement are an integral part of the Financial Statements.

As per our report of even date annexed

For and on behalf of Board of Directors

For SINGHI & CO.

Chartered Accountants

Firm Registration No. 302049E

Gopal Jain
Partner

SAIKAT GHOSH

ANKIT JALAN

K K KHETAWAT

Mebership No - 059147
Kolkata : 11th April, 2015

(Company Secretary)

(Executive Director)

(Director)

AGIO PAPER & INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

	2014-15 (Rs.)	2013-14 (Rs.)
(A) CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax and extraordinary items:	34,362,333	(57,663,902)
Adjustments for:		
Depreciation/Amortisation	2,886,340	2,756,741
Adj. on a/c of transitional provision of schedule II	220,154	-
Sundry Balances/Liabilities no longer required written back	(45,972,530)	(5,096,396)
Sundry balance written off	257,452	109,027
Provision for Doubtful Debt/Advances	-	1,594,463
Loss/Gain on Sale/Discard of Fixed Assets(Net)	139,049	(222,489)
Loss on Sale/Discard of Stores Materials	854,100	609,144
Provision for Contingency (net of reversal)	-	20,000
Finance Cost	-	49,560,522
Interest Income	(936,666)	(890,887)
	<u>(42,552,101)</u>	<u>48,440,125</u>
Operating Profit before working capital changes	(8,189,768)	(9,223,777)
Adjustments for:		
(Increase)/Decrease in Trade Receivable	-	559,047
(Increase)/Decrease in Other Receivable	5,753,726	386,643
(Increase)/Decrease in Inventory	-	826,950
Increase/(Decrease) in Trade Payable	(1,447,166)	435,636
Increase/(Decrease) in Other Liabilities	(312,261)	<u>169,063</u>
Cash generation from operations	<u>(4,195,469)</u>	<u>(9,054,714)</u>
Direct Taxes (paid)/refund	<u>(92,741)</u>	<u>(89,091)</u>
Net cash flow from/(used in) Operating Activities	<u>(4,288,210)</u>	<u>(9,143,805)</u>
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Fixed Assets	261,905	608,250
Refund of Capital Advance	-	507,431
Bank Fixed Deposit	(234,227)	-
Interest Received	<u>1,887,883</u>	<u>627,738</u>
	<u>1,915,561</u>	<u>1,743,419</u>
	<u>(2,372,649)</u>	<u>(7,400,386)</u>
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Repayment of long term borrowings	(50,000,000)	-
Proceeds from short term loans (net)	42,600,000	16,700,000
	<u>(7,400,000)</u>	<u>16,700,000</u>
Net Increase/(Decrease) in Cash and Cash equivalents	<u>(9,772,649)</u>	<u>9,299,614</u>
Cash and Cash equivalents as at 1st April, 2014	<u>10,186,455</u>	<u>886,841</u>
Cash and Cash equivalents as at 31st March, 2015	<u>413,806</u>	<u>10,186,455</u>

- 1 Cash & cash equivalent at the year end represents cash in hand and bank balance with schedule Banks as reflected in note 2.12 and are available for use in the ordinary course of business.
- 2 The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard on Cash Flow Statement (AS-3).
- 3 Previous Year's figures have been recast, regrouped and restated where ever necessary.

As per our report of even date annexed
For SINGHI & CO.
Chartered Accountants
Firm Registration No. 302049E

For and on behalf of Board of Directors

Gopal Jain
Partner
Membership No - 059147
Kolkata : 11th April, 2015

SAIKAT GHOSH
(Company Secretary)

ANKIT JALAN
(Executive Director)

K K KHETAWAT
(Director)

AGIO PAPER & INDUSTRIES LIMITED

NOTES ON ACCOUNT

1 SIGNIFICANT ACCOUNTING POLICIES:

I Basis of Accounting

The financial statements have been prepared on mercantile basis of accounting in accordance with the historical cost convention and in compliance with mandatory accounting standards as notified in the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of Companies Act, 2013.

II Fixed Assets, Depreciation & Amortization:

- a) Fixed asset are stated at cost including expenses incurred up to the date of their installation/commissioning as reduced by accumulated depreciation/impairment provided in the accounts. Capital work-in-progress is stated at cost.
- b) Machinery spares which can be used only in connection with an item of fixed assets and whose use as per technical assessment is expected to be irregular are capitalised and depreciated over the residual life of the respective assets.
- c) Depreciation on fixed assets is provided on depreciable value of assets using straight-line method on the basis of useful life specified in Schedule II to the Companies Act, 2013.
- d) Leasehold lands are amortized over the lease period.

