



Date: 04-09-2019

To  
**BSE LIMITED**  
Corporate Relationship Department  
1<sup>st</sup> Floor, P.J Towers, Dalal Street,  
Mumbai-400023  
Scrip Code: 533166

To  
**NATIONAL STOCK EXCHANGE OF INDIA LIMITED**  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1  
G-Block, Bandra-Kurla Complex,  
Bandra (E), Mumbai-400051  
Scrip Code: SUNDARAM

Dear Sir/Madam,

**Sub: Submission of Annual Report for Financial Year 2018-19**

Pursuant to the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, we hereby submit the Annual Report for Financial Year 2018-19 for your reference & records.

Thanking you,

Yours faithfully,  
For **Sundaram Multi Pap Limited**

*B.s. Chheda*



**Bhavesh Chheda**  
Company Secretary & Compliance Officer

EDUCATION  
and INNOVATION



Books for Success...



# 25<sup>th</sup> ANNUAL REPORT

2018-2019

Sundaram Multi Pap Limited  
Paper Stationery, Digital Education





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## **BOARD OF DIRECTORS**

### **BOARD OF DIRECTORS & KMP**

Mr. Amrut P. Shah  
(Chairman & Managing Director)

Mr. Shantilal P. Shah  
(Whole-time Director)

Mr. Krunal S. Shah  
(Whole-time Director)

Mr. Manikandan P. Kammenchery  
(Independent Director)

Ms. Minjal V. Kadakia  
(Independent Director)

Mr. Kalpesh B. Parekh  
(Independent Director)

Mr. Paresh Jain  
(Independent Director) (w.e.f. 12-08-2019)

Mr. Rajesh Jain  
(Chief Financial Officer)

Mr. Bhavesh Chheda  
(Company Secretary)

### **REGISTERED OFFICE:**

5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093, Maharashtra, India.  
Email: [info@sundaramgroups.in](mailto:info@sundaramgroups.in); Website: [www.sundaramgroups.in](http://www.sundaramgroups.in)

### **PLANT:**

Plot No. 33-37, Sundaram Industrial Zone, Palghar West, Palghar: 401404, Maharashtra, India.

### **PAPER UNIT:**

Village Sihora, P.O. Khandelwal Nagar, Kanhan: 441401, Tah. Parseoni, Dist. Nagpur, India

### **AUDITORS:**

M/s. JMR & Associates LLP (up to 26-06-2019)  
M/s. R. I. JAIN & CO (w.e.f. 26-06-2019)

### **REGISTRAR AND SHARE TRANSFER AGENT**

M/s Sharex Dynamic (India) Private Limited,  
C 101, 247 Park, L BS Marg, Vikhroli West, Mumbai: 400083

### **BANKERS:**

State Bank of India  
IDBI Bank Limited

**BOARD OF DIRECTOR'S REPORT**

Dear Shareholders,

On behalf of the Board of Directors, it is our pleasure to present the 25<sup>th</sup> Annual Report together with the Annual Audited Statement of Accounts of Sundaram Multi Paper Limited (“the Company”) for the year ended March 31, 2019.

**FINANCIAL PERFORMANCE:**

The financial performance of Company for the year ended March 31, 2019 is summarized below:

(₹ In Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	2018-19	2017-18	2018-19	2017-18
Revenue from Operations	9124.78	10720.61	9958.85	10938.63
Other Income	130.08	221.64	210.19	265.73
<b>Total Income</b>	<b>9254.86</b>	<b>10942.25</b>	<b>10169.04</b>	<b>11204.36</b>
<b>Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense</b>	<b>1344.54</b>	<b>1408.45</b>	<b>1683.10</b>	<b>1486.38</b>
Less: Depreciation	(165.20)	(184.02)	(283.11)	(269.44)
Less: Finance Costs	(699.72)	(860.86)	(739.55)	(889.07)
Add/(less): Exceptional items	-	(1850.08)	-	(1850.08)
<b>Profit / (Loss) before tax</b>	<b>479.62</b>	<b>(1486.51)</b>	<b>660.44</b>	<b>(1522.21)</b>
Less: Tax Expense (Current & Deferred)	-	(0.17)	-	(363.79)
<b>Profit /loss for the year</b>	<b>479.62</b>	<b>(1486.34)</b>	<b>660.44</b>	<b>1886.00</b>

**SUMMARY OF OPERATIONS:**

During the year under review finance cost of the Company has reduced to ₹699.72/- lakhs as compared to ₹860.86/- lakhs in previous year. During the year Company has earned net profit of ₹479.62/- lakhs as compared to net loss of ₹1486.34/- lakhs in previous year.

**TRANSFER TO RESERVE:**

The Board of Directors of your company has decided to transfer entire net profit to the Reserves for the year under review.

**DIVIDEND:**

The Board of Directors of your company, after considering holistically the relevant circumstances, has decided that it would be prudent, not to recommend any Dividend for the year under review.

**STATE OF THE COMPANY'S AFFAIRS:**

During the year under review revenue from operations of subsidiary increased to ₹834.07/- lakhs as compared to ₹218.02/- lakhs in previous year.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT:**

During the year under review company had divested its 49% stake in its Unlisted Subsidiary M/s. E-Class Education System Limited

to various potential investors at par and proceeds of the same was utilized for repayment of debt and general business purpose.

During the year, the Board of Directors of your company approved a Scheme of Amalgamation between the Company i.e. Sundaram Multi Paper Limited (SMPL) and E-Class Education System Limited (ECESL) to acquire the business of ECESL, subject to obtaining requisite approvals from statutory authorities and shareholders. The proposed transaction is an equity merger, under which on the Scheme becoming effective, 10.32 shares of the SMPL will be allotted for every 1 share of ECESL.

The Company has obtained No Objection Letters dated 6<sup>th</sup> May, 2019 from BSE Limited and National Stock Exchange of India Limited for the proposed Scheme of Amalgamation. The Company had filed the Scheme with the National Company Law Tribunal (NCLT) for its sanction and the same is pending before the NCLT.

No other material changes and commitments have occurred after the close of the year till the date of this Directors' Report, which affect the financial position of the Company.

**CHANGE IN THE NATURE OF BUSINESS:**

During the year under review there has been no change in the nature of business operations.

**RECLASSIFICATION OF PROMOTER & PROMOTER GROUP:**

During the year under review, company has passed the Special Resolution in last Annual General Meeting held on September 27, 2018 and pursuant to the Stock Exchanges approval dated November 01, 2018 following members of Promoter & Promoter Group were reclassified as public shareholders:

1. Meenaxi Hasmukh Gada;
2. Laxmiben Arjan Gada;
3. Hasmukh Arjan Gada;
4. Gada Hasmukh Arjan HUF.

**CAPITAL/ FINANCE:**

As on March 31, 2019, the issued, subscribed and paid up share capital of your Company stood at ₹27,16,05,773/- (Rupees Twenty Seven Crores Sixteen Lakhs Five Thousand Seven Hundred and Seventy Three Only), comprising ₹27,16,05,773/- (Twenty Seven Crores Sixteen Lakhs Five Thousand Seven Hundred and Seventy Three) Equity shares of Re.1/- (Rupee One Only) each.

**INVESTOR EDUCATION AND PROTECTION FUND:**

During the year under review Company has transferred unpaid/unclaimed dividend for FY 2010-2011 amounting to ₹98,275/-. Further during the year Company has transferred 36,477 Equity Shares to Investor Education and Protection Fund Authority of Ministry of Corporate Affairs.

Further Your Company would like to bring to the notice of the shareholders that some of them have not claimed the dividends as per the under mentioned detail:

Accounting Year	Amount unclaimed as on 31-03-2019 (in ₹)	Proposed date of Transfer to IEPF
2011-12	₹91,628 /-	30-10-2019
2012-13	₹84,265/-	31-10-2020
2013-14	₹22,949/-	29-10-2021

The Board of Directors sincerely likes to remind the concerned shareholders to claim their dividends. The Board also likes to inform to the shareholders that any dividend remaining unclaimed for seven years gets transferred to Investor Education & Protection Fund as per Section 125 of the Companies Act, 2013. Further Board also informs that pursuant to the provisions of Section 124 of the Companies Act, 2013, those shares on which dividend has not been claimed since last seven years will also be transferred to IEPF Account.

Further Company has appointed Mr. Shantilal P. Shah, Whole-time Director and Mr. Bhavesh Chheda, Company Secretary as Nodal Officer under the provisions of IEPF.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL INCLUDING CHANGES IF ANY:**

As per the provisions of the Companies Act 2013, Mr. Shantilal P. Shah (DIN: 00033182), retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends the re-appointment.

Appointment of Mr. Kalpesh B. Parekh (DIN: 08010094) was regularized as Independent Director in the last Annual General Meeting held on September 27, 2018.

During the year under review Mr. Yash R. Shah was appointed as Chief Operating Officer of the Company w.e.f. 01-10-2018.

Further, Mr. Manikandan P. Kammenchery who was appointed as an Independent Director w.e.f. September 30, 2014 to hold office for a term of five consecutive years will retire upon completion of his term on September 29, 2019.

Tenure of Ms. Minjal V. Kadakia as an Independent Director for the period of five years is effective till March 29, 2020. Further based on the performance and as per the recommendation of the Nomination & Remuneration Committee, considers that, given her background and experience and contributions made by her during her tenure, the continued association of Ms. Minjal V. Kadakia would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly, it is proposed to re-appoint Ms. Minjal V. Kadakia as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years commencing with effect from March 30, 2020 up to March 29, 2025 on the Board of the Company.

The Board has on the recommendation of Nomination & Remuneration Committee appointed Mr. Paresh Jain (DIN: 05159799) as an Additional Independent Director w.e.f. August 12, 2019. Board has incorporated necessary resolution in the notice of AGM for his regularization as an Independent Director of the Company.

#### **DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declarations from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/she meets the criteria for Independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **MEETING OF THE BOARD OF DIRECTORS:**

The Board met Nine (9) times during the Financial Year 2018-19 viz. on 29-05-2018, 26-07-2018, 14-08-2018, 01-10-2018, 14-11-2018, 12-01-2019, 08-02-2019, 20-02-2019 and 30-03-2019.

Detailed information on the meetings of the Board of Directors is included in the report on Corporate Governance, which forms part of this Annual Report. Maximum gap between two Board Meetings did not exceed 120 days as required under Companies Act, 2013.

#### **EXTRA ORDINARY GENERAL MEETING:**

Extra Ordinary General Meeting of the Members of the Company was held on July 22, 2019 to transact the following special businesses:

1. Increase in borrowing limits of board of directors from ₹500 crores to ₹700 crores or the aggregate of the paid up capital and free reserves of the company, whichever is higher.
2. Authority to the board of directors or a committee thereof to sell, lease, mortgage or otherwise dispose-off the whole or substantially the whole of the undertaking(s), the movable and immovable properties of the company both present and future.
3. Conversion of loans into equity shares of the company.
4. To appoint M/s. R I Jain & Company, Chartered Accountants as Statutory Auditors of the company to fill up casual vacancy, caused due to resignation of M/s JMR & Associates LLP.

#### **COMMITTEES OF BOARD:**

As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on March 31, 2019 Company has four Committees namely Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and CSR Committee. The details of Composition of the said Committee and their Meeting held during the year along with terms of reference of the said Committees of Board of Directors of the company is given in Corporate Governance Report and is also placed on the Company's website at (<http://www.sundaramgroups.in/committees/>).

#### **COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT, REMUNERATION AND EVALUATION:**

The Current policy is to have an appropriate proportion of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2019, the Board consists of six members, including one managing director, two whole-time directors and three are independent directors. The company has framed a Nomination, Remuneration and Evaluation Policy. The information with respect to the Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on Company's website on <http://www.sundaramgroups.in/wp-content/uploads/2015/02/NOMINATION-REMUNERATION-AND-EVALUATIONPOLICY.pdf>. There has been no change in the policy since last financial year.

#### **FORMAL ANNUAL EVALUATION MADE BY BOARD OF DIRECTORS:**

The Board of Directors carried out an annual evaluation of its own performance and performance of the Chairman, Board committees and individual Directors pursuant to the provisions

of the Section 134(3)(p), 149(8), 178 and Schedule IV Companies Act 2013 and the Corporate Governance requirements under Regulation 25 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure) Regulations 2015.

The Board, along with the Nomination and Remuneration Committee, developed and adopted the criteria and framework for the evaluation of each of the Directors and of the Board and its Committees.

The evaluation was then conducted as per the approved process. The Chairman of the Committee also had interactions with each of the Directors and sought their feedback and suggestions on the overall Board Effectiveness and Directors performance.

In addition, pursuant to the provisions of Schedule IV to the Companies Act, 2013 the Independent Directors reviewed the performance of the Non-Independent Directors and of the Board as a whole, performance of the Chairman of the Board taking into account the views of all the Directors, and the quality, quantity and timeliness of flow of information between the Company management and the Board and its sufficiency for the Board to effectively perform its duties.

The Chairman placed the Evaluation Summary before the committee members. The same was discussed in detail, and the members recorded their satisfaction.

#### **REMUNERATION OF DIRECTORS AND EMPLOYEES OF LISTED COMPANIES:**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annexure-4 to this Report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules are mentioned in Annexure-4 to this report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act, 2013, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis;
- (e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that

such systems are adequate and operating effectively; and

- (f) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and fixed in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

#### **FRAUDS REPORTED BY THE AUDITOR:**

There have been no instances of frauds reported by Statutory Auditors under Section 143(12) of the Companies Act, 2013 and rules made thereunder, either to the Company or to the Central Government.

#### **DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:**

As on March 31, 2019 your Company has only one Subsidiary viz. E-class Education System Limited. During the year under review your Company did not have any new subsidiary neither did it have an associate company nor did it enter in to a joint venture with any other company.

In Accordance with Section 129 (3) of the Companies Act, 2013, we have prepared annual consolidated financial statements of the company in accordance with relevant accounting standards issued by the Institute of Chartered Accountants of India, which form part of this annual report.

Further pursuant to sub-section (3) of Section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is given as Annexure-3.

During the year under review Company has divested 49% Equity Shares held in its wholly owned subsidiary i.e. M/s. E-class Education System Limited and hence it ceased to be the wholly owned subsidiary, however it is continue to remain 51% subsidiary of the Company.

#### **DETAILS OF DEPOSITS:**

During the year under review company has not accepted any deposits within the meaning of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Hence there are no details to be disclosed under Rule 8(5) (v) of the Companies (Accounts) Rules, 2014.

#### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

All transactions entered with Related Parties for the financial year under review were on arm's length basis and in the ordinary



course of business. During the financial year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board may be accessed on the Company's website at: (<http://www.sundaramgroups.in/company-policies/>).

There were no materially significant related party transactions which could have potential conflict with interest of the Company at large.

Members may refer to Notes forming part of financial statement which sets out related party disclosures pursuant to IND-AS.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

In line with the provisions of Section 135 of the Companies Act, 2013 and the rules framed there under with respect to the Corporate Social Responsibility (CSR), your Company has constituted a CSR Committee to recommend and monitor expenditure on CSR and also approved the CSR Policy. The Company's policy on CSR is put up on the website of the Company at the link <http://www.sundaramgroups.in/company-policies/>.

Since, there is average loss in the last three immediately preceding financial years of your Company; the management was not required to conduct any CSR related activities.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required to be disclosed under the Act are given below:

##### ● **CONSERVATION OF ENERGY**

Steps taken on conservation of energy and for utilizing alternate sources of energy:

The Operations of the Company are minimum energy intensive. However, Your Company is always in the lookout for energy efficient measures for operation, and values conservation of energy through usage of latest technologies for improving productivity and quality of products and services. A few of the energy conserving measures include the following:

- a) A factory premise of the Company is well equipped with the transparent roofs in the factory premises; the transparent roof drastically enables the company to reduce the artificial lightning.
- b) Company had installed highly efficient machineries which help in conservation of energy and also factory premise is equipped with energy saving lamps.
- c) Installing a few LED lights in the office. The plan is to replace in phases CFL based lighting to LED based lighting which will give immense savings in Electricity consumption.
- d) Continuous monitoring of floor areas after normal working hours and switching off lights and Air-conditioning.

The overall effect of the above measures has led to reduction of energy consumption.

The capital investment on energy conservation equipments:

Capital Investments were incurred in the earlier years, but no major investment was made on energy conservations equipment's during the year 2018-19.

##### ● **TECHNOLOGY ABSORPTION**

Since business and technologies are changing constantly, investment in research and development activities is of paramount importance. The Company is equipped with fully auto book manufacturing machine and has also adopted partly automation process. This has resulted into the reduction in the labour cost and the cycle time from raw material to the final output of the product. This technology has helped the company to increase the output with better quality and low amount of wastage.

##### ● **FOREIGN EXCHANGE EARNINGS AND OUTGO**

Details of Foreign Exchange earnings & Outgo are given in notes forming parts of Financial Statements.

#### **RISK MANAGEMENT:**

During the year under review, the Company has identified and evaluated elements of Business Risks. Business risk, inter-alia, further includes Financial Risk, Regulatory Risk, Competition Risk, Political Risk, Fidelity Risk, Environment Risk, Legal Risk etc. The Risk Management Framework defines the risk management approach of the Company and includes periodic review of such risk and also documentation, mitigating controls and reporting mechanism of such risk. The Board of Directors and Senior Management currently assess the operations and operating environment to identify potential risk and take necessary action to mitigate the same.

In accordance with Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board members were regularly 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.

Pursuant to the provision of Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to the formation of the Risk Management Committee, is not applicable to your Company.

Detailed policy framework is disclosed on the website of the Company at (<http://www.sundaramgroups.in/company-policies/>).

#### **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM:**

Pursuant to the requirement of the Companies Act 2013 and provisions of Listing Regulations applicable to the Company, your Company has adopted Vigil mechanism (Whistle Blower Policy) for complying with the Company's Code of Conduct and Ethics, and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. The reportable matters may be disclosed by the employees to the Management / Managing Director / Chairman of the Audit Committee. No complaint was received during the year under review. During the year under review, no employee was denied access to the Audit Committee.

#### **MATERIAL ORDERS OF JUDICIAL BODIES /REGULATORS:**

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**STATUTORY AUDITORS:****Appointment:**

During the year under review, M/s. JMR & Associates LLP were appointed as statutory auditors of the company in the 24<sup>th</sup> AGM of the Company held on September 27, 2018 to hold office until the conclusion of the Annual General Meeting to be held in calendar year 2023 (i.e. for Five Financial Years from 2018-19 to 2022-23). M/s. JMR & Associates LLP had carried out Statutory Audit for the financial year ending March 31, 2019. Qualified Opinion given by them in their Audit Report as given in this report along with management response for the same.

M/s. JMR & Associates LLP, Chartered Accountants (Firm Registration Number: 106921W/W100300) had resigned w.e.f. June 26, 2019 as a statutory auditors of the company. Board of Directors in their meeting held on June 26, 2019 appointed M/s. R. I. JAIN & CO, Chartered Accountants, (Firm Registration No. 103956W) to fill casual vacancy caused due to resignation of M/s. JMR & Associates LLP. Approval of the Shareholder was obtained for the same in the Extraordinary General Meeting held on July 22, 2019. M/s. R. I. JAIN & CO, Chartered Accountants, (Firm Registration No. 103956W) shall hold office up to the conclusion of upcoming Annual General Meeting.

After considering the recommendations of its audit committee, the Board of Directors recommends appointment of M/s. R. I. JAIN & CO, Chartered Accountants, (Firm Registration No. 103956W) as Statutory Auditors of the Company, to hold office until the conclusion of the Annual General Meeting to be held in calendar year 2024 (i.e. for Five Financial Years from 2019-20 to 2023-24). Further Board has incorporated a suitable resolution for your consideration and approval in the notice calling ensuing annual general meeting of the company.

M/s. R. I. JAIN & CO, Chartered Accountants, (Firm Registration No. 103956W) being eligible under section 139(1) and other applicable provisions, has consented to act as the Statutory Auditors of the Company and has also confirmed that their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

**Auditors Observations:**

Auditors have made the following qualifications in their Report on Standalone & Consolidated Financial Statements:

1. The balances of trade receivables, trade payables, loans and advances are subject to confirmations, reconciliation and consequential adjustments if any. Further, no provision has been made for trade receivables, which are outstanding since long and are to be provided for. The effect of same is not ascertainable in absence of complete debtors ageing.
2. The Company has invested a sum of ₹20.40 Crores in its subsidiary i.e. E-Class Education System Limited ("The Subsidiary"). The subsidiary has made losses in the previous years and the Company has not made provision for diminution in value of investment made in subsidiary which is a departure from Ind AS 109 (Financial Instruments). (Refer para below the Note No.5 (a) to the financial statement). However, subsidiary has made profit during the year under review and appears to be on the path of turnaround.

**Management's Response for the Auditors Observations:**

1. Management considers the trade receivables as good and will be able to recover the same in near future hence impact of the same can't be ascertained.

2. The subsidiary company is going concern and the core product is in high demand in the market, same is evident from improvement in the order book in FY 2018-19 as evident from the turnover achieved and profit earned during the year ended March 2019 and further evident from sale of 49% stake of parent at par during the year, so the estimation of the impact can't be ascertained.

**SECRETARIAL AUDITORS:****Appointment:**

Pursuant to Section 204 of the Companies Act, 2013, your Company had appointed Ms. Amisha Shah Proprietor of M/s. A. V. Shah & Associates, Practising Company Secretaries, Mumbai as its Secretarial Auditors to conduct the Secretarial Audit for FY 2018-19. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit in fair and transparent manner.

**Secretarial Audit Report:**

The Secretarial Audit report on the compliance of the applicable Acts, Laws, Rules, Regulations, Guidelines, Listing Agreement, Standards etc. as stipulated by the provisions of Section 204 of the Companies Act 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 forms part of this report as **Annexure-2**. The findings of the audit have been satisfactory.

**INTERNAL AUDITOR:**

The Company appointed M/s. F. A. Ansari & Associates, Chartered Accountants, Mumbai, as its Internal Auditor for Financial Year 2019-20. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

**COST AUDITOR:**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 the Cost Audit Report is not mandatorily applicable to our Company; hence, no such audit has been carried out during the year.

**COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Directors state that provisions of Secretarial Standards as issued by ICSI have been duly followed by the Company, to the extent applicable.

**EXTRACT OF ANNUAL RETURN:**

The extract of the Annual return of the Company, pursuant to section 134(3) (a) of the Companies Act, 2013 in annexed herewith as Annexure-1 to this Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As per requirements of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosures) Regulations 2015, the Management's Discussion and Analysis of the financial condition and results of both standalone and consolidated operations have been provided separately in the Annual Report.

**CORPORATE GOVERNANCE:**

Your Company has complied with Regulation 34 of SEBI (LODR) Regulations, 2015. The Report on Corporate Governance as stipulated under Regulation 34 of SEBI (LODR) Regulations,

2015 is provided together with a certificate from the auditors of the company regarding compliance of conditions of corporate governance as stipulated under listing regulations. A certificate of the Managing Director and CFO of the company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed. Also a declaration signed by the Chairman and Managing Director stating that members of the board and senior management personnel have affirmed the compliance vide Code of Conduct of the board and senior management is attached to the report on corporate governance.

**DISCLOSURE UNDER SEXUAL HARASSMENT AT WORK-PLACE:**

The company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review no complaints has been received under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**LISTING AND DEMATERIALISATION:**

The Equity Shares of the Company are listed on the BSE Limited & NSE Limited. Shareholders are requested to convert their holdings to dematerialized form to derive its benefits by availing the demat facility provided by NSDL and CDSL.

**OTHER DISCLOSURES/REPORTING:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- A) Issue of equity shares with differential rights as to dividend, voting or otherwise,
- B) Issue of shares (including sweat equity shares) to employees of the Company under any scheme,

- C) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3) (c) of the Companies Act, 2013).

**CAUTIONARY STATEMENT:**

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principle markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

**ACKNOWLEDGEMENT:**

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments, and other statutory authorities for their continued support.

**For and on behalf of the Board of Directors  
Sundaram Multi Paper Limited**

Sd/-  
**Amrut P. Shah**  
(DIN: 00033120)  
Chairman & Managing Director

Sd/-  
**Shantilal P. Shah**  
(DIN: 00033182)  
Whole-time Director

Date: August 12, 2019  
Place: Mumbai

**ANNEXURE-1**  
**EXTRACT OF ANNUAL RETURN**

As on financial year ended 31-03-2019

[Pursuant to Section 92(3) of the Companies act, 2013 read with [The Companies (Management and Administration) Rules, 2014]  
**FORM NO. MGT-9**

**A. REGISTRATION DETAILS:**

CIN:	L21098MH1995PLC086337
Registration Date:	13-03-1995
Name of the Company:	Sundaram Multi Pap Limited
Category / Sub-Category of the Company:	Company Limited by Shares / Indian Non-government Company
Address of the Registered office and contact details:	5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093, Maharashtra, India. Tel. No.: 022 67602200; Email ID: info@sundaramgroups.in; Website: www.sundaramgroups.in
Whether listed company:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Sharex Dynamic (India) Private Limited. C 101, 247 Park, L BS Marg, Vikhroli West, Mumbai: 400083 Tel: 2851 5606/ 5644/ 6338; Fax: 2851 2885; Email: support@sharexindia.com

**B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Exercise Books & Paper (Paper & Paper Products)	17099	100%

**C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/Subsidiary/ Associate	% of shares held
1	E-Class Education System Limited*	U80212MH2009PLC194231	Subsidiary	51%*
	5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093, Maharashtra, India.			

\* On 14-08-2018 Company has divested 1,83,00,000 Equity Shares at par in M/s. E-Class Education System Limited, hence w.e.f. 14-08-2018 M/s. E-Class Education System Limited ceased to be Wholly Owned Subsidiary, however it is continue to remain as 51% subsidiary of the Company.

**D. SHARE HOLDING PATTERN:**

**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 Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTER'S</b>									
<b>1. INDIAN:</b>									
(a). Individual	62096585	0	62096585	22.86	60451585	0	60451585	22.26	-0.6
(b). Central Government	0	0	0	0	0	0	0	0	0
(c). State Government	0	0	0	0	0	0	0	0	0
(d). Bodies Corporate	0	0	0	0	0	0	0	0	0
(e). Financial Institution / Banks	0	0	0	0	0	0	0	0	0
(f). Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>62096585</b>	<b>0</b>	<b>62096585</b>	<b>22.86</b>	<b>60451585</b>	<b>0</b>	<b>60451585</b>	<b>22.26</b>	<b>-0.6</b>
<b>2. FOREIGN:</b>									
(a). Individual NRI / Foreign Individual	0	0	0	0	0	0	0	0	0
(b). Other Individual	0	0	0	0	0	0	0	0	0

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 Shares	Demat	Physical	Total	% of Total Shares	
(c). Bodies Corporates	0	0	0	0	0	0	0	0	0
(d). Banks / FII	0	0	0	0	0	0	0	0	0
(e). Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
(f). Any Other Specify	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>62096585</b>	<b>0</b>	<b>62096585</b>	<b>22.86</b>	<b>60451585</b>	<b>0</b>	<b>60451585</b>	<b>22.26</b>	<b>-0.6</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>1. INSTITUTIONS:</b>									
(a). Mutual Funds	0	0	0	0	0	0	0	0	0
(b). Financial Institution / Banks	607545	0	607545	0.22	153620	0	153620	0.06	-0.16
(c). Central Government	0	0	0	0	0	0	0	0	0
(d). State Government (IEPF)	360890	0	360890	0.13	397367	0	397367	0.15	0.02
(e). Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f). Insurance Companies	9000000	0	9000000	3.31	9000000	0	9000000	3.31	0
(g). FIIs	7090000	0	7090000	2.61	0	0	0	0	-2.61
(h). Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i). Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>17058435</b>	<b>0</b>	<b>17058435</b>	<b>6.28</b>	<b>9550987</b>	<b>0</b>	<b>9550987</b>	<b>3.52</b>	<b>-2.76</b>
<b>2. NON-INSTITUTIONS:</b>									
<b>(a). Bodies Corporate</b>									
1. Indian	32783093	0	32783093	12.07	26844360	0	26844360	9.88	-2.19
2. Overseas	0	0	0	0	0	0	0	0	0
<b>(b). Individuals</b>									
Individual shareholders holding nominal share capital up to ₹1 lakh	99304697	766097	100070794	36.84	104027318	725260	104752578	38.57	1.73
Individual shareholders holding nominal share capital in excess of ₹1 lakh	49473858	112527	49586385	18.26	61561325	112527	61673852	22.71	4.45
<b>(c). Other (specify)</b>									
1. NRI	3274440	0	3274440	1.21	4241314	0	4241314	1.56	0.36
2. OCB	0	0	0	0	0	0	0	0	0
3. Foreign Nationals	5000	0	5000	0	5000	0	5000	0	0
4. Clearing Members	6711041	0	6711041	2.47	4066097	0	4066097	1.50	-0.97
5. Trusts	20000	0	20000	0.01	20000	0	20000	0.01	0
6. Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>191572129</b>	<b>878624</b>	<b>192450753</b>	<b>70.86</b>	<b>200765414</b>	<b>837787</b>	<b>201603201</b>	<b>74.23</b>	<b>3.37</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>208630564</b>	<b>878624</b>	<b>209509188</b>	<b>77.14</b>	<b>210316401</b>	<b>837787</b>	<b>211154188</b>	<b>77.74</b>	<b>0.61</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>270727149</b>	<b>878624</b>	<b>271605773</b>	<b>100</b>	<b>270767986</b>	<b>837787</b>	<b>271605773</b>	<b>100</b>	<b>0</b>

**SHAREHOLDING OF PROMOTERS:**

Sr. No.	Name of Shareholder	Shareholding at the start of the year 01-04-2018			Shareholding at the end of the year 31-03-2019			% Change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to total Shares of the Company	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to total Shares of the Company	
1	AMRUT P. SHAH	22283925	8.2	2	21708925	7.99	1.16	-0.21
2	RAICHAND P. SHAH	19984503	7.36	6.18	19494503	7.18	6.17	-0.18
3	SHANTILAL P. SHAH	13137157	4.84	3.12	13137157	4.84	3.12	0
4	HASMUKH A. GADA	0	0	0	-	-	-	-
5	AMRUT P. SHAH (HUF)	552000	0.2	0	552000	0.2	0	0
6	SHANTILAL P. SHAH (HUF)	780000	0.29	0.13	780000	0.29	0.13	0
7	HASMUKH A. GADA (HUF)	0	0	0	-	-	-	-
8	VIMLABEN A. SHAH	1602000	0.59	0	1302000	0.48	0	-0.11
9	CHETNA R. SHAH	1027000	0.38	0	1027000	0.38	0	0
10	NAYNA S. SHAH	264000	0.1	0	264000	0.1	0	0
11	MEENAXI H. GADA	280000	0.1	0.1	-	-	-	-
12	HARDIK A. SHAH	40000	0.01	0	40000	0.01	0	0
13	RIDDHI C. GALA	110000	0.04	0	110000	0.04	0	
14	RICHA RAICHAND SHAH	1387000	0.51	0	1387000	0.51	0	0
15	NIDHI RAICHAND SHAH	116000	0.04	0	116000	0.04	0	0
16	YASH RAICHAND SHAH	359000	0.13	0.11	359000	0.13	0.11	0
17	DIVIJ SHANTILAL SHAH	131000	0.05	0	131000	0.05	0	0
18	KRUNAL SHANTILAL SHAH	43000	0.02	0	43000	0.02	0	0
19	LAXMIBEN A. GADA	0	0	0	-	-	-	-

Ms. Meenaxi H. Gada; Ms. Laxmiben A. Gada; Mr. Hasmukh A. Gada & M/s. Hasmukh A. Gada (HUF) ceased to be the Promoters of the company w.e.f. 01-11-2018.

**CHANGE IN PROMOTER'S SHAREHOLDING:**

Sr. No.	Name of Shareholder	Date	Shareholding		Reason for Increase/ Decrease in shareholding	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
1	RAICHAND P. SHAH	01-04-2018	19984503	7.36	-	19984503	7.36
		26-11-2018	-490000	-0.18	SOLD	19494503	7.18
		31-03-2019	19494503	7.18	-	19494503	7.18
2	AMRUT P. SHAH	01-04-2018	22283925	8.2	-	22283925	7.99
		19-11-2018	-575000	-0.21	SOLD	21708925	7.99
		31-03-2019	21708925	7.99	-	21708925	7.99
3	VIMLABEN A. SHAH	01-04-2018	1602000	0.59	-	1602000	0.59
		19-11-2018	-300000	-0.11	SOLD	1302000	0.48
		31-03-2019	1302000	0.48	-	1302000	0.48

**SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

Sr. No.	Name of Shareholder	Date	Shareholding		Reason for Increase/ Decrease in shareholding	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
1	GANJAM TRADING COMPANY PRIVATE LIMITED	01-04-2018	14999499	5.52	-	14999499	5.52
		31-03-2019	14999499	5.52	-	14999499	5.52
2	GENERAL INSURANCE CORPORATION OF INDIA	01-04-2018	9000000	3.31	-	9000000	3.31
		31-03-2019	9000000	3.31	-	9000000	3.31
3	KALPESH RAGHUBHAI HIRPARA	01-04-2018	3000000	1.11	-	3000000	1.11
		11-05-2018	500000	0.18	BUY	3500000	1.29
		31-03-2019	3500000	1.29	-	3500000	1.29
4	USHA DINESH SHAH	01-04-2018	1971608	0.73	-	1971608	0.73
		31-03-2019	1971608	0.73	-	1971608	0.73
5	KELLTON SECURITIES PRIVATE LIMITED	01-04-2018	0	-	-	0	0
		18-05-2018	6000	0	BUY	6000	0
		25-05-2018	514050	0.19	BUY	520050	0.19
		01-06-2018	170	0	BUY	520220	0.19
		08-06-2016	830	0	BUY	521050	0.19
		22-06-2018	-129991	-0.05	SOLD	391059	0.14
		13-07-2018	80000	0.03	BUY	471059	0.17
		10-08-2018	505900	0.19	BUY	976959	0.36
		24-08-2018	90000	0.03	BUY	1066959	0.39
		31-08-2018	10000	0	BUY	1076959	0.4
		07-09-2018	-900	0	SOLD	1076059	0.4
		14-09-2018	490000	0.18	BUY	1566059	0.58
		21-09-2018	-1000	0	SOLD	1565059	0.58
		28-09-2018	-170059	-0.06	SOLD	1395000	0.51
		19-10-2018	609975	0.22	BUY	2004975	0.74
		02-11-2018	173000	0.06	BUY	2177975	0.8
		09-11-2018	127000	0.05	BUY	2304975	0.85
		30-11-2018	60025	0.02	BUY	2365000	0.87
		14-12-2018	-200000	-0.07	SOLD	2165000	0.8
		21-12-2018	135000	0.05	BUY	2300000	0.85
28-12-2018	200000	0.07	BUY	2500000	0.92		
11-01-2019	40000	0.01	BUY	2540000	0.94		
29-03-2019	-730997	-0.27	SOLD	1809003	0.67		
31-03-2019	1809003	0.67	-	1809003	0.67		
6	VISHAL SUKHANI	01-04-2018	0	0	-	0	0
		28-09-2018	1750000	0.64	BUY	1750000	0.64
		29-03-2019	16	0	BUY	1750016	0.64
		31-03-2019	1750016	0.64	-	1750016	0.64

Sr. No.	Name of Shareholder	Date	Shareholding		Reason for Increase/ Decrease in shareholding	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
7	RENUDEVI SATISH CHOUDHARY	01-04-2018	1273184	0.47	-	1273184	0.47
		31-03-2019	1273184	0.47	-	1273184	0.47
8	SUSHIL FINANCIAL SERVICES PVT.LTD.	01-04-2018	1511278	0.56	-	1511278	0.56
		06-04-2018	43276	0.02	BUY	1554554	0.57
		13-04-2018	-26010	-0.01	SOLD	1528544	0.56
		20-04-2018	12777	0.00	BUY	1541321	0.57
		27-04-2018	-13021	0.00	SOLD	1528300	0.56
		04-05-2018	-12342	0.00	SOLD	1515958	0.56
		11-05-2018	72040	0.03	BUY	1587998	0.59
		18-05-2018	400576	0.15	BUY	1988574	0.73
		25-05-2018	-18462	-0.01	SOLD	1970112	0.73
		01-06-2018	-24884	-0.01	SOLD	1945228	0.72
		08-06-2018	7954	0.00	BUY	1953182	0.72
		15-06-2018	-6726	0.00	SOLD	1946456	0.72
		22-06-2018	-103572	-0.04	SOLD	1842884	0.68
		29-06-2018	25620	0.01	BUY	1868504	0.69
		06-07-2018	-81082	-0.03	SOLD	1787422	0.66
		13-07-2018	-10968	0.00	SOLD	1776454	0.65
		20-07-2018	-107302	-0.04	SOLD	1669152	0.62
		27-07-2018	22300	0.01	BUY	1691452	0.62
		03-08-2018	-148436	-0.05	SOLD	1543016	0.57
		10-08-2018	-409809	-0.15	SOLD	1133207	0.42
		17-08-2018	-71278	-0.03	SOLD	1061929	0.39
		24-08-2018	-103428	-0.04	SOLD	958501	0.35
		31-08-2018	-14877	-0.01	SOLD	943624	0.35
		07-09-2018	94403	0.03	BUY	1038027	0.38
		14-09-2018	-118681	-0.04	SOLD	919346	0.34
		21-09-2018	-29334	-0.01	SOLD	890012	0.33
		28-09-2018	-25444	-0.01	SOLD	864568	0.32
		05-10-2018	15596	0.01	BUY	880164	0.32
		12-10-2018	-475396	-0.18	SOLD	404768	0.15
		19-10-2018	5208	0.00	BUY	409976	0.15
		26-10-2018	-74631	-0.03	SOLD	335345	0.12
		02-11-2018	167	0.00	BUY	335512	0.12
		09-11-2018	-11190	0.00	SOLD	324322	0.12
16-11-2018	7348	0.00	BUY	331670	0.12		
23-11-2018	-15510	-0.01	SOLD	316160	0.12		
30-11-2018	-13175	0.00	SOLD	302985	0.11		
07-12-2018	-5300	0.00	SOLD	297685	0.11		
14-12-2018	19938	0.01	BUY	317623	0.12		
21-12-2018	-1510	0.00	SOLD	316113	0.12		



Sr. No.	Name of Shareholder	Date	Shareholding		Reason for Increase/ Decrease in shareholding	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
		28-12-2018	24309	0.01	BUY	340422	0.13
		04-01-2019	-21353	-0.01	SOLD	319069	0.12
		11-01-2019	-2617	0.00	SOLD	316452	0.12
		18-01-2019	6437	0.00	BUY	322889	0.12
		25-01-2019	-4370	0.00	SOLD	318519	0.12
		01-02-2019	9040	0.00	BUY	327559	0.12
		08-02-2019	55846	0.02	BUY	383405	0.14
		15-02-2019	-41942	-0.02	SOLD	341463	0.13
		22-02-2019	-26127	-0.01	SOLD	315336	0.12
		01-03-2019	2680	0.00	BUY	318016	0.12
		08-03-2019	-3147	0.00	SOLD	314869	0.12
		15-03-2019	3665	0.00	BUY	318534	0.12
		22-03-2019	3839	0.00	BUY	322373	0.12
		29-03-2019	908948	0.33	BUY	1231321	0.45
		31-03-2019	1231321	0.45	-	1231321	0.45
<b>9</b>	<b>SACHIN JAYANT MALDE</b>	01-04-2018	852653	0.31	-	852653	0.31
		06-04-2018	-17003	-0.01	SOLD	835650	0.31
		18-05-2018	-835644	-0.31	SOLD	6	0.00
		22-06-2018	989402	0.36	BUY	989408	0.36
		17-08-2018	9096	0.00	BUY	998504	0.37
		24-08-2018	4326	0.00	BUY	1002830	0.37
		31-08-2018	-8890	0.00	SOLD	993940	0.37
		28-09-2018	-4132	0.00	SOLD	989808	0.36
		26-10-2018	241590	0.09	BUY	1231398	0.45
		16-11-2018	-12894	0.00	SOLD	1218504	0.45
		21-12-2018	-100000	-0.04	SOLD	1118504	0.41
		08-02-2019	-200000	-0.07	SOLD	918504	0.34
		22-02-2019	280482	0.10	BUY	1198986	0.44
		31-03-2019	1198986	0.44	-	1198986	0.44
<b>10</b>	<b>SUSHIL NARENDRA SHAH</b>	01-04-2018	0	0	-	0	0
		22-06-2018	125000	0.05	BUY	125000	0.05
		06-07-2018	74900	0.03	BUY	199900	0.07
		20-07-2018	87600	0.03	BUY	287500	0.11
		03-08-2018	147500	0.05	BUY	435000	0.16
		10-08-2018	421000	0.16	BUY	856000	0.32
		17-08-2018	146100	0.05	BUY	1002100	0.37
		24-08-2018	93800	0.03	BUY	1095900	0.40
		11-01-2019	20500	0.01	BUY	1116400	0.41
		18-01-2019	24500	0.01	BUY	1140900	0.42
		31-03-2019	1140900	0.42	-	1140900	0.42

**SHAREHOLDING OF DIRECTORS & KEY MANAGERIAL PERSONNEL**

Sr. No.	Name of Directors & KMP	Date	Shareholding		Reason for Increase/ Decrease in shareholding	Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
1	AMRUT P. SHAH (CHAIRMAN & MANAGING DIRECTOR)	01-04-2018	22283925	8.2	-	22283925	8.2
		19-11-2018	-575000	-0.21	SOLD	21708925	7.99
		31-03-2019	21708925	7.99	-	21708925	7.99
2	SHNATILAL P. SHAH (WHOLE-TIME DIRECTOR)	01-04-2018	14787157	6.02	-	14787157	6.02
		31-03-2019	13137157	4.84	-	13137157	4.84
3	KRUNAL S. SHAH (WHOLE-TIME DIRECTOR)	01-04-2018	43000	0.02	-	43000	0.02
		31-03-2019	43000	0.02	-	43000	0.02
4	RAJESH JAIN (CFO)	01-04-2018	-	-	-	-	-
		31-03-2019	-	-	-	-	-
5	BHAVESH CHHEDA (COMPANY SECRETARY)	01-04-2018	-	-	-	-	-
		31-03-2019	-	-	-	-	-
6	MINJAL KADAKIA (INDEPENDENT DIRECTOR)	01-04-2018	-	-	-	-	-
		31-03-2019	-	-	-	-	-
7	KALPESH B. PAREKH (INDEPENDENT DIRECTOR)	01-04-2018	-	-	-	-	-
		31-03-2019	-	-	-	-	-
8	MANIKANDAN P. KAMMENCHERY (INDEPENDENT DIRECTOR)	01-04-2018	-	-	-	-	-
		31-03-2019	-	-	-	-	-

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>1. Indebtedness at the beginning of the financial year</b>				
(i) Principal Amount	34,75,18,912	20,87,99,940	--	55,63,18,852
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>34,75,18,912</b>	<b>20,87,99,940</b>	<b>--</b>	<b>55,63,18,852</b>
<b>2. Change in Indebtedness during the financial year</b>				
Additions	--	12,22,68,379	--	12,22,68,379
Reduction	9,59,55,656	18,45,24,530	--	28,04,80,186
<b>Net Change</b>	<b>(9,59,55,656)</b>	<b>(6,22,56,151)</b>	<b>--</b>	<b>(15,82,11,807)</b>
<b>3. Indebtedness at the end of the financial year</b>				
(i) Principal Amount	25,15,63,256	14,65,43,789	--	39,81,07,045
(ii) Interest due but not paid	--	--	--	--
(iii) Interest accrued but not due	--	--	--	--
<b>TOTAL (1+2+3)</b>	<b>25,15,63,256</b>	<b>14,65,43,789</b>	<b>--</b>	<b>39,81,07,045</b>

**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**
**A- Remuneration to Managing Director, Whole-time Director:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD			Total
		Amrut P. Shah (Managing Director)	Shantilal P. Shah (Whole-time Director)	Krunal S. Shah (Whole-time Director)	
1	Gross salary				
	A. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹42,00,000/-	₹42,00,000/-	₹42,00,000/-	₹1,26,00,000 /-
	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	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>TOTAL</b>	<b>₹42,00,000/-</b>	<b>₹42,00,000/-</b>	<b>₹42,00,000/-</b>	<b>₹1,26,00,000 /-</b>
	Ceiling as per the Act	₹1,68,00,000/- p.a.	₹1,68,00,000/- p.a.	₹84,00,000/- p.a.	