III Intangible Assets

Cost incurred on intangible assets, resulting in future economic benefits are capitalized as intangible assets and amortized on a straight-line method beginning from the date of capitalization over a period of 3-5 years.

IV Impairment of Assets:

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

V Inventories :

- a) Finished Goods (including goods in transit) and work-in-process are valued at cost or net realizable value, whichever is lower.
- b) Raw material and stores are valued at cost or net realizable value, whichever is lower.
- c) Cost comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and conditions. Cost formula used is weighted average cost.
- d) Net realizable value is the estimated selling price in ordinary course of business less estimated cost of completion and estimated cost necessary to make the sale.
- e) Materials and other items held for use in the production of Inventories are not written down below the costs of the finished products in which they will be incorporated are expected to be sold at or above cost.
- f) Provision is made for obsolete and slow moving stocks where necessary.

VI Borrowing Cost:

Borrowing cost that is attributable to the acquisition or construction of qualifying assets is capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to set ready for its intended use. All other borrowing costs are charged to revenue.

VII Foreign Currency Transaction :

Foreign currency transactions are recorded on the basis of exchange rate prevailing at the date of the transactions. Any gain or loss on settlement of monetary items denominated in foreign currencies transactions during the year or at the time of translation at the year end rates is recognized in the statement of profit & loss.

Exchange difference arising on long term foreign currency monetary items has been accounted in accordance with option granted vide notification no. GSR 225(E) dated 31.03.2009 issued by the Ministry of Corporate affairs wherein exchange difference arising on restatement of long term foreign currency monetary items (other than for acquisition of depreciable capital assets) have been recognized over the shorter of the maturity period of monetary items or 31st March 2011. The unrecognized amount is reflected as foreign currency translation reserve as part of reserve and surplus.

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON ACCOUNT

VIII Recognition of Income & Expenditure :

- a) Sales revenue is recognised on transfer of the significant risks and rewards of ownership of the goods to the buyer and is stated at net of trade discount, rebates and return.
- b) Other income and expenditure are accounted for on accrual basis.

IX Employee Benefits:

a) Short Term Employees Benefits:

The undiscounted amount of short term employee benefit expected to be paid in exchange for the services rendered by the employee is recognized during the period when the employee renders the service. This benefit includes salary, wages, short term compensation and payment under VRS.

b) Long Term Employee Benefits:

- i Defined Contribution Scheme: The benefit includes contribution to provident fund schemes and ESIC (Employee State Insurance Corporation). The contribution is recognized during the period in which the employee renders service.
- ii Defined Benefit Scheme: For defined benefit scheme the cost of providing benefit is determined using the projected unit credit method with actuarial valuation being carried out at each balance sheet date. The retirement benefit obligation recognized in the balance sheet represents value of defined benefit obligation. Actuarial gains and losses are recognized in full during the period in which they occur.
- iii Other Long Term Benefit: Long term compensated absence is provided for on the basis of actuarial valuation, using the projected unit credit method as at the date of balance sheet.

X Research and Development :

Research costs are expensed as and when incurred. The development expenses on cost of internal projects is also expensed as incurred, unless they meet asset recognition criteria as defined in AS-26 "Intangible Assets".

XI Accounting for Taxes on Income

Provision for taxation comprises of current tax and deferred tax. The deferred tax charge or credit is recognised, using subsequently enacted tax rates for timing differences between book and tax profits.

Deferred tax assets arising on account of carry forward losses and unabsorbed depreciation are recognised only when there is virtual certainty of realization of such assets. Other deferred tax assets are recognised to the extent there is reasonable certainty of realization in future.

Tax Credit for Minimum Alternate Tax (MAT) is recognized when there is convincing evidence of its realisability against future normal tax liability.

XII Leases

For assets acquired under operating lease, rentals payable are charged to statement of profit and loss on a straight line basis over a lease term.

For assets acquired under finance lease, the assets are capitalized at lower of their respective fair value and present value of minimum lease payments after discounting them at an appropriate discount rate.

XIII Earning Per Share:

Basic earning per share is calculated by dividing the net profit / Loss for the year attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive equity share.

XIV Provisions, Contingent Liabilities and Contingent Assets:

A Provision is recognized when there is a present obligation as a result of amount of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. No provision is recognized or disclosure for contingent liability is made when there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Assets is neither recognized nor disclosed in the financial statements.

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

	As at 31st March, 2015	As at 31st March, 2014
2.1 SHARE CAPITAL		
AUTHORIZED		
Equity Shares :		
18,000,000 Ordinary Shares of Rs.10/- each	180,000,000	180,000,000
Preference Shares :		
200,000 10% Non-cumulative Redemable Shares of Rs.100/- each	20,000,000	20,000,000
	<u>200,000,000</u>	<u>200,000,000</u>
ISSUED, SUBSCRIBED & PAID-UP		
1,61,25,400 Ordinary Shares of Rs.10/- each fully paid-up	161,254,000	161,254,000
Add : Shares forfeited (Amount paid up)	19,500	19,500
	<u>161,273,500</u>	<u>161,273,500</u>
a) Reconciliation of Shares Outstanding at the beginning and at the end of year		
	<u>No. of Shares</u>	<u>No. of Shares</u>
Shares outstanding at the beginning of the year	16,125,400	16,125,400
Shares outstanding at the end of the year	<u>16,125,400</u>	<u>16,125,400</u>

- b) The Company has only one class of issued shares i.e. Ordinary Shares having par value of Rs.10/- per share. Each holder of Ordinary Share is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.
- c) The Company does not have any holding company or ultimate holding company.
- d) Details of shareholders holding more than 5% shares in the Company:

Sl. No.	Particulars	As at 31st March, 2015		As at 31st March, 2014	
		No. of Shares	% holding	No. of Shares	% holding
	Ordinary Shares of Rs.10/- each fully paid up				
1)	Murari Lal Jalan	5,695,868	35.32	5,695,868	35.32
2)	Arrow Syntex Private Limited	2,938,194	18.22	2,938,194	18.22
3)	Bharat Mekani	1,500,000	9.30	1,500,000	9.30
4)	Babulal Bahadur	1,500,000	9.30	1,500,000	9.30
5)	Anand Purohit	1,500,000	9.30	1,500,000	9.30

- e) No Ordinary Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestment as at the Balance Sheet date.
- f) No Ordinary Shares have been bought back by the Company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

	As at 31st March, 2015	As at 31st March, 2014
2.2 RESERVES & SURPLUS		
Capital Redemption Reserve	10,000	10,000
Securities Premium	50,627,000	50,627,000
Surplus / (Deficit)		
As per the last Financial Statements	(269,980,618)	(212,316,717)
Add : Profit/(Loss) for the year	34,362,333	(57,663,902)
Net Surplus / (Deficit)	<u>(235,618,285)</u>	<u>(269,980,618)</u>
Total	<u>(184,981,285)</u>	<u>(219,343,618)</u>

	Non-current portion		Current Maturities	
	As at 31st March 2015	As at 31st March 2014	As at 31st March, 2015	As at 31st March 2014
2.3 LONG TERM BORROWINGS				
SECURED				
(Refer note no.2.18.D)				
Term Loan from Bank	213,800,000	133,000,000	61,200,000	32,000,000
Working Capital Term Loan from Bank	-	50,000,000	-	40,000,000
Funded Interest Term Loan from Bank (FITL)	-	15,000,000	-	35,000,000
Total Secured Borrowings	<u>213,800,000</u>	<u>198,000,000</u>	<u>61,200,000</u>	<u>107,000,000</u>
Amount disclosed under the head "Other Current Liabilities" (Note no. 2.7)			(61,200,000)	(107,000,000)
	<u>213,800,000</u>	<u>198,000,000</u>	<u>-</u>	<u>-</u>

Security

Term Loan is secured by equitable mortgage of all fixed assets including leasehold/freehold land, building and Capital Work in Progress (both present & future). The above loan are also guaranteed by a relative of director.