**B- Remuneration to other directors: Not Applicable (No Remuneration is paid to other Directors)**
**C- remuneration to key managerial personnel other than MD/MANAGER/WTD:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD		Total
		Rajesh Jain (CFO)	Bhavesh Chheda (CS)	
1	Gross salary			
	A. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	₹15,97,200/-	₹3,42,000/-	₹19,39,200/-
	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	-	-	-
5	Others, please specify	-	-	-
	<b>TOTAL</b>	<b>₹15,97,200/-</b>	<b>₹3,42,000/-</b>	<b>₹19,39,200/-</b>

**PENALTIES/ PUNISHMENTS/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]
Penalty	0	0	0	0
Punishment	0	0	0	0
Compounding	0	0	0	0
<b>OTHER OFFICERS IN DEFAULT</b>				
Penalty	0	0	0	0
Punishment	0	0	0	0
Compounding	0	0	0	0

**ANNEXURE-2**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR**  
**ENDED MARCH 31, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Sundaram Multi Paper Limited**  
CIN: L21098MH1995PLC086337  
5/6 Papa Industrial Estate,  
Suren Road, Andheri (East),  
Mumbai: 400093.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sundaram Multi Paper 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 ("the audit period") 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 the Company for the financial year ended on March 31, 2019, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. 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; (Foreign Direct Investment and External Commercial Borrowings were not applicable to the Company during the Audit Period)
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - A) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - B) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - C) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018;
  - D) The SEBI (Share Based Employee Benefits) Regulations,

2014 (Not Applicable to the Company during the Audit period);

- E) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit period);
  - F) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - G) The SEBI (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit period); and
  - H) The SEBI (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit period);
6. As per the discussion with Management and discussed with Audit Committee, there is no Industry specific Act applicable to the Company.

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

- A) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Government.
- B) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**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 (if any) 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 and 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. All decisions at Board Meetings and Committee Meetings are carried out unanimously or with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

**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 year under review, company has passed the Special Resolution in last Annual General Meeting held on September 27, 2018 and pursuant to the Stock Exchanges approval dated November 01, 2018 following members of Promoter & Promoter Group were reclassified as public shareholders:

1. Meenaxi Hasmukh Gada;
2. Laxmiben Arjan Gada;
3. Hasmukh Arjan Gada;
4. Gada Hasmukh Arjan HUF.

**We further report that** during the audit period, there were no specific events / actions except the following having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.:-

Subject to approval of the National Company Law Tribunal and other authorities as may be required, the Board at its meeting held on January 12, 2019 considered and approved a Scheme of Amalgamation between the Company and E-Class Education System Limited and their respective shareholders and creditors under Sections 230-232 of the Companies Act, 2013.

**For A. V. Shah & Associates**

**Amisha Shah**  
Proprietor  
C.P. No.: 13399  
Membership No.: F8798

Date: August 12, 2019  
Place: Mumbai

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.

**Annexure A**

To,  
The Members,  
**Sundaram Multi Pap Limited**  
CIN: L21098MH1995PLC086337  
5/6 Papa Industrial Estate,  
Suren Road, Andheri (East),  
Mumbai: 400093.

Our Secretarial Review Report of even date, for the financial year ended 31<sup>st</sup> March 2019 is to be read along with this letter.

**Management's Responsibility:**

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility:**

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We have not verified the correctness and appropriateness of financial records and books of account of the Company.

**For A. V. Shah & Associates**

**Amisha Shah**  
Proprietor  
C.P. No.: 13399  
Membership No.: F8798

Date: August 12, 2019  
Place: Mumbai

**ANNEXURE-3**

Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures

**Part "A": Subsidiaries**

Name of the Subsidiary	E-Class Education System Limited
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01 to March 31 (Same as of the Holding Company)
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
3. Share Capital	Authorized, Issued, Paid up & Subscribed Capital: ₹40,00,00,000
4. Reserves & Surplus	(₹2492.65/- Lakhs)
5. Total Assets	₹1962.18/- Lakhs
6. Total Liabilities	₹1962.18/- Lakhs
7. Investments	NIL
8. Turnover	₹914.18/- Lakhs
9. Profit before Taxation	₹180.84/- Lakhs
10. Provision for Taxation	NIL
11. Profit after Taxation	₹180.59/- Lakhs
12. Proposed Dividend	Nil
13. % of Shareholding*	51%*
Note: above mentioned detail is as on March 31, 2019. Part B is not applicable to the Company.	
* As on 14-08-2018 Company has divested 1,83,00,000 Equity Shares at par in M/s. E-Class Education System Limited, hence as on 14-08-2018 M/s. E-Class Education System Limited ceased to be Wholly Owned Subsidiary, however it will continue to remain as 51% subsidiary of the Company.	

**For and on behalf of the Board of Directors  
Sundaram Multi Pap Limited**

Sd/-  
**Amrut P. Shah**  
(DIN: 00033120)  
Chairman & Managing Director

Sd/-  
**Shantilal P. Shah**  
(DIN: 00033182)  
Whole-time Director

Date: August 12, 2019  
Place: Mumbai

**ANNEXURE-4**

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

The percentage increase in remuneration of each Director, other Key Managerial Personnel (KMP), Ratio of the remuneration of each director to the median remuneration of the employees of the company and the comparison of the remuneration of each KMP against the performance of the Company during the financial year 2018-19 are as under:

Name of Director/ KMP	Remuneration of Director/ KMP for FY 2018-19	% increase in remuneration in FY 2018-19	Ratio to median remuneration	Comparison of the Remuneration of the KMP against the performance of the Company
Mr. Amrut P. Shah (Chairman & Managing Director)	₹42,00,000/-	Remuneration of Directors was not increased during the FY 2018-19.	20.18	During the year under review profit after tax of the Company stood at ₹479.62/- lakhs as compared to loss of ₹1486.34/- lakhs in FY 2017-18.
Mr. Shantilal P. Shah (Whole-time Director)	₹42,00,000/-		20.18	
Mr. Krunal S. Shah (Whole-time Director)	₹42,00,000/-		20.18	
Mr. Rajesh Jain (CFO)	₹15,97,200/-	10%	7.68	
Mr. Bhavesh Chheda (CS)	₹3,42,000/-	10%	1.64	

No remuneration or sitting fees is paid to the Non-executive Directors or Independent Directors of the Company.

Percentage increase in the median remuneration of employees in the financial year 2018-19 compared to 2017-18.	2018-19	2017-18	Increase (%)	
	₹2,08,094/-	₹2,10,796/-	Median Remuneration is not increased.	
Number of permanent employees on the rolls of the company as on 31-03-2019.	173			
Average percentile increase in salaries of Employees other than managerial Personnel	2018-19	2017-18	Increase (%)	
	₹1,38,487.63/-	₹1,44,744.46/-	There is no increase in Average percentile in salaries of employees other than managerial Personnel	
Percentile increase in the managerial remuneration	MD & WTD	₹1,26,00,000/-	₹1,08,50,000/-	Remuneration paid to Directors was not increased during the year under review.
	CFO & CS	₹19,39,200/-	₹17,53,092/-	
Comparison of above	Remuneration of MD & WTD is within the limits approved by the Shareholders. Remuneration of Employees other than Directors was increased by 10%.			

**For and on behalf of the Board of Directors  
Sundaram Multi Pap Limited**

Sd/-  
**Amrut P. Shah**  
(DIN: 00033120)  
Chairman & Managing Director

Sd/-  
**Shantilal P. Shah**  
(DIN: 00033182)  
Whole-time Director

Date: August 12, 2019  
Place: Mumbai

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### GLOBAL ECONOMY V/S INDIAN ECONOMY:

In 2018 global economic activity was accelerating in almost all regions of the world which was projected to grow around 4%, but outlook is turned out to be less promising in 2019. On the other hand Indian economy started the FY 2018-19 with a healthy 8.2% growth on the back of domestic reliance. The world economy has shown weaker potential due to Geo-political tensions. The projected economic growth in India is likely to be around 7.4% in FY 2019-20. A sustained rise in consumption and gradual revival in investments, specifically with more focus on infrastructural developments from the government could be major factor in providing further impact on economic growth in FY 2019-20. By 2030, India should stand as third largest economy in the world. India is expected to be fifth largest economy in the world by 2020. The government of India has taken various steps to strengthen the economic base of the country. The interim Union Budget for FY 2019-20 has focused more on rural economy, education, healthcare and infrastructure etc.

### BUSINESS REVIEW/STATE OF THE COMPANY'S AFFAIRS:

India's book market is accounted as sixth largest in the world and the sector is expected to grow rapidly in near future. As per the Book Market Reports, industry can estimate CAGR of 19.3% for the industry in coming years. Overall book industry is growing at a rapid rate and thus leading the book manufacturers at better place. The global market for Stationery Products is projected to exceed US\$234 billion by 2024, driven by improving literacy rates, rising school enrolments, favorable demographics and growing enterprise activity. The growth in the market is also driven by the strong demand for skilled workforce and growing number of primary and secondary educational institutions; expanding enterprise segment as evidenced by the increase in number of corporate offices and home offices and the ensuing increase in consumption of stationery products. Asia-Pacific ranks as the fastest growing market with a CAGR around 6.1%, led by the factors such as growing population and education needs, increase in literacy rates, and increase in business development activities resulting in increase in demand for office stationery products.

Our Company is in the Business of School & Office stationery as well as E-learning segment. The enormous size of School and paper stationery industry of India makes it one of the most important sectors of Indian Economy. Increasing Economic Growth, High Literacy Rate, more Government Spending on Education, Growing Population, Urbanization, higher proportion of young adults, better living standards, shift in focus from inexpensive to quality products etc. are some major factors that are driving the paper stationery business to flourish. The thrust on education by the Government is the prime growth of the notebook industry.

Indian Paper Stationery Industry, which is a part of the huge and scattered Indian stationery Industry, has been going through tremendous alteration in recent years. Despite growing competition from neighboring markets, Indian stationary industry has been able to firm its feet into the market with constant innovation and making it more and more customer centric. Indian companies have learnt that innovation, performance and versatility are the key area to be focused upon. Taking the points under consideration, the businessmen are now researching and developing new products, as the market is now more of consumer oriented which is always looking for cost effective prices.

### INDUSTRY SCENARIO, STRUCTURE & DEVELOPMENTS:

- **STATIONERY BUSINESS & BOOKS INDUSTRY:**

Stationery stands for a wide range of materials like paper, office supplies, writing implements, greeting cards, etc. However, as per the contemporary definition of the term, 'stationery' more specifically relates to materials used for formal or personal correspondence. Stationery industry occupies a prestigious position among the various manufacturing enterprises, in view of its significant contribution to the society. Role of Paper & stationery in promotion of literacy and education makes it an indispensable product. The Indian stationery industry comprises of a wide variety of products and categories. It can roughly be classified into paper products, writing instruments, computer stationery, school stationery, and office stationery and so on.

From childhood and early education to employment and beyond, stationery products touch every stage of life. Products such as pens, pencils, papers and other accessories have a place in homes, offices, businesses and classrooms around the world. The stationery market evolved over the years to offer a wide array of products catering to different consumer segments. While education sector drives significant demand for basic stationery products, Office supplies too have been contributing considerably to the market. While carbon paper, inked ribbons, mailing supplies, and writing instruments have been a common feature in Office since long, modern enterprise sector, typically corporate and branch Office have been generating substantial demand for products such as marking devices, writing pads, binders, and party goods, among others. Health of enterprise sector, as represented by number of new Office starts and branch expansions typically dictate growth patterns in Office use stationery supply market.

Stationery products market in India has expanded considerably in the recent years driven by the growth in the literacy rates, increased enrollment and increasing corporate offices.

- **E-LEARNING/EDUCATION SEGMENT:**

Indian K-12 education market has shown outstanding performance in the world with around 26 crore students enrolled. The K-12 system of education ensures to provide basic elementary education to children kinder garden to 12th grade. Globally many countries have made the adoption of this system mandatory. In India schools are willingly accepting K-12 model of education to align with the concepts of education to all i.e. Sarva Shiksha Abhiyan and Right to Education resulting in system being broadly accepted by both Government and Private schools in dispensing education to all. At present there are around 15 lakh K-12 schools in the country, out of which Central and State Government administers more than half and around 20% is managed by local authorities and rest of the schools are managed by private sector. The purpose of K-12 model is to systemize the distribution of education across all ages from children to college.

The internet has gripped everyone's imagination and it continues to evolve its value creation in India, irrespective of the age, there is constant desire to keep once with latest internet trends. With digital literacy on the rise, last few years has witnessed significant mobile and internet penetration in India. Technology is enabling the education system to explore new dimensions effectively and efficiently, as it allows personalized learning, builds capacity and drives decision based on real-time data. Technology and

e-learning resolves the few issues in education sector i.e. access to quality education, active learning and personalized learning etc. India's digital education industry is expected to grow rapidly by 2021. Rising internet usage and technological advancements are largely facilitating the rapid evolution of education sector in India. Government has also started taking steps for installing digital classrooms in selected schools as a pilot project. Schools as well as teachers are moving forward to accept the digital platform to learn and teach.

The past few years has witnessed tremendous changes in technology to empower the overall education sector, which has resulted in development of efficient and cost-effective products and services with superior customer services. New technological innovations in educational process enable more excellent responsiveness to customer demands and improved product design and quality.

Globally many educational institutions are established to fulfill the goal and increase the importance of higher education. The traditional form of schooling has been changed from passive learning method in which the learners are sitting in front of the teacher and "learning by telling" to active learning method which works on interactivity or "learning by doing".

Technology has developed over the years in almost every field. With the development of technology, way of education has also moved on from old tools like the abacus, ruler, pencil and paper to PCs, laptops, tablets, I-Pads, software and apps. Education has become smart. This development has changed the way of teaching, learning, and many more school related activities.

E-Learning today has taken the world by storm and helped make learning on-the-go, a norm. Today, learners have access to multiple forms of content which aim to engage the learner. Psychologists state that the average Human attention span is approximately eight seconds, although teenagers and adults find it difficult to sustain attention on one thing for more than 20 minutes at a time. To break the barriers teenagers and adults have towards learning, today's online courses and learning engagements strive to make the best use of technology such as smartphones and tablets to disseminate byte-sized learning nuggets. Content is also tailored to suit each niche learner segment. E-Learning is also leveraged to complement Instructor-Led Training Modules, so that learners get the best of both worlds and are able to quickly apply their newly acquired skills, on-the-job. The benefits of e-learning are multi-fold. Some well-known and acknowledged benefits include faster delivery, lower costs, more effective learning and no-geographical constraints. E-Learning will continue to be an effective instrument for self-development for audiences, for years to come.

E-learning makes learning exciting, engaging and compelling with full involvements of learner in the subject. Difficult and boring subjects can be made easier, more interesting and appealing and learner centric with e-learning. Learning is a social activity, and e-learning means that powerful and enduring learning experiences can be achieved, not just through content, but through the use of online communities and networks. In this mode of learning, the learners are encouraged to communicate, collaborate and share knowledge through Internet or similar network. E-learning includes various types of media like text, audio, images, animation, and streaming video etc. to deliver the contents to the learner.

The traditional learning system had been used in India and was sustainable for long. But the educational needs are changing and a global education standard is imposing itself and forcing the

Indian education system to undergo many changes. The concept of e-learning is definitely gaining popularity in the country but at a slow pace as compared to other countries. E-learning is a useful medium through which India can attain the goal of reaching the unreached in rural areas, motivating the learners for higher education as well as woman empowerment through their education.

India holds an important place in the global education industry. The country has more than 1.4 million schools with over 227 million students enrolled and more than 36,000 higher education institutes. India has one of the largest higher education systems in the world. However, there is still a lot of potential for further development in the education system.

Indian E-learning technology market grew at a CAGR of around 14.4%. The technologies which elicit education to shift online are e-learning software, hardware and technologies such as cellphones, laptops, connectivity solutions, hybrid devices such as tablets, pen-drives, memory cards, mobile applications etc., and others, as people are increasingly comfortable in operating modern gadgets. The Internet has changed the online learning segment in current times with a larger number of educational institutes, corporates and also training centers providing knowledge by means of online courses and programs.

#### **SEGMENT WISE PERFORMANCE OF THE COMPANY:**

**Exercise Books & Paper Stationary:** Sales during the financial year ended March 31, 2019 was ₹9124.78 Lakhs as against the ₹10720.61 Lakhs during the previous financial year i.e. year ending as on March 31, 2018.

**E-learning:** During the financial 2018-19, in E-learning segment the Company recorded total revenue of ₹834.07 Lakhs as against ₹218.02 Lakhs in the FY. 2017-18. Leveraging the powers of Computers and using a blend of Internet, Mobile, and other means of Digital Communication Technologies, E-class Education System Limited our Subsidiary Company is taking quality and affordable education to reach the millions of Students across the Maharashtra and even the remote areas of the State. E-class aims at educating the Majority of the Students across the state by providing various products such as Smartphone Application, Android Memory cards, Pen-drives etc.

#### **INDUSTRY SCENARIO (OPPORTUNITIES & THREATS):**

The respect and recall of the printed word, especially educational books, remains significant in India. The result is that even in a largely digital era, the printed books continue to see a steady flow of growth. Sundaram's different categories of School Books continue to contribute a significant portion of the overall revenue. India has a huge children prominence and these are driving our growth in Maharashtra and Gujarat.

Education is the fourth basic need of a man to survive and thus forms a major expenditure. India has a fast growing population and a very fast growing demand for stationery products. With growing economy, the per capita income is also increasing. Also, the Government's spend on education laying emphasis on building more schools have increased the demand for the stationery products in India. Increasing inclination towards reading & writing, rising penetration of Internet, huge base of educated middle class population with increasing discretionary incomes and improving educational systems is driving growth in sales of stationery products. Better living standards have shifted the focus of consumers from inexpensive products to branded quality products.

With extreme precautions, and the good quality products offered and new marketing strategies are followed, the government has



also come out with various incentives for SME's. Particularly for stationary industry if we quote would be the education enhancement schemes which are giving growth to this sector. The Indian stationery market is also influenced by macroeconomic development, national income, urbanization.

Factors like lack of modern production facilities, unorganized nature of functioning, marginal demands, government policies and international competition are largely contributing to the slow growth of the organized stationery industry in India. Further, India is constantly challenged by the growing competition, especially from neighboring countries such as China, Indonesia and many other countries that supply higher quality products, as compared to India.

Also Digitization has altered the way consumers connect and communicate. This is transforming the stationery market by impacting the demand for these products as well as the design. The need for printing has reduced considerably as the digitization of several business processes, such as mail, forms, and data, has eliminated the need for traditional paper-based stationery products. Part of the reason for the growing digitization is that organizations increasingly prefer a paperless environment.

A paperless office environment renders the operations cost-effective and eco-friendly. Organizations consider a paperless environment an effective way to manage communication materials, as it increases accuracy in tracking and maintaining data. Vendors are thus making efforts to re-position and integrate stationery and cards in the current communication scenario with the help of technology.

Your Company is one of the prime players in the organized sector with the established brand 'Sundaram'. Your Company has modernized plants and automatic upgraded machines to produce quality products and which also allows your Company to take advantage of the economies of scale. Your company is also providing the platform for E-Learning through its Wholly-owned Subsidiary viz. E-class Education System Limited.

#### RISK AND CONCERN:

The risk is always the part and parcel of any business activity. The Company operates in a highly competitive environment that is subject to innovation and varying level of resources available to each player in this segment of business. The common risks inter alia are: Risk to Company Assets and Property, Employees Related Risks, Foreign Currency Risks, Risks associated with Non-Compliance of Statutory enactments, Competition Risks, Operational Risks, 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. Immense competition is faced by the company from the international players and unorganized sectors. The Company is constantly reviewing the risk that would impact adversely. Cost of raw material and inflationary pressure also increase the cost of manufacturing, but the availability of raw material from the suppliers at the right time and at the right price has enabled the company to reduce the cost of manufacturing. For Inflationary pressures and its impact the company has taken suitable cost control steps.

The Company's Human Risk is minimal as it enjoys a harmonious industrial relationship in the manufacturing units of the Company. Lack of clarity on future Government policy continues to be an area of major concern for the industry. The exact impact of this cannot be evaluated until the proposed changes are actually introduced and implemented.

Education system in India is evolving so as the content for the learning. Further Prices of raw materials are becoming unstable, and it may result in increase in cost of production, thereby compelling the company to realign the prices to manage the risks.

#### CREDIT RATING:

Details of the Credit Ratings obtained for bank loan facilities during the year are as under

Date of obtaining Credit Rating	Name of Credit Rating Agency	Ratings obtained
25-07-2019	CARE Ratings Limited	CARE BB- (Stable)
18-06-2019	Brickwork Ratings India Private Limited	BWR BB+ (Stable)
22-11-2018	CARE Ratings Limited	CARE BB- (Stable)
02-07-2018	CARE Ratings Limited	CARE B+ (Stable)

#### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Disclosure on Internal Financial Control and their adequacy & brief description on performance with respect to operational performance is given in Directors Report.

#### INDUSTRIAL RELATIONSHIP:

In challenging business environment, company & its management has maintained healthy and cordial relationships with all the stakeholders. Company had approximately 173 employees on payroll.

#### DETAILS OF SIGNIFICANT CHANGES, IF ANY, IN KEY FINANCIAL RATIOS:

Following are the key financial ratios of last two financial years:

Particulars	2017-18 (₹ In lakhs)	2018-19 (₹ In lakhs)
Total Revenue	10942.25	9254.86
Operating Expense	9533.8	7910.32
EBITDA	1408.45	1344.54
EBITDA Margin	-4.03%	14.52%
Depreciation	184.02	165.20
PAT	-1486.51	479.62
Capital Employed	10619.60	10167.45
EBIT	1224.43	1179.34
ROCE	12%	12%
Net worth	9634.45	10120.39

#### CAUTIONARY STATEMENT:

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, stock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labour negotiations.

## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2019 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations").

### BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

"Sundaram" is always committed to Good Corporate Governance and Good Corporate Governance is always easy to recognize. Good Corporate Governance is built upon foundation of Compliances, Transparency, Accountability and Trust, enhancing Stakeholders Value etc.

"Sundaram" strongly believes that business excellence is the reflection of the professionalism, conduct and ethical values of its management and employees. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders.

Good Corporate Governance is therefore strategic advantage that enhances economic performances and promotes financial stability, stronger growth. Good Corporate Governance reflects in Investor's trust & Confidence, employee loyalty, effective stakeholder relationships etc.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. We believe and continuously endeavor to achieve good governance through timely disclosures, transparency, accountability and responsibility in all our dealings all the stakeholders.

The Board of Directors represents the interest of the Company's stakeholders for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards through compliance of Code of conduct adopted by the Company.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of the Listing Regulations is given below:

### COMPOSITION OF BOARD OF DIRECTORS:

At Sundaram, the Board is at the core of the Corporate Governance practice. Your Company has the optimum combination of

experience and expertise of the members on the Board of Directors. At present Out of 6 members on its Board, 3 (three) are Independent Directors and 3 (three) are Executive Directors consisting of One Chairman & Managing Director and Two Whole-time Directors. This appropriate composition of the Board of Directors enables in maintaining the independence of the Board and separates its functions of governance and management. The Composition of Board is in conformity with Regulation 17 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 and Provisions of Companies Act, 2013. As on March 31, 2019 Board consists of:

Sr. No.	Name of Director(s)	Category	No. of Board Meeting Attended	Attendance at last AGM	Total Directorships as on 31-03-2019 (including this listed entity)	No. of Membership(s)/ Chairmanship(s) of Audit/ Stakeholder Committee(s) as on 31-03-2019 (including this listed entity)	
						Chairman	Member
1.	Mr. Amrut P. Shah	CMD (Promoter)	9	Yes	2	0	0
2.	Mr. Shantilal P. Shah	WTD (Promoter)	9	Yes	2	0	2
3.	Mr. Krunal S. Shah	WTD (Promoter)	9	Yes	0	0	0
4.	Mr. Manikandan P. Kammenchery	ID	9	Yes	3	0	3
5.	Ms. Minjal V. Kadakia	ID	9	Yes	2	3	0
6.	Mr. Kalpesh B. Parekh*	ID	9	Yes	1	0	2

(CMD: Chairman & Managing Director, WTD: Whole-time Director, ID: Independent Director)

Appointment of Mr. Kalpesh B. Parekh (DIN: 08010094) was regularized as Independent Director in the last Annual General Meeting held on September 27, 2018.

Further, Mr. Manikandan P. Kammenchery who was appointed as an Independent Director w.e.f. September 30, 2014 to hold office for a term of five consecutive years will retire upon completion of his term on September 29, 2019.

The Board met Nine (9) times during the Financial Year 2018-19 viz. on 29-05-2018, 26-07-2018, 14-08-2018, 01-10-2018, 14-11-2018, 12-01-2019, 08-02-2019, 20-02-2019 and 30-03-2019 and the maximum time gap between two meetings did not exceed one hundred and twenty days. The Board meets at least once in each quarter to review the quarterly financial results and other items on the Agenda. Additional meetings are held whenever necessary. None of the Directors of our Company are Director in any other listed Company. Further Board hereby confirms that the independent directors fulfill the conditions specified in listing regulations and are independent of the management.

The Board has on the recommendation of Nomination & Remuneration Committee appointed Mr. Paresh Jain (DIN: 05159799) as an Additional Independent Director w.e.f. August 12, 2019. Board has incorporated necessary resolution in the notice of AGM for his regularization as an Independent Director of the Company.

All the Directors have periodically and regularly informed the Company about their Directorship and Membership on the

Board/Committees of the Board of other companies. As per the disclosure received, none of the Directors of your Company hold memberships/Chairmanships more than the prescribed limits across all companies in which he/she is a Director.

During the year, information as mentioned in Schedule II Part A of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 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.

#### **CONFIRMATION AND CERTIFICATION:**

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. Further none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority.

#### **RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:**

Mr. Amrut P. Shah, Chairman & Managing Director and Mr. Shantilal P. Shah, Whole-time Director are Brothers as well as promoter of the Company. Mr. Krunal S. Shah is son of Mr. Shantilal P. Shah, Whole-time Director.

#### **NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON- EXECUTIVE DIRECTORS:**

Non-executive Directors do not hold any shares or Convertible Securities in the Company. Details of Shares held by Directors and KMP is given in Extract of Annual Report (MGT-9), which is forming part of Directors report.

#### **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

Under regulation 27(5) of SEBI (LODR) Regulations, 2015 and schedule IV of Companies Act, 2013, Your Company has in place a policy to familiarize 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 means.

The objective of the familiarization programme is to ensure that non-executive Directors are updated on the business environment and overall operation of the Company. This would enable them to take better informed decisions in the interest of the Company.

The Board Members were regularly appraised with overview of the Company and briefed about industry specific issues to enable them to understand the business environment in which Company operates.

Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, Independent Directors are regularly informed on various matters inter-alia covering the Company's and its subsidiaries/associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The Managing Director, Chief Financial Officer and Company Secretary inform to the Board Members and other

senior management personnel on periodic basis, briefing them about operations of the Company, Regulatory Changes, and new initiatives if any. They are also informed of the important policies of your Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading. The details of such Familiarization Programs and Policy for the same disclosed in the website of the Company at <http://www.sundaramgroups.in/company-policies/>.

#### **AUDIT COMMITTEE:**

The Audit Committee is duly constituted in accordance with the SEBI (LODR) Regulations 2015 and of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014. It adheres to the terms of reference, prepared in compliance with Section 177 of the Companies Act, 2013, and SEBI (LODR) Regulations 2015 which inter-alia include overseeing financial reporting process, accounting policies and practices, reviewing periodic financial results, adequacy of Internal Audit Functions, related party transactions etc.

#### **Terms of Reference:**

The main object of Audit Committee is to monitor and provide an effective supervision of Financial Reporting Process. The Audit Committee inter-alia performs the functions of discussing and reviewing quarterly and annual audited financial results, recommendation of appointment of statutory auditors and their remuneration, recommendation of appointment and remuneration of Internal Auditors, review of Internal Audit Reports, approval & review of related party transactions. For effective functioning the Audit Committee has also power to investigate any activity within its terms of reference, to seek information from employees and obtain outside and legal/professional advice as and when required. In addition to above, the other role and terms of reference of Audit Committee cover the matters as specified in Section 177 of the Companies Act, 2013 read with provisions of SEBI (LODR), Regulations 2015. Detailed terms of reference are also placed on the website of the Company at [www.sundaramgroups.in](http://www.sundaramgroups.in).

#### **Composition of Audit Committee as on March 31, 2019:-**

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1.	Minjal V. Kadakia	NED (I)	Chairperson	9	9
2.	Manikandan P. Kammenchery	NED (I)	Member	9	9
3.	Kalpesh B. Parekh	NED (I)	Member	9	9

During the FY 2018-19 Nine (9) Audit Committee Meetings were held on 29-05-2018, 26-07-2018, 14-08-2018, 01-10-2018, 14-11-2018, 12-01-2019, 08-02-2019, 20-02-2019 and 30-03-2019.

Company Secretary of the company acting as secretary of the committee. All the recommendations made by the Audit Committee during the year were accepted by the Board.

#### **NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Listing Agreement read with SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

**Broad terms of reference:**

The broad terms of reference of Nomination and Remuneration Committee are to evaluate and appraise the performance of the Executive Directors & Senior Management, determine and recommend to the Board the Compensation payable to them. The other terms of Nomination and Remuneration Committee shall be as mentioned in SEBI (LODR) Regulations, 2015 and Companies Act, 2013. Detailed terms of reference are also placed on the website of the company at [www.sundaramgroups.in](http://www.sundaramgroups.in).

**Composition of Nomination And Remuneration Committee as on March 31, 2019:-**

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1.	Minjal V. Kadakia	NED (I)	Chairperson	3	3
2.	Manikandan P. Kammenchery	NED (I)	Member	3	3
3.	Kalpesh B. Parekh	NED (I)	Member	3	3

During the FY 2018-19 Three (3) NRC Meetings were held. Date(s) on which meeting(s) were held are 29-05-2018, 14-08-2018, and 01-10-2018.

Company Secretary of the Company acting as Secretary of the Committee.

Pursuant to the provision of Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee carried out evaluation of every Director's performance for the financial year 2018-19 in their meeting held on 23-05-2019. Details of which is given in the directors report.

The Nomination and remuneration policy provides for appropriate composition of Executive, Non-Executive and Independent Director on the Board of Directors of your company along with criteria for appointment and remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section 3 of Section 178 of the Companies Act, 2013. The remuneration paid to directors is as per the terms laid out in the Nomination and Remuneration policy of your company. Policy on Nomination, Remuneration and Evaluation has been annexed to the Board Report.

**Details of Remuneration paid to Executive Directors are given below:**

Name of the Director	Designation	Salary for the year ended 31/03/2019 (In ₹)
Mr. Amrut P. Shah	Chairman & Managing Director	42,00,000
Mr. Shantilal P. Shah	Whole-time Director	42,00,000
Mr. Krunal S. Shah	Whole-time Director	42,00,000

No sitting fees were paid to Directors for the Financial Year 2018-19. The remuneration package of Executive Directors includes only salary which is a fixed component. There are no performance linked incentives. No stock option has been issued. There was no pecuniary relationship or transactions between Non-executive directors & Company during the financial year 2018-19. Executive Directors are appointed on contractual basis based on the resolutions passed in Shareholders Meeting.

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee was constituted in compliance with the requirements of the SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013.

**Brief Terms of Reference:**

Stakeholders Relationship Committee has mandate to review and redress Stakeholders Grievances. The purpose of the Committee is to assist the Board in maintaining the healthy relationships with all the Stakeholders. The Committee reviews the Complaints related to transfer/ transmission of Shares, request for copy Annual Reports, non-receipt of Dividend warrants or issue of fresh dividend warrants. It also approves or takes note of the request for issue of duplicate Share Certificates, new Share Certificate in case of Split or Consolidation, dematerialization or re-materialization of Shares.

The terms of reference of the Committee includes enquiring into and redressing complaints of shareholders and investors and to resolve the grievance of the security holders of your company. Detailed terms of reference of the Committee are placed on the website of the company at [www.sundaramgroups.in](http://www.sundaramgroups.in).

**Composition Of Stakeholders Relationship Committee as on March 31, 2019:**

Sr. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1.	Minjal V. Kadakia	NED (I)	Chairperson	4	4
2.	Manikandan P. Kammenchery	NED (I)	Member	4	4
3.	Kalpesh B. Parekh	NED (I)	Member	4	4

During the FY 2018-19 Four (4) Stakeholders' Relationship Committee Meetings were held on 29-05-2018, 14-08-2018, 14-11-2018 and 08-02-2019.

Company Secretary of the company acting as secretary of the committee.

**CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:**

Composition of CSR as on March 31, 2019:

S r. No.	Name	Category	Designation	No. of Meetings	
				Held	Attended
1.	Minjal V. Kadakia	NED (I)	Chairperson	1	1
2.	Manikandan P. Kammenchery	NED (I)	Member	1	1
3.	Kalpesh B. Parekh	NED (I)	Member	1	1

During the year one CSR committee meeting was held on 29-05-2018.

**INDEPENDENT DIRECTORS' MEETING:**

Schedule IV of the Companies Act, 2013 and rules made thereunder and Regulation 25 of SEBI (LODR) Regulations, 2015 mandate that the Independent Directors of the Company shall hold at least one meeting in each financial year, without presence of Non-independent Directors. During the year under review, the Independent Directors met on March 30, 2019, without the attendance of Non-Independent Directors and members of management, inter alia to discuss:

- To review the performance of Non-Independent Directors and the Board of Directors as a whole;

- Review the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive directors;
- Assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

**COMPLIANCE OFFICER:**

Mr. Bhavesh Chheda is Company Secretary and Compliance Officer of the Company in order to complying with the requirements of Securities Laws and Listing Agreement with Stock Exchange.

**NUMBER OF SHAREHOLDERS' COMPLAINTS RECEIVED SO FAR:**

One Complaint was received during the year under review however said complaint was resolved within time and there was no complaint outstanding as on the closure of the financial year.

**LAST THREE ANNUAL GENERAL MEETINGS:**

Financial Year	Date of Meetings	Whether Special Resolution passed	Time	Venue
2015-16	29-08-2016	Yes	11.00 A.M.	Chatwani Baug Hall, 1st Floor, 7, Gokhle Road, Near Vile Parle Station, Vile Parle East, Mumbai: 400057
2016-17	15-09-2017	Yes	10.30 A.M.	
2017-18	27-09-2018	Yes	10.30 A.M.	

**EXTRA ORDINARY GENERAL MEETING:**

Date of Meetings	Whether Special Resolution Passed	Time	Venue
22-07-2019	Yes	10.30 A.M.	Chatwani Baug Hall, 1st Floor, 7, Gokhle Road, Near Vile Parle Station, Vile Parle East, Mumbai: 400057.

The following are the particulars of Special Resolutions passed in the previous three financial years:

Date	Particulars
29-08-2016 (AGM)	1. Alteration of Capital Clause in MOA; 2. To issue securities; 3. To issue Convertible Share Warrants to the Promoters.
15-19-2017 (AGM)	1. To re-appoint Mr. Amrut P. Shah as the Managing Director; 2. To re-appoint Mr. Shantilal P. Shah as Whole-time Director; 3. To approve the revision in remuneration of Mr. Amrut P. Shah; (However said resolution was not approved with requisite majority) 4. To approve the revision in remuneration of Mr. Shantilal P. Shah; (However said resolution was not approved with requisite majority) 5. To regularize the appointment of Mr. Krunal S. Shah as Whole-time Director; 6. To Consider the issue of Securities.

27-09-2018 (AGM)	1. To reclassify the status of certain person/entities of Promoter & Promoter Group; 2. To consider the Alteration of the object clause of the Memorandum of Association of the Company.
22-07-2019 (EOGM)	1. Increase in borrowing limits of board of directors from ₹500 crores to ₹700 crores or the aggregate of the paid up capital and free reserves of the company, whichever is higher; 2. Authority to the board of directors or a committee thereof to sell, lease, mortgage or otherwise dispose-off the whole or substantially the whole of the undertaking(s), the movable and immovable properties of the company both present and future; 3. Conversion of loans into equity shares of the company.
During last Financial Year no resolutions were passed through postal ballot.	

**MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTION:**

During the period under review, the Company had not entered into any transaction of a material nature with any of the related parties which may have potential conflict with the interest of the Company. None of the transactions with any of related parties were in conflict with the Company's interest. Full disclosures of related party transactions are given in notes to the Financial Statements. All related party transactions are negotiated on an arm's length basis, and are intended to further the Company's interests.

**DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES, AND STRICTURES IMPOSED:**

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets. No penalties or strictures imposed on the Company by Stock Exchanges or SEBI and other Statutory Authorities on matters related to capital markets during the last three years. The Board quarterly reviews the compliance report on applicable laws to the Company as well as steps taken by the Company to rectify the instances of non-compliance, if any.

**VIGIL MECHANISM:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. Your Company believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers, shareholders and business associates in an ethical and lawful manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Your Company prohibits any kind of discrimination, harassment, victimization or any other unfair practice being adopted against an employee and/or a business associate. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

**DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF THIS CLAUSE:**

The Company has complied with all the mandatory requirements of Regulation 27 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

**MMATERIALLY SIGNIFICANT RELATED PARTY TRANSACTION:**

All transactions entered into with related parties as defined under Companies Act, 2013 and SEBI (LODR) Regulations, 2015 during the reporting financial year were on arm's length basis and were not considered to be materially significant. Related Party Transactions entered during the financial year were not in conflict with the interest of the Company.

**WE BLINK FOR POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES & POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:**

Policy for determining the material Subsidiary and policy for dealing with Related Party Transaction is disclosed on the website of the Company at <http://www.sundaramgroups.in/company-policies/>

**RISK MANAGEMENT:**

Disclosure under Risk Management has been given in the Directors Report. Policy on Risk Management has been placed on the website of the Company at <http://www.sundaramgroups.in/other-information/>.

**CODE OF CONDUCT:**

The Board of Directors of the Company has laid down the code of conduct for all the Board Members and the Senior Management of the Company in accordance with the requirement under Regulation 17 and Regulation 26 (3) of the SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The same has been posted on the website of the Company at <http://www.sundaramgroups.in/company-policies/>. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year 2018-19. The declaration from Mr. Amrut P. Shah, Chairman & Managing Director, regarding the affirmation of the compliance for the year ended March 31, 2019, is enclosed and forms part of this report.

**PREVENTION OF INSIDER TRADING:**

The Company has adopted an insider trading policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This policy also includes practices and procedures for fair disclosure of Unpublished Price Sensitive Information, Initial and Continual Disclosure. Policy on Insider Trading is available on the website of the Company at <http://www.sundaramgroups.in/company-policies/>

**SHARE TRANSFER IN PHYSICAL FORM:**

With effect from April 01, 2019 SEBI has amended Regulation 40 of SEBI (LODR) Regulations, 2015 which deals with transfer or Transmission or transposition of securities. According to said amendment, transfer of securities shall not be processed unless the securities are held in dematerialised form with a Depository.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS:**

Company has obtained certificate from Practicing Company Secretary stating that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI, Ministry of Corporate Affairs or any such statutory authority.

**FEES PAID TO STATUTORY AUDITORS:**

During the financial year 2018-19, total fees paid by the Company to Statutory Auditors for all services are as under:

Particulars	Amount
Statutory Audit	₹5,00,000/-
Others (Certification & Reimbursement)	₹30,000/-

**MEANS OF COMMUNICATION:**

Publication of Quarterly Results	Quarterly, half-yearly and annual financial results of the Company were published in The Free Press Journal (English) and Navshakti (Marathi) newspapers.
Quarterly Results	Board Meeting will be held for Quarterly Results for Quarter ending June, September, December within 45 days from the closure of respective Quarter.  Board Meeting for Financial Result for year ending March 31, 2020 will be held within 60 days from the close of financial year.
Website	<a href="http://www.sundaramgroups.in">www.sundaramgroups.in</a> ; In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives information as required to be placed on the website of the Company.
Stock Exchange	Your Company makes timely disclosures of necessary information to BSE Limited and the National Stock Exchange of India Limited in terms of the Listing Regulations and other rules and regulations issued by the SEBI.  NEAPS (NSE Electronic Application Processing System): NEAPS is a web-based application designed by NSE for corporates.  BSE Corporate Compliance & the Listing Centre: BSE Listing is a web-based application designed by BSE for corporates.  All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are in accordance with the Listing Regulations filed electronically.
Annual Report	Annual Reports are sent to each shareholder at their address registered or on their e-mail address registered with the Company/R&TA/Depositories. Corporate Governance Certificate for financial year 2018-19, as required under the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 had been obtained from Auditors of the Company.
Registrar and Share Transfer Agents (RTA)	M/s. Sharex Dynamics (India) Private Limited,  C 101, 247 Park, L BS Marg, Vikhroli West, Mumbai: 400083  Tel: 2851 5606/ 5644/ 6338; Fax: 2851 2885; Email: <a href="mailto:support@sharexindia.com">support@sharexindia.com</a>
Plant Location	Plot No. 33-37, Sundaram Industrial Zone, Palghar West, Palghar: 401404, Maharashtra.