Maturity Profile of the above loans

Nature of Loan	Amount	2015-16	2016-17	2017-18
Term Loan	275,000,000	61,200,000	99,800,000	114,000,000
	275,000,000	61,200,000	99,800,000	114,000,000

Note: Term Loan is repayable in 4 equal quarterly installments of Rs.1.53 crores each in 2015-16, 4 equal quarterly installments of Rs.2.49 crores each in 2016-17 and balance 4 equal quarterly installments of Rs.2.85 crores in 2017-18

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

	Long Term		Short Term	
	As at 31st March 2015	As at 31st March 2014	As at 31st March, 2015	As at 31st March 2014
2.4 PROVISION				
Provision for Employees Benefits				
Leave	-	63,404	5,551	17,886
Gratuity	457,560	823,282	570,109	498,747
Other Provisions				
Provision for Contingency	-	-	3,935,432	3,935,432
	<u>457,560</u>	<u>886,686</u>	<u>4,511,092</u>	<u>4,452,065</u>

	As at 31st March, 2015	As at 31st March, 2014
2.5 SHORT TERM BORROWINGS (Unsecured)		
From a Body Corporates	121,200,000	121,200,000
Includes Rs. 12,12,00,000 (P.Y Rs.12,12,00,000 from a related party (Refer Note No. 2.18.N)		
From a Director	42,600,000	-
Includes Rs. 4,26,00,000 (P.Y Rs.Nil from a related party (Refer Note No. 2.18.N)		
	<u>163,800,000</u>	<u>121,200,000</u>
2.6 TRADE PAYABLES		
For Goods and Services	7,386,002	8,907,523
	<u>7,386,002</u>	<u>8,907,523</u>
2.7 OTHER CURRENT LIABILITIES		
Current maturities of Long Term Debt (See Note 2.3)	61,200,000	107,000,000
Interest accrued but not due on long term borrowings	-	4,486,419
Interest accrued and due on long term borrowings	-	60,563,782
Statutory Dues Payable	3,432,221	3,150,654
Amount payable for Capital Goods	325,384	863,020
Advances Received from Customers	-	300,177
Employee related liability	348,768	498,497
Deposit From customers & others	1,839,268	1,913,268
	<u>67,145,641</u>	<u>178,775,817</u>

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

2.8 Fixed Assets

(Amount in Rs.)

TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION & AMORTIZATION				NET BLOCK	
	Value as on 31.03.2014	Additions	Sale/ Adjustment	Total Value as on 31.03.2015	Upto 31.03.2014	For the Year	Sales / Adjustment (refer Note below)	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Land :										
- Freehold	958,276	-	-	958,276	-	-	-	-	958,276	958,276
- Leasehold	59,541	-	-	59,541	18,040	598	-	18,638	40,903	41,501
Building	35,518,290	-	-	35,518,290	20,487,448	906,691	(224,650)	21,618,789	13,899,501	15,030,842
Plant & Machinery	202,461,567	-	-	202,461,567	179,413,050	709,193	67,900	180,054,343	22,407,224	23,048,517
Furniture & Fittings	8,466,149	-	-	8,466,149	4,688,189	532,341	(43,694)	5,264,224	3,201,925	3,777,960
Computers	2,572,202	-	-	2,572,202	2,500,679	-	37,944	2,462,735	109,467	71,523
Office Equipments	1,964,043	-	-	1,964,043	711,280	513,733	(131,831)	1,356,844	607,199	1,252,763
Vehicles	4,494,196	-	1,322,980	3,171,216	3,790,720	223,784	996,203	3,018,301	152,915	703,476
TOTAL :	256,494,264	-	1,322,980	255,171,284	211,609,406	2,886,340	701,872	213,793,874	41,377,410	44,884,858
PREVIOUS YEAR	258,384,135	-	1,889,871	256,494,264	210,356,775	2,756,741	1,504,110	211,609,406	44,884,858	
CAPITAL WORK IN									358,271,042	358,271,042

Note : Includes Rs. 220154 (P.Y Nil) on account of adjustment due to transitional provision of schedule II of the Companies Act 2013 as on 01-04-2014.

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

	Long Term		Short Term	
	As at 31st March 2015	As at 31st March 2014	As at 31st March, 2015	As at 31st March 2014
2.9 LOANS & ADVANCES				
(Unsecured & considered good, unless otherwise mentioned)				
Capital Advances				
Considered Good	5,384,458	5,374,297	-	-
Considered doubtful	1,272,648	1,221,788		
Less : Provision	(1,272,648)	(1,221,788)		
Security Deposits	181,214	167,746	35,000	105,421
Other Loans and Advances				
Advance Tax and TDS (Net of provisions)	553,125	460,384	-	-
Income Tax Refundable	542,479	542,479	-	-
MAT credit Entitlement (Net of Provision Rs.59,06,409, P.Y. Rs.59,09,406)	-	-		
Considered good			1,126,413	7,061,855
Considered doubtful			455,551	5,255,196
Less : Provision	-	-	(455,551)	(5,255,196)
Balances with Government & Statutory Authorities	-	-	5,677,285	5,691,066
Deposit with Govt. Authorities	2,293,286	2,298,286	-	-
	<u>8,954,562</u>	<u>8,843,192</u>	<u>6,838,698</u>	<u>12,858,342</u>