Share Transfer System	Stakeholder Relationship Committee constituted by the Board considers and approves all physical form shares related issues, transfers, transmission, transposition, remat of shares, deletion of name of deceased shareholder(s) from share certificates, issue of duplicate/ renewed/ subdivided/ consolidated/replaced share certificate(s) etc. The transfer formalities are attended to on fortnightly basis by the nominated Registrars & Share Transfer Agents.
Address of correspondence	Enquiries, if any relating to shareholder accounting records, share transfers, transmission of shares, change of address / bank mandate details for physical shares, receipt of dividend warrant, loss of share certificates etc., should be addressed to Company or RTA at:  Sundaram Multi Pap Limited Address: 5/6 Papa Industrial Estate, Suren Road, Andheri (East), Mumbai: 400093. Tel Nos.: 022- 67602200 Fax Nos.: 022- 67602244 E-mail.: info@sundaramgroups.in; bhavesh@sundaramgroups.in Sharex Dynamics (India) Private Limited  Address: C 101, 247 Park, L BS Marg, Vikhroli West, Mumbai: 400083 Tel: 2851 5606/ 5644/ 6338; Fax: 2851 2885; Email: support@sharexindia.com

**GENERAL SHAREHOLDER INFORMATION:**

AGM Date	September 30, 2019
Time	10.30 A.M
Venue	Chatwani Baug Hall, 1st Floor, 7, Gokhle Road, Near Vile Parle Station, Vile Parle East, Mumbai: 400057, Maharashtra, India
Financial Year	April 1, 2018 to March 31, 2019
Book Closure Date	September 24, 2019 to September 30, 2019
Dividend	not declared for financial year 2018-19
Listing of Stock Exchanges	BSE Limited; National Stock Exchange of India Limited
Stock Code	BSE – 533166 NSE – SUNDARAM
Demat ISIN No.	INE108E01023
Listing fees have been paid to Bombay Stock Exchange Ltd and National Stock Exchange Ltd., for the Financial Year 2019-20.	

**SHAREHOLDING PATTERN: SHAREHOLDING PATTERN AS ON MARCH 31, 2019:**

Category	No. of Shares held	% of Holding
<b>A. PROMOTER'S HOLDING</b>		
Promoters		
Indian Promoters (Individuals & HUF)	60451585	22.26
Body Corporate/ Central Govt./ State govt./ Banks	0	0
Foreign Promoters	0	0
<b>Sub Total (A)</b>	<b>60451585</b>	<b>22.26</b>
<b>B. PUBLIC SHAREHOLDING</b>		
<b>1. Institutional Investors</b>		
a) Financial Institutions/ Banks	153620	0.06
b) Insurance Companies, Central Govt./ State Govt.	9000000	3.31
c) FII/FPI	0	0
<b>Sub Total (B1)</b>	<b>9153620</b>	<b>3.37</b>
<b>2. Non-Institutional Investors</b>		
a) Bodies Corporate	26844360	9.88
b) Individual shareholders holding nominal share capital up to ₹ 1 lac	104752578	38.57
c) Individual shareholders holding nominal share capital in excess of ₹ 1 lac	61673852	22.71
d) Non-Resident Indians & OCB	4246314	1.56
e) Any others (clearing member)	4066097	1.50
f) IEPF	397367	0.15
g) Trusts	20000	0.01
<b>Sub Total (B2)</b>	<b>202000568</b>	<b>74.37</b>
<b>Sub Total (B1+B2)</b>	<b>211154188</b>	<b>77.74</b>
<b>GRAND TOTAL (A)+(B 1)+(B 2)</b>	<b>27,16,05,773</b>	<b>100.00%</b>

**DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2019:**

No. of Equity shares held	No. of Share Holders	% of total Shareholders	No. of Shares held	% of Total Share Capital
Up to 100	3364	14.051	155661	0.057
101 to 200	1332	5.563	230338	0.085
201 to 500	3193	13.336	1300506	0.479
501 to 1000	4195	17.522	3862785	1.422
1001 to 5000	7132	29.789	20655400	7.605
5001 to 10000	2179	9.101	17966370	6.615
10001 to 100000	2261	9.444	66815290	24.600
100001 to Above	286	1.195	160619423	59.137
<b>Total</b>		<b>100</b>	<b>271605773</b>	<b>100.00</b>

As on March 31, 2019 out of 27,16,05,773 shares issued 27,07,67,986 Equity Shares (99.69 % of total equity capital) was held in dematerialized form.

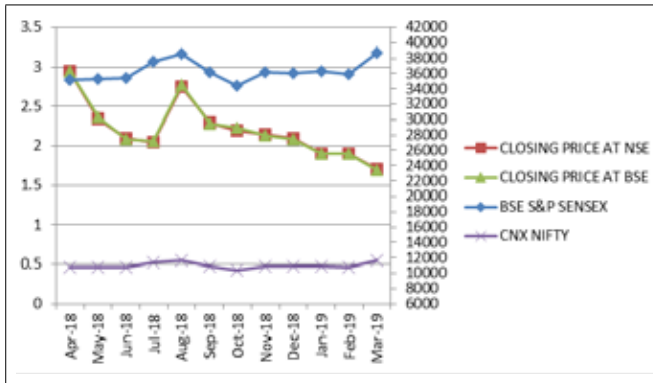
**OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:**

The Company has not issued & allotted any ADRs, GDRs or Share Warrants or any other Convertible Instruments.

**VOLUME OF SHARES TRADED & SHARE PRICE MOVEMENT ON A MONTHLY BASIS:**

MONTHS	BSE LIMITED			NATIONAL STOCK EXCHANGE OF INDIA LIMITED		
	HIGH (₹)	LOW (₹)	NO. OF SHARES	HIGH (₹)	LOW (₹)	NO. OF SHARES
April 2018	3.90	2.91	3411819	3.80	2.90	20023853
May 2018	3.39	2.01	8379809	3.15	2.00	50432183
June 2018	2.39	2.01	2753539	2.40	2.00	11068265
July 2018	2.44	1.99	2612966	2.40	1.95	11006878
August 2018	3.00	2.00	5298145	3.05	2.00	21571335
September 2018	3.08	2.21	3164335	3.05	2.20	14532039
October 2018	2.79	2.06	1842697	2.60	2.10	10675157
November 2018	2.49	2.12	1170397	2.35	2.10	5434767
December 2018	2.19	1.95	1072331	2.20	1.90	6029337
January 2019	2.14	1.82	766946	2.10	1.85	5214411
February 2019	2.05	1.52	1620917	2.05	1.50	8915961
March 2019	2.10	1.60	913930	2.00	1.60	4788981

**PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES:**



**OTHER REQUIREMENTS:**

All the recommendations of the various committees made were accepted by the Board.

The Company has not raised any funds through preferential allotment or QIP during the year.

The Company is yet to adopt the non-mandatory requirements like sending of half-yearly declaration of financial performance including summary of the significant events in last six-months, unqualified financial statements. The Board is taking guidance from Non-Mandatory requirement as mentioned in Corporate Governance. It is always an endeavor of the Board to implement the suggestion of the non-mandatory requirement.

**DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT**

I Mr. Amrut P. Shah, Chairman & Managing Director hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2019.

**For SUNDARAM MULTI PAPER LIMITED**

Sd/-

**Amrut P. Shah**

Chairman & Managing Director

Date: 23-05-2019

Place: Mumbai

**CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

To,  
The Board of Directors  
Sundaram Multi Paper Limited

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of the Company hereby certify that on the basis of the review of the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2019 and that to the best of our knowledge and belief:

- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be 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.

We hereby certify that, to the best of our knowledge and belief, no transactions entered into by the Company during the year by the Company are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

- 1) Significant changes in internal control over financial reporting during the year;
- 2) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to financial statement; and
- 3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**Amrut P. Shah**  
Chairman & Managing Director

**Rajesh B. Jain**  
Chief Financial Officer

Date: 23-05-2019

Place: Mumbai



**Certificate on compliance with the conditions of Corporate Governance as per the Provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Members,  
**Sundaram Multi Pap Limited,**

1. The Corporate Governance Report prepared by Sundaram Multi Pap Limited ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("applicable criteria") with respect to Corporate Governance for the year ended March 31, 2019. This certificate is required by the Company for sending it to the shareholders of the Company.

**Management's Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management, along with the Board of Directors, are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Company Secretaries of India ("ICSI"). The Guidance Note on Reports or Certificates for Special purposes requires that we comply with the ethical requirements.
6. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
7. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial statements of the Company taken as a whole.

**Opinion**

8. Based on the procedures performed by as referred in paragraph 6 and 7 above and according to the information and explanations given to us, we are of the opinion that the

Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2019, referred to in paragraph 1 above.

**Other matters and Restriction on Use**

9. This Certificate 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. Further, we have no responsibility to update this certificate for events and circumstances occurring after the date of this Certificate.

**For A. V. Shah & Associates**

**Amisha Shah**

Proprietor

C.P. No.: 13399

Membership No.: F8798

Date: August 12, 2019

Place: Mumbai

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015).

To  
The Members of,  
**Sundaram Multi Pap Limited**

We have examined the registers, records, forms, returns and disclosures received from the Directors of Sundaram Multi Pap Limited having its registered office at 5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093 as produced before us for the purpose of issuing the Certificate under Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

According to the information provided to us and to the best of our information we hereby certify that;

Following are the details of Directors on the board of Sundaram Multi Pap Limited as on 31-03-2019:

Sr. No.	Name of Director	DIN	Designation	DIN Status
1	Amrut P. Shah	00033120	Managing Director	Approved
2	Shantilal P. Shah	00033182	Whole-time Director	Approved
3	Krunal S. Shah	07877986	Whole-time Director	Approved
4	Manikandan P. Kammenchery	03323385	Independent Director	Approved
5	Minjal V. Kadakia	07135977	Independent Director	Approved
6	Kalpesh B. Parekh	08010094	Independent Director	Approved

We further certify that that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority for the Financial Year ending on March 31, 2019.

**For A. V. Shah & Associates**

**Amisha Shah**  
Proprietor  
C.P. No.: 13399  
Membership No.: F8798

Date: August 12, 2019  
Place: Mumbai

## Independent Auditor's Report

To the Members of  
**Sundaram Multi Pap Limited**

### Report on the Audit of the Standalone Financial Statements

#### Qualified Opinion

We have audited the accompanying standalone financial statements of **Sundaram Multi Pap Limited** ("the Company"), which comprises of the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements gives a true and fair view in conformity except for the effects of matter described in the Basis for Qualified Opinion paragraph below, with the aforesaid Ind AS and other accounting principles generally accepted in India prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Qualified Opinion

- The balances of trade receivables, trade payables, loans and advances are subject to confirmations, reconciliation and consequential adjustments if any. Further, no provision has been made for trade receivables, which are outstanding since long and are to be provided for.*
- The Company has invested a sum of ₹20.40 Crores in its subsidiary i.e. E-Class Education System Limited ("The Subsidiary"). The subsidiary has made losses in the previous years and the Company has not made provision for diminution in value of investment made in subsidiary which is a departure from Ind AS 109 (Financial Instruments). However, subsidiary has made profit during the year under audit and appears to be on the path of turnaround. (Refer para annexes to Note No.5 (a) to the financial statements)*

In view of above, we are unable to comment upon the resultant impact of the above on the profit for the year, statement of changes in equity, investment, loans and advances, trade receivables, trade payables, current and non-current assets and liabilities, as at balance sheet date.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Revenue</b></p> <p>The Company manufacture and market paper stationery products – exercise note books, long books, note pads, scrap books, drawing books, graph books – for students of all ages, as well as office/corporate stationery products and printing, writing &amp; packaging paper to its customers in Maharashtra, mainly through its own distribution network.</p> <p>Refer Notes 17 to the Standalone Financial Statements</p>	<p>Our audit included but was not limited to the following activities</p> <ul style="list-style-type: none"> <li>• Mapped and evaluated selected systems and processes for revenue recognition and tested a sample of key controls</li> <li>• Assessed whether the accounting principles comply with the Ind AS</li> <li>• Tested a sample of sales transactions for compliance with the Company's accounting principles.</li> <li>• Performed data analytical procedures to identify and evaluate a sample of manual and automatic journal entries.</li> <li>• Traced disclosure information to accounting records and other supporting documentation.</li> </ul>
2	<p><b>Valuation of Investment in Subsidiary</b></p> <p>The Company's 51% interest in E-Class Education System Limited ("the Subsidiary") is accounted for under the equity method. The Company's share of loss from the Subsidiary's Reserves and Surplus as at year ended 31st March, 2019 was ₹25,80,16,448 and the Company's share of subsidiary's net assets was ₹20,40,00,000 as at 31st March, 2019.</p> <p>Refer Note 5(a) to the Standalone Financial Statements.</p>	<p>The Subsidiary is a significant part of the investment by the company and is audited by a non-JMR auditor ("the Subsidiary Auditor").</p> <p>We have met the Subsidiary Auditor and have discussed their identified audit risks and audit approach, results of their work and key audit matters identified; and have reviewed their working papers. Together with their reporting to us in accordance with our instructions we have determined that the audit work performed and evidence obtained were sufficient for our purpose. We discussed the key audit matters relating to the subsidiary with the company's management and evaluated the impact on our audit of the Company's financial statements.</p> <p>The Subsidiary has carried forward losses from the previous year and the management is revitalizing the subsidiary, coupled with improvement in order book in FY 2018-19 as evident from the turnover achieved, profit earned and further evident from sale of 49% stake of parent at par during the year ended 31 March 2019.</p>

### **Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rules issued thereunder. 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from

material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the

audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. 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, as amended 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 standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**For JMR & Associates LLP**  
Chartered Accountants  
Firm Regn.No. 0106912W/W100300

**CA Nikesh Jain**  
Partner  
M. No. 114003

Place: Mumbai  
Date: 23 May 2019

## “Annexure A”

### **To the Independent Auditors’ Report on the standalone Ind AS financial statements of Sundaram Multi Pap Limited for the year ended 31st March, 2019**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sundaram Multi Pap Limited of even date)

#### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Sundaram multi Pap Limited (“the Company”) as of 31 March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For JMR & Associates LLP**

Chartered Accountants

Firm Regn.No. 0106912W/W100300

**CA Nikesh Jain**

Partner

M. No. 114003

Place: Mumbai

Date: 23 May 2019

**“Annexure B”**

**To the Independent Auditors’ Report on the standalone Ind AS financial statements of Sundaram Multi Pap Limited for the year ended 31st March, 2019**

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sundaram Multi Pap Limited of even date.)

**“Report on Other Legal and Regulatory Requirements” referred to in paragraph 1 of our report of even date.**

- i. In respect of property, plant and equipments:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.
  - b) As informed to us, the property, plant and equipments have been physically verified by the management during the period according to a phased programme. In our opinion, such programme is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification by the management as further informed to us.
  - c) According to information & explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. In respect of its inventories:
 

As informed to us, the physical verification of the inventories at the factory was done by the management at reasonable intervals and also by another Chartered Accountant as at year end and in our opinion, the frequency of verification is reasonable. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. The Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act and accordingly, the provisions of Clause (iii) (a) to (c) of Para 3 of the Order are not applicable to the Company.
- iv. The Company has not granted any loan under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act, with respect to the guarantees made. The Company has neither made any investment nor given any loans during the year.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of section 73 to 76 of the Act and rules framed thereunder, and accordingly, the provisions of Clause (v) of Para 3 of the Order are not applicable to the Company.
- vi. We have broadly reviewed accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section (1) of section 148 of the Act, related to manufacture of specialty petroleum products and are of the opinion

that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of records with a view to determine whether they are accurate.

- vii. In respect of statutory dues:
  - a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Employees’ State Insurance, Income-tax, Goods and Service tax, cess or/ and any other statutory dues wherever applicable.
  - b) According to the information and explanations given to us there were an amount outstanding with respect to statutory dues as on 31 March 2019 for a period of more than six months from the date they became payable, except provident fund ₹10,339 which is outstanding due to technical glitches of the system pertaining to the name of employees being different as per PAN and Aadhaar Card.
  - c) According to the information and explanation given to us, there are no dues outstanding in respect of Goods and Service tax, Cess or/and any other statutory dues wherever applicable, which have not been deposited on account of any dispute.
  - d) According to the information and explanation given to us, there are dues outstanding in respect of Income Tax, which have not been deposited on account of any dispute is as follows:
 

Nature of Statute	Nature of Dues	Period to which dispute pertains to	Amount in ₹
The Income Tax Act, 1961	Income tax	AY 2013-14	48,37,583
<b>Total</b>			<b>48,37,583</b>
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company did not have any borrowings from financial institutions, government or debenture holders.
- ix. Based on our audit procedures and on the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us, the term loans raised have been applied by the Company during the year for the purposes for which they were raised.
- x. Based upon the audit procedures performed and the information and explanations given by the management, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid / provided in

accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of Clause (xii) of Para 3 of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has entered into non-cash transactions with directors or persons connected with the directors, by repayment of Director's Loan by issue of equity shares of its subsidiary company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

**For JMR & Associates LLP**  
Chartered Accountants  
Firm Regn.No. 0106912W/W100300

**CA Nikesh Jain**  
Partner  
M. No. 114003

Place: Mumbai  
Date: 23 May 2019



**Standalone Balance Sheet as at 31st March, 2019**

(Currency : Indian Rupees in lakhs)

Particulars	Note No.	31-Mar-19	31-Mar-18
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	5,160.07	5,254.94
Other Intangible assets	4	166.64	1.61
Intangible Asset under Development		-	-
Financial Assets	5		
Investments	5(a)	2,040.00	3,870.00
Other	5(f)	-	-
Other Tax Assets	6	18.10	12.62
Deferred tax assets (net)	7		
<b>Total Non Current Assets</b>		<b>7,384.81</b>	<b>9,139.17</b>
<b>Current assets</b>			
Inventories	8	3,657.03	3,673.30
Financial Assets	5		
Investments	5(a)	-	-
Trade receivables	5(b)	1,615.02	1,620.77
Loans	5(c)	3.35	3.35
Cash and cash equivalents	5(d)	6.19	3.22
Bank balances other than cash and cash equivalents	5(e)	-	-
Others	5(f)	770.00	946.33
Other current assets	9	29.59	94.32
Assets classified as held for sale	10	2,007.19	2,007.16
<b>Total Current Assets</b>		<b>8,088.37</b>	<b>8,348.45</b>
<b>Total Assets</b>		<b>15,473.18</b>	<b>17,487.62</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
Equity Share capital	11	2,716.06	2,716.06
Other Equity			
Reserves and Surplus	12	7,404.33	6,918.39
Other reserves			
<b>Total Equity</b>		<b>10,120.39</b>	<b>9,634.45</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial Liabilities	13		
Borrowings	13(a)	9.27	957.28
Provisions	14	37.78	27.87
Deferred tax liabilities (Net)	7	-	-
<b>Total Non Current Liabilities</b>		<b>47.05</b>	<b>985.15</b>
Current liabilities			
Financial Liabilities	13		
Borrowings	13(a)	3,388.78	4,038.17
Trade payables - MSME	13(b)	10.27	17.53
Trade payables - other than MSME	13(b)	794.67	1,737.75
Other financial liabilities	13(c)	719.29	671.88
Provisions	14	6.31	5.94
Other Current Liabilities	15	45.19	55.53
Liabilities directly associated with assets classified as held for sale	16	341.22	341.22
<b>Total Current Liabilities</b>		<b>5,305.73</b>	<b>6,868.02</b>
<b>Total Equity and Liabilities</b>		<b>15,473.18</b>	<b>17,487.62</b>

**As per our report of even date attached**
**For JMR & Associates LLP**
*Chartered Accountants*
**Firm Registration No.: 0106912W / W100300**
**CA Nikesh Jain**
*Partner*

Membership No.: 114003

**Place : Mumbai**
**Date : 23rd May, 2019**
**For and on behalf of the Board of Directors**
**Amrut P. Shah**
*Chairman & Managing Director*

DIN: 00033120

**Rajesh B. Jain**
*Chief Financial Officer*
**Shantilal P. Shah**
*Whole-time Director*

DIN: 00033182

**Bhavesh Chheda**
*Company Secretary*

**Statement of Profit and Loss (Standalone) for the year ended 31st March 2019**

(Currency : Indian Rupees in lakhs)

Particulars	Note No.	31-Mar-19	31-Mar-18
Revenue From Operations	17	9,124.78	10,720.61
Other Income	18	130.08	221.64
<b>Total Income</b>		<b>9,254.86</b>	<b>10,942.25</b>
<b>Expenses:</b>			
Cost of materials consumed	19	6,002.80	6,997.86
Purchases of Stock-in-Trade		349.90	1,518.41
Excise Duty		-	75.05
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	20	72.90	(753.40)
Employee benefits expense	21	620.71	534.88
Depreciation and amortization expense	22	165.20	184.02
Finance costs	23	699.72	860.86
Other expenses	24	864.01	1,161.00
<b>Total expenses</b>		<b>8,775.24</b>	<b>10,578.68</b>
Profit/(loss) before exceptional items and tax		479.62	363.57
Exceptional Items	25	-	1,850.08
<b>Profit/(loss) before tax</b>		<b>479.62</b>	<b>(1,486.51)</b>
<b>Tax expense:</b>			
Current tax			
Deferred tax	7	-	-
Income tax for earlier years written off		-	(0.17)
<b>Profit (Loss) for the period</b>		<b>479.62</b>	<b>(1,486.34)</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss		6.34	0.69
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Other Comprehensive Income for the year</b>		<b>6.34</b>	<b>0.69</b>
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>485.96</b>	<b>(1,485.65)</b>
Earnings per equity share of ₹ 1 each:			
(1) Basic		0.18	(0.58)
(2) Diluted		0.18	(0.58)

**As per our report of even date attached**
**For JMR & Associates LLP**
*Chartered Accountants*
**Firm Registration No.: 0106912W / W100300**
**CA Nikesh Jain**
*Partner*

Membership No.: 114003

**Place : Mumbai**
**Date : 23rd May, 2019**
**For and on behalf of the Board of Directors**
**Amrut P. Shah**
*Chairman & Managing Director*