	As at 31st March, 2015	As at 31st March, 2014
2.10 OTHER NON-CURRENT ASSETS		
TRADE RECEIVABLES		
Outstanding for a period exceeding six months		
Unsecured, considered good	-	-
Doubtful	2,983,320	2,983,320
	<u>2,983,320</u>	<u>2,983,320</u>
Less : Provision for doubtful receivables	2,983,320	2,983,320
	<u>-</u>	<u>-</u>
2.11 INVENTORIES		
(As valued and certified by the Management)		
Stores and Spares (net of obsolescence)*	16,422,965	17,277,065
	<u>16,422,965</u>	<u>17,277,065</u>

*Including Rs. 15,59,476 (P.Y Rs. 15,59,476) lying with third party

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

	As at 31st March, 2015	As at 31st March, 2014
2.12 CASH AND BANK BALANCES		
Cash and Cash Equivalents		
Balances With Banks :		
In Current Account	405,994	178,093
Cash on hand	7,812	8,362
Fixed deposit with bank	-	10,000,000
Other Bank Balance		
Fixed deposit with bank	995,000	760,773
(having maturity beyond 12 Months)	<u>1,408,806</u>	<u>10,947,228</u>
(kept as lien)		
2.13 OTHER CURRENT ASSETS		
Interest accrued on deposit	119,029	1,070,246
	<u>119,029</u>	<u>1,070,246</u>
2.14 OTHER INCOME		
Interest Income		
On Bank Deposits	927,200	292,023
On Other Deposit	9,466	598,864
Other Non Operating Income		
Gain on sale of Fixed Asstes	-	222,489
Sundry Balances/ Liabilities/borrowings no longer required written back	45,972,530	5,096,396
(Including Rs.4,50,50,201 (P.Y-Nil) written back on account of compromise settlement with lender Bank refer no.2.18D)		
Miscellaneous Income	565,359	831,858
	<u>47,474,555</u>	<u>7,041,630</u>
2.15 EMPLOYEE BENEFIT EXPENSE		
Salaries & Wages	2,483,734	3,000,515
Contribution to Provident Funds and Others	195,122	245,255
Gratuity Fund	332,847	154,921
Staff Welfare Expenses	42,785	142,933
	<u>3,054,488</u>	<u>3,543,624</u>
2.16 FINANCE COST		
Interest Expenses		
Term Loans	-	49,534,989
(Excluding Rs.4,22,92,645/- (P.Y. Nil) accrued from 01.04.2014 to 31.12.2014 on Term Loans from a bank which has been written back pursuant to compromise settlement. Refer Note 2.18.D)		
Others borrowing Cost	-	25,533
	<u>-</u>	<u>49,560,522</u>

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Rs.)

	As at 31st March, 2015	As at 31st March, 2014
2.17 OTHER EXPENSES		
MANUFACTURING EXPENSES		
Stores, Spare Parts & Packing Materials Consumed	93,050	471,046
Power & Fuel	605,730	942,188
Repairs to Buildings	8,196	8,723
Repairs to Machinery	17,993	42,093
Repairs to Other Assets	10,365	8,840
	<u>735,334</u>	<u>1,472,890</u>
SELLING AND ADMINISTRATION		
Rent	161,247	58,643
Rates & Taxes	277,278	284,603
Insurance	169,081	197,477
Vehicle Running & Maintenance Expense	166,003	581,426
Auditors' Remuneration -		
Statutory Auditors -		
Auditor	125,000	125,000
Issue of Certificates	75,000	80,500
Tax Audit	-	25,000
Reimbursement of Service Tax	24,720	28,428
Cost Auditors' Remuneration		
Other Services	-	15,000
Travelling Expenses	131,317	140,444
Security Charges	2,426,521	2,247,684
Advances Written off	4,748,485	
Less : Provision for doubtful advances	<u>4,748,485</u>	-
Loss on Sale/Discard of Stores Materials	854,100	609,144
Loss on Sale/Discard of Fixed Assets (Net)	139,049	-
Provision for doubtful debts/Advances	-	1,594,463
Provision for Contingency (net of reversal)	-	20,000
Prior Period Expenses	93,285	78,934
Adjustment on account of transitional provision of schedule II. Refer Note No. 2.8	220,154	-
Other Miscellaneous Expenses	1,573,304	1,285,509
	<u>6,436,059</u>	<u>7,371,755</u>
	<u>7,171,394</u>	<u>8,844,645</u>

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

2.18 Contingent and disputed liabilities not provided for:-

A (i) Claims against the Company not acknowledged as debts

(Amount in Rs.)

		As at 31st March, 2015	As at 31st March, 2014
i)	Disallowance of Modvat Credit on input items Felts & etc from November, 1991 to May, 1992	320,192	320,192
ii)	Disputed income tax liability relating to disallowance of depreciation in calculation of book profit under MAT provisions pending before Kolkata High Court for the financial year 1996- 1997.	-	796,364
iii)	Disputed income tax liability relating to imposition of interest on advance tax not paid u/s 154 pending before Deputy Commissioner of Income Tax, Kolkata for the financial year 2007-2008.	550,000	550,000

(ii) Civil Cases Pending

SL	Name of Party	Before the Court	Nature	Brief Description
a	Rajlakshmi Chemicals Industries	Learned Civil Judge (Sr. Division) - Pune	Against Supply of Material	Suit claiming a decree for Rs 241,000 (PY 241,000) with interest from the interest from the date of suit till completion.

The above claims / demands are at various stages of appeal and in the opinion of the Company are not tenable.

- B** Estimated amount of contracts remaining to be executed on Capital Account not provided for Rs. nil, (net of advance), Previous Financial Year Rs. nil (net of advance).
- C** Bank guarantee outstanding at the year end is Rs.7,45,000 (Previous year Rs.15,10,773).
- D.i** During the year the Company has reached to a compromise settlement with the lender bank and vide bank's letter dated 27th March 2015, the entire dues to the bank as on 27th March 2015 have been settled at a fixed sum which shall be repayable without any further interest as per the terms of settlement. Accordingly a sum of Rs. 5,00,00,000 was paid to the bank by the company till 31st March 2015. Further a sum of Rs. 4,50,50,201/- representing liability for interest towards various facilities availed from the bank in earlier years have been written back during the year in lieu of settlement.
- ii** The interest on various facilities from the bank amounting to Rs.4,22,92,645 provided during the year for the period 1st April 2014 to 31st December 2014 has also been reversed at the end of the year in lieu of above settlement.
- E** The net worth of the Company has been fully eroded. These financial statements have been prepared on a going concern basis based on the future strategic plan envisaged by the management for the revival of the company and on the basis of a comfort letter received from a promoter company confirming their continued financial support. Further the Board of directors have decided in their meeting dated 11th April 2015 to explore various avenues to raise funds to repay the term loan.
- F** The paper factory remains under shut down w.e.f. 6th October, 2010 to fulfil certain pollution control measures as laid down by Central Pollution Control Board. The management of the company is taking active steps to comply with the required norms to start the factory. The management is also actively considering to begin paper production through alternate means. As reported earlier, the new paper mill with an annual capacity of 18,000 MT is under installation and waiting for necessary clearance to commence production as mentioned above. The power plant also could not be started due to non operation of the paper mill and thus still kept under capital work in progress.
- G** In compliance with Accounting Standard AS-28 relating to "Impairment of Assets", the company has reviewed the carrying amount of its fixed assets & Capital work in progress as at the end of the year. Based on the future strategic plans and the valuation report of the fixed assets of the company, no impairment of fixed assets & Capital work in progress has been envisaged at the balance sheet date.
- H** In view of the requirements of Schedule II of the Companies Act 2013 ("Act"), depreciation for the year has been provided based on the lives prescribed under the schedule II. Further in view of transitional provision of the Schedule II, a sum of Rs. 2,20,154/- has been recognised in the Statement of Profit & Loss on account of those assets whose useful life was nil as on 31st March 2014 as per the provision of Schedule II. Further due to applicability of schedule II during the year, the depreciation for the year is higher by Rs.2.43 lacs.
- I** Balance confirmations from some of the parties of trade receivable, unsecured loans, advances and trade payable are yet to be received.