DIN: 00033120

**Rajesh B. Jain**
*Chief Financial Officer*
**Shantilal P. Shah**
*Whole-time Director*

DIN: 00033182

**Bhavesh Chheda**
*Company Secretary*

**Statement of Changes in Equity**
**A. Share Capital**

Particulars	Amount
<b>As at 31 March 2017</b>	<b>2,456.06</b>
Increase during the year	260.00
<b>As at 31 March 2018</b>	<b>2,716.06</b>
Increase during the year	-
<b>As at 31 March 2019</b>	<b>2,716.06</b>

**B. Other Equity**

(Currency : Indian Rupees in lakhs)

Particulars	Reserves and Surplus				Other Reserves	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans	Other Equity
<b>Balance at 01-Apr-2017</b>	<b>7.00</b>	<b>5,594.14</b>	<b>3,754.24</b>	<b>(1,484.33)</b>	-	<b>7,871.05</b>
Additions for the year	-	533.00	-	(1,486.35)	-	(953.35)
Other Comprehensive Income	-	-	-	-	0.69	0.69
<b>Total Comprehensive Income for the year</b>	-	<b>533.00</b>	-	<b>(1,486.35)</b>	<b>0.69</b>	<b>(952.66)</b>
Transfer to Retained Earnings	-	-	-	-	-	-
<b>Balance at 31-Mar-2018</b>	<b>7.00</b>	<b>6,127.14</b>	<b>3,754.24</b>	<b>(2,970.67)</b>	<b>0.69</b>	<b>6,918.39</b>
<b>Balance at 01-Apr-2018</b>	<b>7.00</b>	<b>6,127.14</b>	<b>3,754.24</b>	<b>(2,970.67)</b>	<b>0.69</b>	<b>6,918.39</b>
Profit for the year	-	-	-	479.60	-	479.60
Other Comprehensive Income	-	-	-	-	6.34	6.34
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>479.60</b>	<b>6.34</b>	<b>485.94</b>
Transfer to Retained Earnings	-	-	-	-	-	-
<b>Balance at 31-Mar-2019</b>	<b>7.00</b>	<b>6,127.14</b>	<b>3,754.24</b>	<b>(2,491.07)</b>	<b>7.03</b>	<b>7,404.33</b>

**Standalone Cash Flow Statement For The Year Ended 31st March, 2019**

(Currency : Indian Rupees in lakhs)

Particulars		Year Ended 31st March, 2019		Year Ended 31st March, 2018	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>				
	<b>Net Profit / (Loss) Before Tax</b>		<b>479.60</b>		<b>(1,486.52)</b>
	<b>Adjustment For :</b>				
	Provision for Gratuity	20.93			
	Depreciation	165.20		184.02	
	Interest Income	(60.14)		(62.85)	
	Unwinding of discount on Financial Assets	(69.77)		(67.04)	
	Interest Paid	699.72		860.86	
	Impairment of Assets	-		1,676.56	
	(Profit)/Loss On Sale Of Assets (Net)	4.50		(1.29)	
			760.45		2,590.25
	<b>Operating Profit Before Working Capital Changes</b>		<b>1,240.05</b>		<b>1,103.74</b>
	<b>Adjustment For :</b>				
	Trade Receivables				
	Inventories	5.75		863.79	
	Loans & Advances	16.27		(1,212.60)	
	Other Current Assets	-		(0.35)	
	Assets held for resale	241.07		210.88	
	Other Non Current Tax Assets	(0.02)		-	
	Trade Payables	(5.49)		36.27	
	Other Financial Liabilities	(950.34)		528.69	
	Other Liabilities & Provisions	47.40		-	
		(10.34)		(1,115.31)	
	<b>Cash Generated From Operations</b>		<b>(655.70)</b>		<b>(688.61)</b>
	Direct Taxes Paid(Net)		-		-
	<b>Net Cash Generated From / (Utilised in) Operating Activities</b>		<b>584.35</b>		<b>415.12</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>				
	Purchase Of Tangible Fixed Assets (Net)	(57.73)		(36.55)	
	Investment in Gratuity (LIC)	(4.30)			
	Sale Of Tangible Fixed Assets	7.86		13.98	
	Sale of Assets (Held for Sale)	-		366.71	
	Purchase of Intangible Asset	(190.00)			
	Unwinding of Discount on Financial Assets	69.77		67.04	
	Interest Received	60.14		62.85	
	<b>Net Cash Generated From / (Utilised in) Investing Activities</b>		<b>(114.27)</b>		<b>474.04</b>
<b>C.</b>	<b>Cash Flow From Financing Activities :</b>				
	(Repayment) of /Proceeds From Borrowings	(948.00)		(833.89)	
	Proceeds From Issue Of Share Capital	-		793.00	
	Sales Of Equity Shares Of subsidiary	1,830.00		-	
	Interest Paid	(699.72)		(860.86)	
	Borrowings	(649.38)		-	
	Dividend Paid (Incl. Of Tax)				
	<b>Net Cash Generated From / (Utilised in) Financing Activities</b>		<b>(467.11)</b>		<b>(901.76)</b>
	<b>Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b>		<b>2.97</b>		<b>(12.59)</b>
	<b>Cash And Cash Equivalents At Beginning Of The Year</b>	<b>3.21</b>		<b>15.81</b>	
	<b>Cash And Cash Equivalents At End Of The Year</b>	<b>6.19</b>		<b>3.21</b>	
	<b>Net Increase/ (Decrease)</b>		<b>2.97</b>		<b>(12.59)</b>

**Reconciliation of cash and cash equivalents as per the cash flow statement**
**Cash and cash equivalents as per above comprise of the following**

Particulars	31st March, 2019	31st March, 2018
<b>Balance with banks :</b>		
In current account	0.42	0.50
In dividend account	1.99	2.07
Bank deposits with original maturity of less than 3 months	-	-
Cheques, drafts on hand	-	-
Cash on hand	3.78	0.65
<b>Balances per statement of cash flows</b>	<b>6.19</b>	<b>3.21</b>

**Note:**

- The above Cash Flow Statement has been prepared under the Indirect method as set out in Indian Accounting standard - 7 "Statement of cash flows" issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been Re-Grouped / Re-Arranged, wherever considered necessary.

**As per our report of even date attached**
**For JMR & Associates LLP**
*Chartered Accountants*
**Firm Registration No.: 0106912W / W100300**
**CA Nikesh Jain**
*Partner*

Membership No.: 114003

**Place : Mumbai**
**Date : 23rd May, 2019**
**For and on behalf of the Board of Directors**
**Amrut P. Shah**
*Chairman & Managing Director*

DIN: 00033120

**Rajesh B. Jain**
*Chief Financial Officer*
**Shantilal P. Shah**
*Whole-time Director*

DIN: 00033182

**Bhavesh Chheda**
*Company Secretary*

**FY - 2018 - 19**

**Corporate Information**

We design, manufacture and market paper stationery products – exercise note books, long books, note pads, scrap books, drawing books, graph books - for students of all ages, as well as office/ corporate stationery products and printing, writing & packaging paper.

We have over 190 varieties of paper stationery products under the brand “Sundaram” which are very popular among the student communities and enjoy very high reputation in the market for its superb quality and durability.

Sundaram multi paper ltd was incorporated on 13th March, 1995 with the Registrar of Companies, Maharashtra, at Mumbai and the Certificate of Commencement of Business was obtained on 10th April, 1995. Its shares are listed in BSE Limited and NSE Limited, India

At the start of the Company in the year 1995, we had a capacity of 5 tons per day of conversion of paper into paper stationery, which was increased to 60 tons per day as of now which is also considering 75% utilisation of the machinery.

With the strong brand and market penetration we are representing in Maharashtra and are number one brand among consumers today. The financial statements of the Company for the year ended 31st March, 2019 were authorized for issue in accordance with the resolution of the Board of Directors as on 23rd May, 2018.

**1 Significant Accounting Policies**

**I Basis of Preparation**

The Financial Statements comply with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

**II Current/non-current classification**

All assets and liabilities have been classified as current and non-current as per Company’s normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013, for a Company whose financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of business and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current / non-current classification of assets and liabilities.

**III Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty (For FY.2017-2018) net of returns, trade allowances, rebates, value added taxes and Goods and Service tax.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company’s activities as described below.

**Sale of goods :**

The Company recognizes revenue on sale of products upon

dispatch to the customer, which is when risks and rewards of ownership are passed to the customer. Sales are shown net of returns, discounts, excise duty and sales tax.

**Dividend and Interest income :**

- a) Dividend income on investment is accounted for in the year in which the right to receive the payment is established.
- b) Interest income is recognized on the time proportion basis taking into account amount outstanding and interest rate applicable.

**IV Income Tax**

“Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes at their reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).”

**V Property, Plant and Equipment**

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as replacement if the recognition criterion is satisfied.

Property, plant and equipment is eliminated from the financial statements, either on disposal or on retirement from active use. Losses and gains arising from the retirement/disposal are recognised in the statement of profit or loss in the year of occurrence.

The asset’s residual value, useful lives and methods of depreciation are reviews at each financial year and adjusted prospectively, if appropriate.

On transition to Ind AS, the Company has availed the optional exemption under Ind AS 101 and accordingly it has used the carrying value as at the date of transition i.e. 1st April 2016 as the deemed cost of the property, plant & equipment under Ind AS.

Depreciation is provided on the “straight line method” based on the estimated useful life of assets which are equal to those suggested in Part C of schedule II of the Act.

The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual value of tangible assets.

Depreciation on additions / deletions is provided on pro-rata basis from the date of acquisition/ up to the date of deletion.

Changes in expected useful life or the expected pattern of consumption of future economic benefits embodied in an asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

#### **VI Intangible assets**

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

Intangible assets comprising of "Computer Software" are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Estimated useful life of software is assessed to be 2 years.

#### **VII Borrowing Cost:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Company has been granted restructuring of loan facility by its banks State Bank of India (Lead Bank). Lead Bank has discretion to recoup concession given to company at a future date depending on the financial position of the company. The management has decided to account such cost as an when event arises.

#### **VIII Impairment of non financial assets :**

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined as the higher of the fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

#### **IX Lease :**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from

the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### **X Inventories:**

Raw materials, stores and packing materials are valued at lower of cost or net realizable value. Cost is assigned on FIFO basis. Semi - finished goods are valued at raw material cost plus proportionate manufacturing overheads.

Finished goods are valued at lower of the cost or net realizable value. Unrealized profit, if any, in inter unit transaction is eliminated to the extent possible.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### **XI Foreign Currency :**

"The Company's financial statements are presented in INR, which is also the Company's functional currency. Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of the transaction. Exchange differences arising on settlement of these transactions are recognized in the Statement of Profit and Loss.

Monetary items (other than those related to acquisition of fixed assets) denominated in foreign currency are revalued using the exchange rate prevailing at date of the Balance Sheet and resulting exchange difference is recognized in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

#### **XII Employee Benefits:**

##### **a) Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries and wages, leave salary etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

##### **b) Post-Employment Benefits:**

###### **i) Defined contribution plans:**

A defined contribution plan is a post-employment benefit plan under which the company pays specified contributions to the separate entity. The Company makes specified monthly contributions towards employee provident fund. The Company's contribution paid / payable under the schemes is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service and contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

**ii) Defined benefit plan:**

The Company has defined benefit plans comprising of gratuity. Company's obligation towards gratuity liability is funded and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

**c) Leave encashment:**

Liability on account of Leave Encashment up to year end has been provided/ paid during the year. None of the employee is allowed to carry forward leave to subsequent period.

**XIII Earning per share:**

Basic earning per share is computed by dividing the profit/(loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing profit/(loss) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on the conversion at all dilutive potential equity shares.

**XIV Provisions**

"The Company creates a provision when there is a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not result in outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made."

**XV Cash and cash equivalent**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalent consists of cash and short term deposits, as defined above, as they are considered an integral part of the Company's cash management

**XVI Financial Derivatives Hedging Transaction:**

In respect of derivatives contract, premium paid, provision for losses on restatement and gains/losses on settlement are recognized in statement of Profit and Loss. The company uses Foreign Currency Hedges to manage its risks associated with Foreign Currencies Fluctuation relating to Export receivable. The company does not use Hedges for speculative purpose.

**XVII Financial Instruments**

**Financial asset**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in case of financial asset not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial asset measured at amortised cost.

**Subsequent measurement**

For purposes of subsequent measurement financial assets are classified into two broad categories :

- Financial asset at fair value
- Financial asset at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit or loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income)

A financial asset that meet the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**Business model test :** the objective of the Company's model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes)

**Cash flow characteristics test :** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding. A financial asset that meet the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

**Business model test :** the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets

**Cash flow characteristics test :** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.



Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different basis.

All other financial asset is measured at fair value through profit or loss.

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - a) the Company has transferred substantially all the risks and rewards of the asset, or
  - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Impairment of financial asset**

The Company assesses impairment based on expected credit losses (ECL) model to the following :

- Financial asset measured at amortised cost
- Financial asset measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- 12 months expected credit losses (expected credit losses that result from those default events on the

financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument) The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates, if any. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

#### **Financial liabilities**

##### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

##### **Loans and borrowings – subsequent measurement**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR). The Effective Interest Rate (EIR) amortisation is included as finance costs in the statement of profit and loss.

##### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss."

#### **XVIII Cash Flow Statement:**

Cash flows are reported using indirect method, whereby profit/(loss) before extraordinary item and tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future, cash receipts or payments. The cash flow from operating, investing and financing activities of the company are segregated based on the available information.

**2 Significant Accounting judgements, estimates and assumptions**

The preparation of Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**I Defined Benefit plans**

The cost of defined benefit plans and other post employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**II Useful life**

The estimated useful lives of items of property, plant and equipment and intangible assets for the current and the comparative periods are as follows :

<b>Asset</b>	<b>Management estimate of useful life</b>	<b>Useful life as per Schedule II</b>
Building	30 Years	30 Years
Plant & Machinery	15 Years	15 Years
Furniture & Fixture	10 Years	10 Years
Vehicles		
-Motor Car and Tempo	8 Years	8 Years
-Scooter	10 Years	10 Years
Office Equipments	5 Years	5 Years
Computers and Data processing units	3 Years	3 Years

**III Fair valuation of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation technique including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3 Property, Plant and Equipment

Particulars	Tangible Assets not under lease						
	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Total Tangible Assets
<b>Gross Block</b>							
Balance as at 01-Apr-2016	3,732.15	1,030.35	619.69	112.18	112.92	4.30	5,611.59
Additions during the year	-	-	22.68	-	-	-	22.68
Disposals during the year	-	-	-	-	-	-	-
<b>At 31-Mar-2017</b>	<b>3,732.15</b>	<b>1,381.44</b>	<b>1,337.88</b>	<b>364.19</b>	<b>290.48</b>	<b>54.80</b>	<b>7,160.94</b>
Additions during the year	-	-	29.77	0.27	3.48	3.03	36.55
Disposals during the year	-	-	(16.33)	-	(57.79)	-	(74.12)
<b>At 31-Mar-2018</b>	<b>3,732.15</b>	<b>1,381.44</b>	<b>1,351.33</b>	<b>364.46</b>	<b>236.16</b>	<b>57.84</b>	<b>7,123.37</b>
Additions during the year	-	-	43.64	0.31	11.90	1.88	57.73
Disposals during the year	-	-	(20.14)	-	(9.10)	-	(29.24)
<b>At 31-Mar-2019</b>	<b>3,732.15</b>	<b>1,381.44</b>	<b>1,374.83</b>	<b>364.77</b>	<b>238.96</b>	<b>59.72</b>	<b>7,151.87</b>
<b>Accumulated Depreciation</b>							
Balance as at 01-Apr-2016	-	-	-	-	-	-	-
Depreciation during the year	-	43.07	98.02	47.78	30.62	0.88	220.37
Disposals during the year	-	-	-	-	-	-	-
<b>At 31-Mar-2017</b>	<b>-</b>	<b>394.16</b>	<b>793.53</b>	<b>299.79</b>	<b>208.18</b>	<b>51.39</b>	<b>1,747.04</b>
Depreciation during the year	-	43.07	89.89	25.17	23.62	1.06	182.81
Disposals during the year	-	-	(8.99)	-	(52.43)	-	(61.42)
<b>At 31-Mar-2018</b>	<b>-</b>	<b>437.23</b>	<b>874.42</b>	<b>324.96</b>	<b>179.37</b>	<b>52.45</b>	<b>1,868.43</b>
Depreciation during the year	-	43.07	66.24	9.91	19.15	1.87	140.24
Disposals during the year	-	-	(8.23)	-	(8.65)	-	(16.87)
<b>At 31-Mar-2019</b>	<b>-</b>	<b>480.30</b>	<b>932.43</b>	<b>334.87</b>	<b>189.87</b>	<b>54.32</b>	<b>1,991.79</b>
<b>Net Block</b>							
At 31-Mar-2018	3,732.15	944.21	476.90	39.50	56.79	5.38	5,254.94
<b>At 31-Mar-2019</b>	<b>3,732.15</b>	<b>901.13</b>	<b>442.40</b>	<b>29.91</b>	<b>49.09</b>	<b>5.39</b>	<b>5,160.07</b>

(i) Refer Note No. 34 for assets hypothecated/mortgaged as security.

4 Intangible Assets

Particulars	Intangible Assets	
	Software	Total Intangible Assets
<b>At 31-Mar-2017</b>	<b>7.39</b>	<b>7.39</b>
Additions during the year	-	-
Disposals during the year	-	-
<b>At 31-Mar-2018</b>	<b>7.39</b>	<b>7.39</b>
Additions during the year	190.00	190.00
Disposals during the year	-	-
<b>At 31-Mar-2019</b>	<b>197.39</b>	<b>197.39</b>
<b>Accumulated Amortization</b>		
<b>At 31-Mar-2017</b>	<b>1.41</b>	<b>1.41</b>
Amortization during the year	1.21	1.21
Disposals during the year	-	-
<b>At 31-Mar-2018</b>	<b>5.78</b>	<b>5.78</b>
Amortization during the year	24.97	24.97
Disposals during the year	-	-
<b>At 31-Mar-2019</b>	<b>30.75</b>	<b>30.75</b>
<b>Net Block</b>		
At 31-Mar-2018	1.61	1.61
<b>At 31-Mar-2019</b>	<b>166.64</b>	<b>166.64</b>

**5 Financial Assets**
**5(a) Investments**
**Non - current Investment:**

Particulars	31-Mar-19	31-Mar-18
<b>Equity instruments (Fully paid up)</b>		
<b>Unquoted</b>		
2,04,00,000 (31 March 2019 : 3,87,00,000; 31 March 2018 : 38,700,000) equity shares of E-Class Education System Limited	2,040.00	3,870.00
<b>Total Non - Current Investment</b>	<b>2,040.00</b>	<b>3,870.00</b>
Aggregate amount of quoted investments and market value thereof	-	-
<b>Aggregate amount of unquoted investments</b>	<b>2,040.00</b>	<b>3,870.00</b>

The subsidiary has made losses in the previous years and its net-worth has been diminished substantially. The Company is required to make a provision for diminution in value of investment made in the subsidiary. However, the said provision is not made, since the management is revitalizing the subsidiary, coupled with improvement in order book in FY 2018-19 as evident from the turnover achieved and profit earned the year ended March 2019 and further evident from sale of 49% stake of parent at par during the year

**5(b) Trade receivables**

Particulars	31-Mar-19	31-Mar-18
Trade Receivables	1,716.66	1,683.09
Less: Allowance for bad and doubtful debts	(101.64)	(62.32)
<b>Total Trade receivables</b>	<b>1,615.02</b>	<b>1,620.77</b>
Current portion	1,615.02	1,620.77
Non-current portion	-	-

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

**Break-up of Security details**

Particulars	31-Mar-19	31-Mar-18
Secured, Considered Good	-	-
Unsecured, Considered Good	1,615.02	1,620.77
Doubtful	101.64	62.32
<b>Total Trade receivables</b>	<b>1,716.66</b>	<b>1,683.09</b>

**5(c) Loans**
**Current**

Particulars	31-Mar-19	31-Mar-18
Unsecured, Considered Good		
Loan to subsidiary-E-Class Education System Ltd.	-	-
Advance To Employees	3.35	3.35
<b>Total Current Loans</b>	<b>3.35</b>	<b>3.35</b>

**5(d) Cash and cash equivalents**

Particulars	31-Mar-19	31-Mar-18
<b>Balances with banks</b>		
- in current accounts	0.42	0.50
- in dividend accounts	1.99	2.07
Deposits with maturity of less than three months	-	-
Cash on hand	3.78	0.65
<b>Total Cash and cash equivalents</b>	<b>6.19</b>	<b>3.22</b>

**5(e) Bank balances other than cash and cash equivalents**

Particulars	31-Mar-19	31-Mar-18
Bank deposit with original maturity of more than 3 months but less than 12 months	-	-
<b>Total Bank balances other than cash and cash equivalents</b>	<b>-</b>	<b>-</b>

**5(f) Other**

Particulars	31-Mar-19	31-Mar-18
<b>Non Current</b>		
Other Advances	-	-
<b>Total Other Non Current Financial Assets</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
Deposit	11.64	11.64
Balance With Revenue Authorities	3.92	2.90
Dividend Receivable	-	-
Interest Receivable	-	0.41
Other Advances	754.44	931.38
<b>Total Other Financial Assets</b>	<b>770.00</b>	<b>946.33</b>

**6 Other Tax Assets**

Particulars	31-Mar-19	31-Mar-18
Advance income tax (Net off Provision for tax)	18.10	12.62
<b>Closing balance</b>	<b>18.10</b>	<b>12.62</b>

**7 Deferred Tax Liability / (Assets)**

The balance comprises temporary differences attributable to:

Particulars	31-Mar-19	31-Mar-18
<b>Liabilities</b>		
Depreciation	(76.27)	-
<b>Assets</b>		
Employee Benefits / Expenses allowable on Payment Basis	12.84	10.45
Depreciation and Unabsorbed Depreciation	1,250.25	1,038.63
	<b>1,263.09</b>	<b>1,049.08</b>
<b>Net Deferred tax Liability / (Assets) *</b>	<b>(1,339.36)</b>	<b>(1,049.08)</b>
Opening Net Deferred Tax Liability	1,339.36	1,049.08
Net Deferred Tax Liability Charged To Statement Of Profit And Loss	(1,339.36)	(1,049.08)
<b>Net Deferred tax Liability / (Assets)</b>	<b>-</b>	<b>-</b>

\* The Company has recognised deferred tax asset only to the extent of deferred tax liability & squared off against each other as it is not able to generate revenue which will get off set in future considering prudent accounting policy.