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

J Employee Benefits:

a) Defined Contribution Plan:

The Company makes contribution towards provident fund and Employee's State Insurance Corporation (ESIC) to a defined contribution retirement benefit plan for qualifying employees. The Provident Fund plan and ESIC are operated by concerned Government agencies created for the purpose. Under the said schemes the company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the Scheme to fund the benefits. The contribution payable to these plans by the company is at the rates specified in the rules of the scheme.

During the year the company has contributed Rs. 1,37,765 (P.Y Rs1,70,409) for Provident Fund and Rs. 57,357 (P.Y Rs.74,846) for ESI Fund. The contributions payable to these plans by the Company are at the rates specified in the rules of the scheme.

b) Defined Benefits Plan:

i) Gratuity: 15 days salary for every completed year of service. Vesting period is 5 years and payment is restricted to Rs. 10.00 lacs.

ii) Leave: The employees of the Company are also eligible for encashment of leave on retirement.

iii) The present value of defined obligation and related current cost are measured using the Projected Credit Method with actuarial valuation being carried out at each balance sheet date.

(Amount in Rs.)

Expenses recognized for the year ended 31st March, 2015		Gratuity (Unfunded)	
		2014-15	2013-14
i)	Current Service Cost	47,035	66,332
ii)	Interest Cost	88,114	129,506
iii)	Actuarial (Gain) / Losses	197,698	(40,917)
iv)	Expenses Recognized in Statement of Profit & Loss	332,847	154,921
Net (Asset) / Liabilities Recognized in Balance Sheet			
i)	Present Value of Defined Benefit Obligation	1,027,669	1,322,029
ii)	Net (Asset)/ Liabilities recognized in Balance Sheet	1,027,669	1,322,029
Changes in Present Value of Defined Benefit Obligation during the year			
i)	Present Value of Defined Benefit Obligation at the beginning of the year	1,322,029	1,555,884
ii)	Current Service Cost	47,035	66,332
iii)	Interest Cost	88,114	129,506
iv)	Actuarial (Gain) / Losses	197,698	(40,917)
v)	Benefit Paid	(627,207)	(388,776)
vi)	Present Value of Obligation at the end of the year	1,027,669	1,322,029
Principle Actuarial Assumptions used			
i)	Discount Rate per annum	7.50%	9.00%
ii)	Expected Salary increase	5.00%	7.00%
iii)	Morbidity	No explicit allowance	
iv)	Withdrawal	2% to 1% depending on the age and length of service	
v)	Normal age of retirement	58 years	
vi)	Mortality	LIC(2006-08), ultimate table	

c) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

- d) The table below illustrates experience adjustment disclosure as per para 120(n)(ii) of Accounting Standard 15 -Employee Benefits.

(Rs in Lacs)

	2014-15	2013-14	2012-13	2011-12	2010-11
Defined benefit obligation	10.28	13.22	15.56	67.41	70.55
Surplus / (Deficit)	10.28	13.22	15.56	67.41	70.55
Experience adjustments on plan liabilities	1.98	(0.41)	17.01	(3.34)	5.05

- e) The disclosure as required by Para 120 of Accounting Standard – 15 “Employee Benefit” has been made to the extent applicable to the Company.

K No borrowing cost as per Accounting Standard -16 "Borrowing Costs" has been capitalised during the year.

L The company does not have any exposure in foreign currency at the year end.

M Segment Reporting

The Company's business activities fall within a single primary reportable segment viz., Writing & Printing Paper. Accordingly, pursuant to Accounting Standard (AS)-17 on Segment Reporting, Segmental Information is not given.

N Related party's disclosures under AS- 18

Sl	Name of Parties	Relationship
i.	Arrow Syntax Pvt. Ltd.	Associate Company and having significant influence over the Company
ii.	Ankit Jalan - Whole Time Director	Key Management Personnel
iii.	D. Kumar – Whole Time Director	Key Management Personnel (Ceased to exist w.e.f 7th September, 2014.)

Related party transactions under Accounting Standard (AS)- 18

(Amount in Rs.)

Related Party Transactions	Associate Enterprises having Common Director	
	2014-15	2013-14
Unsecured Loan		
Paid	6,060,000	-
Received	48,660,000	16,700,000
Balances as on 31st March		
Payable	163,800,000	121,200,000

AGIO PAPER & INDUSTRIES LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

O Disclosure required by AS-29 "Provisions, Contingent Liabilities and Contingent Assets" Movement in provisions :

(Amount in Rs.)