**8 Inventories**

Particulars	31-Mar-19	31-Mar-18
Raw Materials	1,547.67	1,491.32
Work-In-Progress	1,609.16	1,543.93
Finished Goods	305.77	585.77
Trading Goods	156.85	14.98
Stores & Spares	37.58	37.30
<b>Total Inventories</b>	<b>3,657.03</b>	<b>3,673.30</b>

**Notes:**

All inventories are mortgaged as security against Cash Credit Facility

**9 Other current assets**

Particulars	31-Mar-19	31-Mar-18
Advance to Suppliers	13.21	6.76
Balance With Revenue Authorities	-0.00	69.66
Prepaid Expenses	16.38	17.90
<b>Total Other current assets</b>	<b>29.59</b>	<b>94.32</b>

**10 Assets classified as held for sale**

Particulars	31-Mar-19	31-Mar-18
<b>Fixed Assets</b>	-	-
Freehold land	1,616.40	1,616.40
Freehold buildings	186.13	186.13
Furniture and fittings	-	-
Plant and machinery	-	-
Vehicles	-	-
Office Equipments	-	-
Intangible Assets	-	-
Long Term Loans And Advances	30.37	30.37
Inventories	-	-
Trade Receivables	136.99	136.99
Cash And Cash Equivalents	2.62	2.59
Short-Term Loans And Advances	33.28	33.28
Other Current Assets	1.40	1.40
<b>Total Assets classified as held for sale</b>	<b>2,007.19</b>	<b>2,007.16</b>

**11 Equity Share capital**
**Authorised equity share capital**

Particulars	No. of shares	Amount
<b>As at 31 March 2017</b>	<b>270,000,000</b>	<b>2,700.00</b>
Increase during the year	10,000,000	100.00
<b>As at 31 March 2018</b>	<b>280,000,000</b>	<b>2,800.00</b>
Increase during the year	-	-
<b>As at 31 March 2019</b>	<b>280,000,000</b>	<b>2,800.00</b>

**Issued Subscribed and Paid up Equity capital**

Particulars	No. of shares	Amount
<b>As at 31 March 2017</b>	<b>245,605,773</b>	<b>2,456.06</b>
Increase during the year	26,000,000	260.00
<b>As at 31 March 2018</b>	<b>271,605,773</b>	<b>2,716.06</b>
Increase during the year	-	-
<b>As at 31 March 2019</b>	<b>271,605,773</b>	<b>2,716.06</b>

**Terms and Rights attached to Equity Shareholders**

The company has only one class of equity shares having a face value of INR 1/- per share. Each holder of equity shares is entitled to one vote per equity share. A member shall not have any right to vote whilst any call or other sum shall be due and payable to the company in respect of any of the shares of such member. All equity shares of the company rank pari passu in all respects including the right to dividend.

In the event of winding-up, subject to the rights of holders of shares issued upon special terms and conditions, the holders of equity shares shall be entitled to receive remaining assets, if any, in proportion to the number of shares held at the time of commencement of winding-up.

**Notes to Financial Statements for the period ended 31 March 2019**
*(Currency : Indian Rupees in lakhs)*

The shareholders have all other rights as available to equity shareholders as per the provisions of the Companies Act, 2013, read together with the memorandum of association and articles of association of the company, as applicable.

The company does not have any holding company or ultimate holding company. Promoter shareholding in the company including persons acting in concert with the promoters as on March 31, 2019 is 6,04,51,585 equity shares i.e. 22.26% of the equity share capital of the company. (Previous year March 31, 2018 is 6,20,96,585 equity shares i.e. 22.86%.)

The Details Of Share Holders Holding More Than 5% Shares:

Name Of Shareholder	31-Mar-19		31-Mar-18	
	No. of Shares held	% of Holding	No. Of Shares held	% of Holding
Amrut P Shah	21,708,925	7.99	22,283,925	8.20
Raichand P Shah	19,494,503	7.18	19,984,503	7.36
Shantilal P Shah	13,137,157	4.84	13,137,157	4.84
Ganjam Trading Pvt Ltd	14,999,499	5.52	14,999,499	5.52

The Company has allotted 26,000,000 (FV - INR 1/-) equity shares issued at INR 3.05/- by way of Qualified Institutional Placement (QIP) in the Financial Year 2017-2018.

Shares issued for consideration other than in cash for last 5 years: NIL

**12 Reserves and Surplus**

Particulars	31-Mar-19	31-Mar-18
Securities premium reserve	6,127.14	6,127.14
Capital Reserve	7.00	7.00
General Reserve	3,754.24	3,754.24
Retained earnings	(2,484.04)	(2,969.99)
<b>Total Reserves and Surplus</b>	<b>7,404.34</b>	<b>6,918.39</b>

**Securities premium reserve**

Particulars	31-Mar-19	31-Mar-18
Opening balance	6,127.14	5,594.14
Increase during the year	-	533.00
<b>Closing balance</b>	<b>6,127.14</b>	<b>6,127.14</b>

**Capital Reserve**

Particulars	31-Mar-19	31-Mar-18
Opening Balance	7.00	7.00
Increase during the year	-	-
<b>Closing Balance</b>	<b>7.00</b>	<b>7.00</b>

**General Reserve**

Particulars	31-Mar-19	31-Mar-18
Opening Balance	3,754.24	3,754.24
Increase during the year	-	-
<b>Closing Balance</b>	<b>3,754.24</b>	<b>3,754.24</b>

**Retained earnings**

Particulars	31-Mar-19	31-Mar-18
Opening Balance	(2,969.98)	(1,484.33)
Add: Ind AS Implementation Reserve	-	-
Add: Net Profit/(Loss) For The Year	485.94	(1,485.66)
<b>Net Surplus/(Deficit) In The Statement of Profit And Loss</b>	<b>(2,484.04)</b>	<b>(2,969.99)</b>

**13 Financial Liabilities**
**Borrowings**
**Non current**

Particulars	31-Mar-19	31-Mar-18
<b>Secured</b>		
<b>From Banks</b>		
State Bank of India	-	898.41
Industrial Development Bank of India	-	41.00
Yes Bank	-	-
<b>From Others</b>		
Vehicle Loans	9.27	17.87
<b>Total Non current Borrowings</b>	<b>9.27</b>	<b>957.28</b>

Particulars	Maturity Date	Terms of Repayment	Interest Rate
<b>Secured</b>			
<b>From Banks</b>			
State Bank of India	Dec-20	Quarterly Installments in tenure of 69 months	3% above Base Rate (first half) 8% above Base Rate (second half)
Industrial Development Bank of India	Dec-20	Quarterly Installments in tenure of 69 months	12.40% p.a. (First three quarters) 14.45% p.a. (Last quarter)
<b>From Others</b>			
Vehicle Loans	Mar-21	84 Monthly installments	12.00% p.a.

**Current**

Particulars	31-Mar-19	31-Mar-18
<b>Secured:</b>		
<b>From Bank</b>		
Cash Credit from State Bank of India	1,586.72	1,614.50
Cash Credit from Industrial Development Bank of India	336.62	335.67
<b>Unsecured</b>		
Loans From Directors	85.02	697.15
Loans From Others	-	-
<b>Deposit</b>		
<b>Unsecured</b>		
Intercompany Deposits	1,380.42	1,390.85
<b>Total Current Borrowings</b>	<b>3,388.78</b>	<b>4,038.17</b>

Particulars	Terms of Repayment	Interest Rate
<b>Secured:</b>		
<b>From Bank</b>		
Cash Credit from State Bank of India	On Demand	16.60 % p.a.
Cash Credit from Industrial Development Bank of India	On Demand	MCLR + 580 bps p.a.
From Public Financial Institutions		
<b>Unsecured</b>		
Loans From Directors	On Demand	12.00% p.a.
<b>Deposit</b>		
<b>Unsecured</b>		
Intercompany Deposits	On Demand	9.00% p.a - 17.00 % p.a.

For security Refer Note No 34



**13(b) Trade payables - MSME**

Particulars	31-Mar-19	31-Mar-18
Trade Payables	10.27	17.53
<b>Total Trade payables - MSME</b>	<b>10.27</b>	<b>17.53</b>

**13(b) Trade payables - other than MSME**

Particulars	31-Mar-19	31-Mar-18
Current		
Trade Payables	794.67	1,737.75
Trade Payables to related parties		
<b>Total Trade payables - From other than MSME</b>	<b>794.67</b>	<b>1,737.75</b>

The Company has received information from the “suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to the amounts as at year end together with interest paid / payable under the said Act have been given.

**13(c) Other financial liabilities**

Particulars	31-Mar-19	31-Mar-18
<b>Current</b>		
<b>Current maturities of long-term debt</b>		
From Banks	574.42	560.00
From Others		
Vehicle Loans	8.60	7.75
Interest Accrued but not due	-	0.19
Outstanding Expenses	49.00	50.03
Outstanding Statutory Liabilities	52.83	17.39
Unpaid Dividend	1.99	2.07
From others Party	32.45	34.45
<b>Total Current Other financial liabilities</b>	<b>719.29</b>	<b>671.88</b>

**14 Provisions**

**Non-Current Provisions**

Particulars	31-Mar-19	31-Mar-18
Provision for Gratuity	37.78	27.87
<b>Total Non-Current Provisions</b>	<b>37.78</b>	<b>27.87</b>

**Current**

Particulars	31-Mar-19	31-Mar-18
Provision for Gratuity	6.31	5.94
<b>Total Non-Current Provisions</b>	<b>6.31</b>	<b>5.94</b>

**Post-employment obligations:**

**Defined contribution plans:**

The Company makes Provident Fund contributions, Employers Contribution to Employees’ State Insurance and Maharashtra Labour Welfare Fund which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. Provident Fund, Employers Contribution to Employees’ State Insurance and Maharashtra Labour Welfare Fund contributions amounting to ₹ 16.32 Lacs ( 31 March 2018: ₹ 12.97 Lacs) have been charged to the Statement of Profit and Loss. The contributions payable to this plan by the Company is at rates specified in the rules of the scheme.

**Defined Benefit Plans:**

The Company has a defined benefit gratuity plan. Every employee who has completed continuous service for five years or more gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

**Defined benefit obligation**

Particulars	31-Mar-19	31-Mar-18
Opening Defined Benefit Obligation	58.22	50.84
Current service cost	5.94	5.52
Interest expense/(income)	4.05	3.61
Components of actuarial gain/losses on obligations:		
Experience (gains)/losses	5.77	(1.46)
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	-	0.48
Benefit payments	(8.96)	(0.76)
<b>Closing Defined Benefit Obligation</b>	<b>65.02</b>	<b>58.23</b>

**Plan Assets**

Particulars	31-Mar-19	31-Mar-18
Opening value of Plan Assets	24.42	19.79
Interest expense/(income)	1.74	1.47
Return on plan assets, excluding amounts included in interest expense/(income)	(0.57)	(0.30)
Assets distributed on settlements	-	-
Contributions by employer	4.30	4.22
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange differences on Foreign plans	-	-
Benefit payments	(8.96)	(0.76)
<b>Closing Value of Plan Assets</b>	<b>20.93</b>	<b>24.42</b>

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	31-Mar-19	31-Mar-18
Present value of funded obligations	65.03	50.84
Fair value of plan assets	(20.93)	(19.79)
<b>Deficit of funded plan</b>	<b>44.09</b>	<b>31.05</b>
Unfunded plans	-	-
<b>Deficit of gratuity plan</b>	<b>44.09</b>	<b>31.05</b>

The significant actuarial assumptions were as follows:

Particulars	31-Mar-19	31-Mar-18
Discount Rate (p.a.)	7.50% p.a.	7.60% p.a.
Salary Escalation Rate (p.a.)	6.00% p.a.	6.00% p.a.

**Sensitivity Analysis:**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

**Discount rate Sensitivity**

Particulars	31-Mar-19		31-Mar-18	
	Amount	% Change	Amount	% Change
Increase by 0.5%	6,229,072	-4.21%	5,589,125	-4.00%
Decrease by 0.5%	6,796,202	4.51%	6,072,387	4.30%

**Salary growth rate Sensitivity**

Particulars	31-Mar-19		31-Mar-18	
	Amount	% Change	Amount	% Change
Increase by 0.5%	6,773,728	4.17%	6,048,846	3.89%
Decrease by 0.5%	6,246,411	-3.94%	5,600,461	-3.81%

**Withdrawal rate (W.R.) Sensitivity**

Particulars	31-Mar-19		31-Mar-18	
	Amount	% Change	Amount	% Change
W.R. x 110%	6,541,598	0.60%	5,855,512	0.57%
W.R. x 90%	6,461,240	-0.64%	5,786,985	-0.61%

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**The major categories of plans assets are as follows:**

Particulars	31-Mar-19	31-Mar-18
Unquoted Investments:		
Gratuity fund maintained by LIC of India	20.93	19.79
<b>Total</b>	<b>20.93</b>	<b>19.79</b>

**Risk exposure**

The defined benefit plans expose the company to actuarial risk, such as longevity risk, interest rate risk and market (investment) risk.

Expected contributions to post-employment benefit plans for the year ending 31 March 2019 are INR 6.31 lacs. The weighted average duration of the defined benefit obligation is 9.92 years (2018 - 9.71 years) for employees who are covered under group gratuity scheme of LIC of India.

**15 Other Current Liabilities**

Particulars	31-Mar-19	31-Mar-18
Advance from customers	45.19	55.53
<b>Total Other Current Liabilities</b>	<b>45.19</b>	<b>55.53</b>

**16 Liabilities directly associated with assets classified as held for sale**

Particulars	31-Mar-19	31-Mar-18
Long-Term Borrowings	135.55	135.55
Trade Payables	133.11	133.11
Sales Tax Deferred Loan	1.25	1.25
Advance From Customers	2.04	2.04
Outstanding Expenses	66.29	66.29
Outstanding Statutory Liabilities	2.98	2.98
<b>Total Liabilities directly associated with assets classified as held for sale</b>	<b>341.22</b>	<b>341.22</b>

**17 Revenue From Operations**

Particulars	31-Mar-19	31-Mar-18
<b>Sale of products</b>		
Local Sales	8,864.76	8,919.93
Trading Sales	260.02	1,800.68
<b>Other operating revenue</b>		
Advertisement Income	-	-
<b>Total Revenue from continuing operations</b>	<b>9,124.78</b>	<b>10,720.61</b>

**18 Other Income**

Particulars	31-Mar-19	31-Mar-18
Exchange Difference	-	13.22
Interest Income	60.14	62.85
Unwinding discount of financial assets	69.77	67.04
Miscellaneous Income	-	-
Profit On Sale Of Fixed Assets	0.00	1.67
Sundry Balance Written Back	0.17	76.84
<b>Total Other Income</b>	<b>130.08</b>	<b>221.62</b>

**19 Cost of materials consumed**

Particulars	31-Mar-19	31-Mar-18
Opening Stock	1,491.32	1,294.23
Add: Purchases	5,871.06	7,253.01
Raw Material Sales	-	(264.20)
Transport Inwards	188.09	206.14
Less: Closing Stock	(1,547.67)	(1,491.32)
<b>Total Cost of Material Consumed</b>	<b>6,002.80</b>	<b>6,997.86</b>

**20 Changes in inventories of finished goods, Stock-in-Trade and work-in-progress**

Particulars	31-Mar-19	31-Mar-18
<b>Inventory (at Commencement)</b>		
Add: Opening Stock-Finished Goods	585.77	307.72
Add: Opening Stock-Work In Progress	1,543.93	1,166.96
Add: Opening Stock-Stock-in-Trade	14.98	19.68
<b>Inventory (at Close)</b>		
Less: Trading Stock Transfer Exceptional items	-	(103.07)
Less: Closing Stock-Finished Goods	(305.77)	(585.77)
Less: Closing Stock-Work In Progress	(1,609.16)	(1,543.93)
Less: Closing Stock-Stock-in-Trade	(156.85)	(14.98)
<b>Changes In Inventories Of Finished Goods And Work-In-Progress</b>	<b>72.90</b>	<b>(753.39)</b>

**21 Employee benefits expense**

Particulars	31-Mar-19	31-Mar-18
Salaries & Wages	451.78	397.42
Contribution to Provident Fund, Gratuity and Other Funds	37.24	23.68
Director's Remuneration	126.00	108.50
Staff Welfare	5.69	5.28
<b>Total Employee benefits expense</b>	<b>620.71</b>	<b>534.88</b>

**22 Depreciation and amortization expense**

Particulars	31-Mar-19	31-Mar-18
Depreciation	140.24	182.81
Amortisation of Intangibles	24.97	1.21
<b>Total Depreciation and amortization expense</b>	<b>165.21</b>	<b>184.02</b>

**23 Finance costs**

<b>Particulars</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
Interest Expenses	683.84	839.37
Other Borrowing Costs	15.88	21.50
Less: Interest Received from subsidiary	-	-
<b>Total Finance costs</b>	<b>699.72</b>	<b>860.87</b>

**24 Other expenses**

<b>Particulars</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
Auditor's Remuneration	5.30	16.59
Electricity Expenses	1.57	1.83
Job Work Expenses	219.30	224.44
Sales Promotion & Advertisement Expenses	8.13	8.88
Commission Expenses	18.43	5.27
Travelling Expenses	1.63	4.34
Insurance Charges	10.50	7.24
Listing & Registration	14.38	8.87
Professional Fees	40.44	41.33
Printing & Stationary	5.71	5.28
Telephone Expenses	3.67	3.57
Miscellaneous Expenses	1.54	1.29
Bank Charges	0.61	3.67
Share Issue Expenses	-	0.79
Repairs & Maintenance to Building	0.72	0.59
Repairs & Maintenance to Machinery	51.87	38.46
Computer Maintenance	0.77	0.98
Tempo Expenses	21.82	22.04
Motor Car Expenses	5.40	4.62
Postage & Courier	0.84	0.81
Rates & Taxes	6.19	10.00
Rent Expenses	11.77	12.13
Freight Clearing & Forwarding Charges	49.07	26.70
Loading & Unloading Charges	43.60	45.15
Interest on delay Payment on Statutory	1.06	2.85
Stores & Packing Material Consumed	263.07	225.87
Power & Fuel	32.77	25.88
Loss on Sale of Assets	4.50	0.38
Sundry Balance Written Off	0.04	326.69
Bad Debts	39.31	82.58
Royalty	-	1.87
<b>Total Other expenses</b>	<b>864.01</b>	<b>1,160.99</b>

**Details of Auditors remuneration**

Particulars	31-Mar-19	31-Mar-18
<b>As auditor:</b>		
Statutory Audit fees	4.00	4.85
Tax Audit fees	1.00	-
<b>In other capacities</b>		
Taxation matters	0.25	10.22
Other Matters	0.05	1.52
<b>Total Payments to auditors</b>	<b>5.30</b>	<b>16.59</b>

**Corporate Social Responsibility Expenditure**

As per the Section 135 of the Companies Act, 2013 every year the Company is required to spend at least 2% of its Average Net Profit made during the immediately 3 preceding financial years on the Corporate Social Responsibility (CSR) activities. However, since the company has incurred losses during the preceding 3 years, it is not required to incur such expenditure.