Sl	Particulars	2014-2015	2013-2014
i	Opening Balance	3,935,432	4,531,312
ii.	Provision during the year	-	20,000
iii.	Provision used during the year	-	140,000
iv.	Provisions reversed during the year	-	475,880
v.	Closing Balance	3,935,432	3,935,432

The provisions for disputed obligatory liabilities on account of cases pending with courts/concerned authorities based on estimate made by the company considering the facts and circumstances

P Earning Per Shares (Basic & Diluted)

(Amount in Rs.)

Particulars	2014-2015	2013-2014
Net Profit / (Loss) after tax for the year (Rs.)	34,362,333	(57,663,902)
Weighted average no. of Equity Shares (No.)	16,125,400	16,125,400
Earning per share (Basic / Diluted) (Rs.)	2.13	(3.58)

Q In view of substantial brought forward losses and depreciation, the year end deferred tax position reflects net deferred tax assets and the same has not been recognised on account of prudence.

R The entire spares and components consumption during the year as well for the previous year are through indigenous sources.

Spares & Components Consumption

(Amount in Rs.)

Particulars	2014-2015	2013-2014
Imported	-	-
Indigenous	-	471,046
	<u>-</u>	<u>471,046</u>

S Previous year's figures have been regrouped and/or re-arranged wherever necessary, to conform the current year classification.

As per our report of even date annexed

For SINGHI & CO.
Chartered Accountants
 Firm Registration No. 302049E

For and on Behalf of the Board of Directors

Gopal Jain
 Partner

SAIKAT GHOSH

ANKIT JALAN

K K KHETAWAT

Membership No - 059147
 Kolkata : 11th April, 2015

(Company Secretary)

(Executive Director)

(Director)



AGIO PAPER & INDUSTRIES LTD.

Regd. Office: 505 Diamond Prestige, 41A, AJC Bose Road, Kolkata - 700 017

CIN : L21090WB1984PLC037968

Phone : (033) 40225900, Website : www.agiopaper.com

E-mail id : redressal@agiopaper.com

ATTENDANCE SLIP

PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.
PLEASE ALSO BRING YOUR COPY OF THE ENCLOSED ANNUAL REPORT

I hereby record my presence at the 30th Annual General Meeting to be held on Saturday 30th May, 2015 at 10.30 A.M.
at Bengal National Chamber of Commerce & Industry, Bengal National Chamber House, 23 R. N. Mukherjee Road,
Kolkata - 700 001

Regd. Folio No. :	Name of the shareholder / Proxy (in block letters)	Signature
DP ID No.		
Client ID No.		



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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

- Name : _____ Address : _____
 E-mail ID : _____ Signature : _____ or failing him
- Name : _____ Address : _____
 E-mail ID : _____ Signature : _____ or failing him
- Name : _____ Address : _____
 E-mail ID : _____ Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the company to be held on Saturday the 30th May, 2015 at 10:30 A.M. at Auditorium of Bengal National Chamber of Commerce & Industry, Bengal National Chamber House, 23, R. N. Mukherjee Road, Kolkata - 700001 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolution Proposed
	Ordinary Business
1	Adoption of Financial Statements, Reports of the Board of Directors and Auditors.
2	Re-appointment of Shri Ankit Jalan as Director who retires by rotation
3	Ratification of the appointment of the auditors
	Special Business
4	Reappointment of Shri Ankit Jalan as a Wholtime Director
5	Confirmation of Appointment of Smt. Sudha Dhanuka as a Director of the company
6	Appointment of Smt. Sudha Dhanuka as an Independent Director of the company
7	Reclassification of authorised share capital of the company
8	Increase in authorized share capital of the company
9	Adoption of new set of Article of Association of the company
10.	Issue of 10% Non Cumulative Redeemable Preference shares on private placement basis
11.	Approval of Related Party Transaction

Signed this.....day of.....2015.

Affix Revenue Stamp

Signature of Shareholder..... Signature of Proxy holder(s).....

Note: 1.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.

2. For the text of the Resolutions, Explanatory Statement & Notes, please refer to the Notice convening the 30th Annual General Meeting dated 25th April, 2015.

Regd. Off. : Agio Paper & Industries Ltd.

41A, AJC Bose Road
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Fax : +91-33-4022 5999
E-mail : ho@agiopaper.com



Mill : Agio Paper & Industries Ltd.

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Phone : +91-7752-257 010/011/014
Fax : +91-7752-257 371
E-mail : mill@agiopaper.com