**25 Exceptional Items**

Particulars	31-Mar-19	31-Mar-18
Loss on Sale of non moving items	-	499.58
Sundry Balance W/Off Loan	-	173.52
Impairment of Fixed Assets	-	1,176.98
<b>Total Exceptional Items</b>	<b>-</b>	<b>1,850.08</b>

**26 Income tax expense**

Particulars	31-Mar-19	31-Mar-18
<b>Income Tax Expense</b>		
Current Tax		
Current tax on profits for the year	-	-
Adjustments for current tax of earlier year	-	(0.17)
<b>Total current tax expense</b>	<b>-</b>	<b>(0.17)</b>
Deferred tax		
deferred tax expense/(income)	-	-
<b>Total deferred tax expense/(benefit)</b>	<b>-</b>	<b>-</b>
<b>Income tax expense</b>	<b>-</b>	<b>(0.17)</b>
Income tax expense is attributable to:		
Profit from continuing operations	-	(0.17)
Profit from discontinued operation	-	-

**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

Particulars	31-Mar-19	31-Mar-18
Profit from continuing operations before income tax expense	479.60	(1,486.52)
Profit from discontinuing operation before income tax expense	-	-
<b>Total</b>	<b>479.60</b>	<b>(1,486.52)</b>
Tax at the Indian tax rate of 33.063% (2017-18 – 33.063%)	-	-
Income Tax Expense	-	-

**27 Fair Value Measurements**  
**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	As on 31-Mar-2019							
	Carrying Amount			Fair Value				
	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
Investments	2,040.00	-	-	2,040.00	-	-	2,040.00	2,040.00
Trade Receivable	-	-	1,615.02	1,615.02	-	-	1,615.02	1,615.02
Loan to employees	-	-	3.35	3.35	-	-	3.35	3.35
Cash and Cash Equivalents	-	-	3.78	3.78	-	-	3.78	3.78
Other Bank Balances	-	-	2.41	2.41	-	-	2.41	2.41
Balance with revenue authorities	-	-	3.92	3.92	-	-	3.92	3.92
Interest Receivable	-	-	-	-	-	-	-	-
Other Advances	754.44	-	-	754.44	-	-	754.44	754.44
Other Current Financial Assets	-	6.11	5.53	11.64	-	-	11.64	11.64
<b>Total Financial Assets</b>	<b>2,794.44</b>	<b>6.11</b>	<b>1,634.01</b>	<b>4,434.56</b>	<b>-</b>	<b>-</b>	<b>4,434.56</b>	<b>4,434.56</b>
<b>Financial Liabilities</b>								
Borrowings	-	-	1,474.71	1,474.71	-	-	1,474.71	1,474.71
Cash Credit Facility	-	-	1,923.34	1,923.34	-	-	1,923.34	1,923.34
Current Maturities of long term debt & interest accrued	-	-	583.02	583.02	-	-	583.02	583.02
Unpaid Dividend	-	-	1.99	1.99	-	-	1.99	1.99
Trade Payables	-	-	804.94	804.94	-	-	804.94	804.94
Outstanding Liabilities	-	7.03	127.25	134.28	-	-	127.25	127.25
<b>Total Financial Liabilities</b>	<b>-</b>	<b>7.03</b>	<b>4,915.25</b>	<b>4,922.28</b>	<b>-</b>	<b>-</b>	<b>4,915.25</b>	<b>4,915.25</b>

**Notes to Financial Statements for the period ended 31 March 2019**
*(Currency : Indian Rupees in lakhs)*

Particulars	As on 31-Mar-2018							
	Carrying Amount			Fair Value				
	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
Investments	3,870.00	-	-	3,870.00	-	-	3,870.00	3,870.00
Trade Receivable	-	-	1,620.77	1,620.77	-	-	1,620.77	1,620.77
Loan to employees	-	-	3.35	3.35	-	-	3.35	3.35
Cash and Cash Equivalents	-	-	0.65	0.65	-	-	0.65	0.65
Other Bank Balances	-	-	2.57	2.57	-	-	2.57	2.57
Balance with revenue authorities	-	-	2.90	2.90	-	-	2.90	2.90
Dividend Receivable	-	-	-	-	-	-	-	-
Interest Receivable	-	-	0.41	0.41	-	-	0.41	0.41
Other Advances	-	-	931.38	931.38	-	-	931.38	931.38
Other Current Financial Assets	-	6.11	5.53	11.64	-	-	11.64	11.64
<b>Total Financial Assets</b>	<b>3,870.00</b>	<b>6.11</b>	<b>2,567.57</b>	<b>6,443.67</b>	<b>-</b>	<b>-</b>	<b>6,443.67</b>	<b>6,443.67</b>
<b>Financial Liabilities</b>								
Borrowings	-	-	3,045.28	3,045.28	-	-	3,045.28	3,045.28
Cash Credit Facility	-	-	1,950.16	1,950.16	-	-	1,950.16	1,950.16
Current Maturities of long term debt & interest accrued	-	-	567.94	567.94	-	-	567.94	567.94
Unpaid Dividend	-	-	2.07	2.07	-	-	2.07	2.07
Trade Payables	-	-	1,755.28	1,755.28	-	-	1,755.28	1,755.28
Outstanding Liabilities	-	17.11	84.77	101.88	-	-	101.88	101.88
<b>Total Financial Liabilities</b>	<b>-</b>	<b>17.11</b>	<b>7,405.51</b>	<b>7,422.62</b>	<b>-</b>	<b>-</b>	<b>7,422.62</b>	<b>7,422.62</b>

**B. Fair value heirarchy**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 heirarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level. This is the case for unlisted equity securities included in level 3.



**28 Financial Risk Management**

The Company's activities expose it to market risk, liquidity risk and credit risk. Market risk is the risk of loss of future earnings, fair value or future cashflows that may result from a change in the price of financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market sensitive financial instruments including investments and deposits, foreign currency receivable and payables and loans and borrowings.

If the risk exposure is significant then management reviews the position and takes decision regarding hedging / other risk strategies to mitigate such risk exposures.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rate.

**Foreign Currency Risk**

The Company is not exposed to foreign exchange risk as there is no overseas transaction during the reporting period.

**Credit Risk**

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- (i) Actual or expected significant adverse change in business
- (ii) Actual or expected significant change in the operating results of the counterparty
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty

A default on a financial asset is when the counterparty fails to make contractual payments within 30-60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Financial assets are written off when there is no reasonable expectation of recovery. Where loans or receivables have been written off, the Company may engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The carrying amounts of financial assets represent the maximum credit risk exposure

<b>Exposure to Credit Risk</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
<b>Financial risk for which loss allowance is measured using 12 months expected Credit Losses (ECL)</b>		
Loans	3.35	3.35
Cash & cash equivalent	6.19	3.22
Bank deposits with more than 12 months maturity	-	-
<b>Financial risk for which loss allowance is measured using Lifetime expected Credit Losses (ECL)</b>		
Trade Receivables	1,615.02	1,620.77

The Company uses an allowance matrix to measure the expected credit losses of trade receivables (which are considered good). The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) for trade receivables:

**Expected Credit loss for the period ending 31-Mar-2019**

Ageing	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
0-90 days past due	503.17	0%	0.00	503.17
91-180 days past due	43.23	1%	0.43	42.80
180-365 days past due	93.85	2%	1.88	91.97
365-520 days past due	337.94	3%	10.14	327.80
520-885 days past due	485.97	9%	43.74	442.23
More than 880 days past due	252.50	18%	45.45	207.05
<b>Total</b>	<b>1,716.66</b>		<b>101.64</b>	<b>1,615.02</b>

**Expected Credit loss for the period ending 31-Mar-2018**

Ageing	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
0-30 days past due	368.23	1%	3.68	364.55
31-60 days past due	313.17	1%	3.13	310.04
61-90 days past due	104.61	2%	2.09	102.52
91-120 days past due	13.57	3%	0.41	13.17
more than 180 days past due	883.51	6%	53.01	830.50
<b>Total</b>	<b>1,683.09</b>		<b>62.32</b>	<b>1,620.77</b>

There are no specific forward looking information estimated by the management.

**Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31-Mar-19	31-Mar-18
a) Expiring within one year (bank overdraft and other facilities)	2,497.76	2,510.16
b) Expiring beyond one year (bank loans)	9.27	957.28
c) No expiry period	1,465.44	2,088.00
<b>Total</b>	<b>3,972.47</b>	<b>5,555.45</b>

**Maturity profile of financial assets**

The table below provides details regarding the contractual maturities of financial assets at the reporting date

Particulars	Current Maturities	2 - 5 years	6 - 10 years	Total
<b>As on 31-Mar-18</b>				
Trade Receivables	1,620.77	-	-	1,620.77
Current Loans	3.35	-	-	3.35
Other Current Financial Assets	946.33	-	-	946.33
Investments	-	3,870.00	-	3,870.00
<b>As on 31-Mar-19</b>				
Trade Receivables	1,615.02	-	-	1,615.02
Current Loans	3.35	-	-	3.35
Other Current Financial Assets	770.00	-	-	770.00
Investments	-	2,040.00	-	2,040.00

**Maturity profile of financial liabilities**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

Particulars	Current Maturities	2 - 5 years	6 - 10 years	Total
<b>As on 31-Mar-18</b>				
Current Borrowings	4,038.17	-	-	4,038.17
Trade Payables	1,755.28	-	-	1,755.28
Other Financial Liabilities	111.88	-	-	111.88
Term Loan - From Banks	560.00	957.28	-	1,517.28
<b>As on 31-Mar-19</b>				
Current Borrowings	3,388.78	-	-	3,388.78
Trade Payables	804.94	-	-	804.94
Other Financial Liabilities	144.87	-	-	144.87
Term Loan - From Banks	574.42	9.27	-	583.69

**29 Capital Management**

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial statements

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	31-Mar-19	31-Mar-18
Net Debt	3,981.07	5,563.21
Total equity plus debt	14,101.46	15,197.66
<b>Net Debt to Equity Ratio</b>	<b>28.23%</b>	<b>36.61%</b>

**30 Related Party Transactions**
**Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures**
**a) List of related parties with whom the Company has entered into transactions during the year in the ordinary course of business:**

Relationship	Name	Nature
Wholly owned Subsidiary	E Class Education System Limited	Company
Key Management Personnel (KMP)	Mr. Amrut P. Shah	Chairman & Managing Director
	Mr. Shantilal P. Shah	Whole-time Director
	Mr. Krunal S Shah	Whole-time Director w.e.f 08-Aug-2017
	Mr. Rajesh B. Jain	Chief Financial Officer
	Mr. Bhavesh Chedda	Company Secretary
Enterprise over which KMP are able to exercise significant influence	Sundaram Bio-Tech. Pvt. Ltd	Company (Common Promoter)
Relatives of KMP	Mr. Raichand P. Shah	Brother of Amrut P. Shah & Shantilal P. Shah
	Mr. Yash R. Shah	Chief Operating Officer w.e.f 01-Oct-2018

**b) Transactions with Related Parties**
**The following transactions occurred with related parties:**

Particulars	2018-19	2017-18
<b>Transaction with the related parties during the year:</b>		
<u>Loan Taken</u>		
Mr. Amrut P. Shah	442.19	513.63
Mr. Shantilal P. Shah	338.00	608.32
<u>Repayment of Loan taken</u>		
Mr. Amrut P. Shah	462.88	602.78
Mr. Shantilal P. Shah	766.57	258.00
<u>Sale of shares of subsidiary company</u>		
Mr. Amrut P. Shah	125.00	-
Mr. Shantilal P. Shah	321.00	-
<u>Interest Charged</u>		
Mr. Amrut P. Shah	11.88	16.67
Mr. Shantilal P. Shah	8.85	32.98
<u>Remuneration</u>		
Mr. Amrut P. Shah	42.00	42.00
Mr. Shantilal P. Shah	42.00	42.00

<b>Relatives of Key Managerial Personnel</b>		
<u>Mr. Raichand P. Shah</u>		
Office Salary	42.00	28.50
Loan Taken	221.88	202.29
Repayment of Loan	384.74	42.29
Sale of shares of subsidiary company	264.00	-
Interest Charged	2.88	3.17
<u>Mr. Yash R. Shah</u>		
Office Salary	15.00	-

**c) Outstanding Balances of Related Parties**

<b>Particulars</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
<b>Wholly Owned Subsidiary</b>		
Investments	2,040.00	3,870.00
<b>KMP</b>		
<u>Current Borrowing</u>		
Mr. Amrut P. Shah	-	20.70
Mr. Shantilal P. Shah	85.02	513.59
<u>Current liabilities</u>		
Mr. Amrut P. Shah	1.23	0.26
Mr. Shantilal P. Shah	2.88	2.07
Mr. Krunal S Shah	3.68	7.34
<b>Relatives of KMP</b>		
<u>Current Borrowing</u>		
Mr. Raichand P. Shah	-	162.86
<u>Current liabilities</u>		
Mr. Raichand P. Shah	3.90	7.57
Mr. Yash R. Shah	3.38	-

**31 Contingent Liabilities and Contingent Assets**
**a) Contingent Liabilities**

<b>Particulars</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
<b>Income Tax:</b>		
AY 2013-14	4,873,583	-
AY 2012-13	-	3,542,140

**b) Contingent Assets**

<b>Particulars</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
-	-	-

**32 Commitments**
**Non Cancellable Operating Leases:**

The Company has entered into operating lease arrangements for office premises. The leases are non-cancellable and are for the period from 01-Nov-14 to 31-Oct-19. The lease agreements provide for an increase in the lease payments by 7 % every lease period (18 months)

Particulars	31-Mar-19	31-Mar-18
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within 1 year	722,091	1,167,804
Later than 1 year but not later than 5 years	-	722,091
Later than 5 years	-	-

**Rental expenses relating to operating leases**

Particulars	31-Mar-19	31-Mar-18
Minimum lease payments	1,167,804	1,123,235
<b>Total Rental expense relating to operating leases</b>	<b>1,167,804</b>	<b>1,123,235</b>

**33 Earnings Per Share**

Particulars	31-Mar-19	31-Mar-18
Profit attributable to the equity holders of the company used in calculating basic earnings per share:	479.62	(1,486.34)
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,716.06	2,577.87
Basic earnings per share of ₹ 1 each	0.18	(0.58)
Diluted earnings per share of ₹ 1 each	0.18	(0.58)

**34 Assets Pledged / Mortgaged / Hypothecated as security**

Particulars	31-Mar-19	31-Mar-18
<b>Current</b>		
<b>First pari passu Charge</b>		
Inventories	3,657.03	3,673.30
Financial Assets	770.00	946.33
Investments	-	-
Trade receivables	1,615.02	1,620.77
Other current assets	29.59	94.33
Assets classified as held for sale	1,802.53	1,802.53
<b>Total current assets mortgaged / hypothecated as security</b>	<b>7,874.17</b>	<b>8,137.26</b>
<b>Non Current</b>		
<b>First Charge</b>		
Freehold Land	3,732.15	3,732.15
Building	944.21	944.21
Plant & Machinery	476.90	476.90
Furniture & Fixture	39.50	39.50
Vehicles	56.79	56.79
Office Equipments	5.38	5.38
<b>Total non current assets mortgaged / hypothecated as security</b>	<b>5,254.93</b>	<b>5,254.94</b>
<b>Total assets mortgaged / hypothecated as security</b>	<b>13,129.10</b>	<b>13,392.20</b>

35 a) Details of Sales Value of Products:

Class of Goods	Sales Value (in ₹)	
	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>Class of Goods</b>		
Exercise Books	8,864.76	8844.88
Trading	260.02	1,800.68
<b>Total</b>	<b>9,124.78</b>	<b>10,645.57</b>

For 2017-2018 the above figures are net of excise duty of ₹ 75.05 lakhs.

b) Details of opening & closing stock of Finished Goods:

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	For the year ended 31.03.2019	For the year ended 31.03.2018	For the year ended 31.03.2019	For the year ended 31.03.2018
Exercise Books	585.77	307.72	305.77	585.77
Trading of Copier Paper & Others	14.98	19.68	156.85	14.98
<b>Total</b>	<b>600.76</b>	<b>327.40</b>	<b>462.62</b>	<b>600.76</b>

c) Details of Opening & Closing stock of Semi Finished Goods:

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	For the year ended 31.03.2019	For the year ended 31.03.2018	For the year ended 31.03.2019	For the year ended 31.03.2018
Exercise Books	1,543.93	1,063.89	1,609.16	1,543.93
Paper	103.07	103.07	-	103.07
<b>Total</b>	<b>1,647.00</b>	<b>1,166.96</b>	<b>1,609.16</b>	<b>1,647.00</b>

36 (i) Value of Raw Material Consumed:

Particulars	For the year ended 31.03.2019		For the year ended 31.03.2018	
	Amount	%	Amount	%
Raw Materials (Paper & Paper Boards)				
(i) Imported	-	-	-	-
(ii) Indigenous	6,002.80	100%	6,997.86	100%
<b>Total</b>	<b>6,002.80</b>	<b>100%</b>	<b>6,997.86</b>	<b>100%</b>

(ii) Value of Raw Material Purchase(Breakup)

Particulars	2018-19 Amount (in ₹)	2017-18 Amount (in ₹)
Paper	5,050.70	6,558.36
Duplex Board	722.01	578.62
Others	108.05	116.04
<b>Total</b>	<b>5,880.76</b>	<b>7253.01</b>

**37 Earnings & Expenditure in Foreign Currency:**

The company has not entered into any transactions in foreign currency during the reporting period.

**38 Disclosure Pursuant To Securities And Exchange Board Of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 And Section 186 Of Companies Act, 2013**

Particulars	Maximum Amount outstanding during the year		As at	
	2018-19	2017-18	31-Mar-19	31-Mar-18
<b>(A) Loans and advances to enterprises</b>				
Atlanta Realtors Ltd	17.50	17.50	17.50	17.50
Stardom Trading Company Ltd	50.00	50.00	50.00	50.00
Vijay Group Housing Pvt Ltd	150.14	136.64	150.14	136.64
Rajesh Estates And Nirman Pvt Ltd	121.60	110.80	121.60	110.80
Ontime Agencies Pvt Ltd	40.00	40.00	40.00	40.00
Mars Realtors Pvt Ltd	300.00	300.00	300.00	300.00
Rpg Design Studio	35.00	35.00	35.00	35.00
Ajanta Impex	19.00	39.00	19.00	39.00
Rfa Enterprises	7.00	7.00	7.00	7.00
Shreeji Polymers (ADV)	20.00	20.00	20.00	20.00
Jay Corporation	21.00	21.00	21.00	21.00
Primemover Engineering	15.00	15.00	15.00	15.00
Rajhans Nutriments Private Limited	285.11	77.52	285.11	-
Sicom Limited	2.03	2.03	2.03	2.03
Rajhans Infracon	239.68	221.60	-	-
Mindspace Valuation Infra Pvt. Ltd.	10.00	10.00	10.00	10.00
Shakti Press Ltd.	-	52.00	-	52.00
<b>(B) Investment in Subsidiary</b>				
E-Class Education Systems Limited	3870.00	3,870.00	2,040.00	3,870.00

Note: The above loans have given for principle business purpose & it is utilised for the same purpose by the recipient



**Notes to Financial Statements for the period ended 31 March 2019**

*(Currency : Indian Rupees in lakhs)*

**39** Previous year figures have been re-grouped/re-classified wherever considered necessary to make comparable with current year figures.

**As per our report of even date attached**

**For JMR & Associates LLP**

*Chartered Accountants*

**Firm Registration No.: 0106912W / W100300**

**CA Nikesh Jain**

*Partner*

Membership No.: 114003

**Place : Mumbai**

**Date : 23rd May, 2019**

**For and on behalf of the Board of Directors**

**Amrut P. Shah**

*Chairman & Managing Director*

DIN: 00033120

**Rajesh B. Jain**

*Chief Financial Officer*

**Shantilal P.Shah**

*Whole-time Director*

DIN: 00033182

**Bhavesh Chheda**

*Company Secretary*

## Independent Auditor's Report

### To the Members of Sundaram Multi Paper Limited

#### Report on the Audit of the Consolidated Financial Statements

##### Qualified Opinion

We have audited the accompanying consolidated financial statements of **Sundaram Multi Paper Limited** ("the Company") and its subsidiary company i.e. **E-Class Education System Limited** (the Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity *except for the effects of matter described in the Basis for Qualified Opinion paragraph below*, with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

##### Basis for Qualified Opinion

- The balances of trade receivables, trade payables, loans and advances are subject to confirmations, reconciliation and consequential adjustments if any. Further, no provision has been made for trade receivables, which are outstanding since long and are to be provided for. The effect of same is not ascertainable in absence of complete debtors ageing.*
- The Company has invested a sum of ₹20.40 Crores in its subsidiary i.e. E-Class Education System Limited ("The Subsidiary"). The subsidiary has made losses in the previous years and the Company has not made provision for diminution in value of investment made in subsidiary which is a departure from Ind AS 109 (Financial Instruments). However, subsidiary has made profit during the year under audit and appears to be on the path of turnaround. (Refer para annexed to Note No.5 (a) to the financial statements)*

In view of above, we are unable to comment upon the resultant impact of above on consolidated profit for the year, statement of changes in equity, investment, loans and advances, trade receivables, trade payables, current and non-current assets and liabilities, as at balance sheet date

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with

the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained except mentioned above, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Revenue</b></p> <p>The Company manufacture and market paper stationery products – exercise note books, long books, note pads, scrap books, drawing books, graph books – for students of all ages, as well as office/ corporate stationery products and printing, writing &amp; packaging paper to its customers in Maharashtra, mainly through its own distribution network.</p> <p>Refer Notes 17 to the Standalone Financial Statements.</p>	<p>Our audit included but was not limited to the following activities:</p> <ul style="list-style-type: none"> <li>• Mapped and evaluated selected systems and processes for revenue recognition and tested a sample of key controls.</li> <li>• Assessed whether the accounting principles comply with the Ind AS.</li> <li>• Tested a sample of sales transactions for compliance with the Company's accounting principles.</li> <li>• Performed data analytical procedures to identify and evaluate a sample of manual and automatic journal entries.</li> <li>• Traced disclosure information to accounting records and other supporting documentation.</li> </ul>

2	<p><b>Valuation of Investment in Subsidiary</b></p> <p>The Company's 51% interest in E-Class Education System Limited ("the Subsidiary") is accounted for under the equity method. The Company's share of loss from the Subsidiary's Reserves and Surplus as at year ended 31st March, 2019 was ₹25,80,16,448 and the Company's share of subsidiary's net assets was ₹20,40,00,000 as at 31st March, 2019.</p> <p>Refer Note 5(a) to the Consolidated Financial Statements.</p>	<p>The Subsidiary is a significant part of the investment by the company and is audited by a non-JMR auditor ("the Subsidiary Auditor").</p> <p>We have met the Subsidiary Auditor and have discussed their identified audit risks and audit approach, results of their work and key audit matters identified; and have reviewed their working papers. Together with their reporting to us in accordance with our instructions we have determined that the audit work performed and evidence obtained were sufficient for our purpose. We discussed the key audit matters relating to the subsidiary with the company's management and evaluated the impact on our audit of the Company's financial statements.</p> <p>The Subsidiary has carried forward losses from the previous year and the management is revitalizing the subsidiary, coupled with improvement in order book in FY 2018-19 as evident from the turnover achieved, profit earned and further evident from sale of 49% stake of parent at par during the year ended 31 March 2019.</p>
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**Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures

that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or

when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters

1. We did not audit the financial statements of the subsidiary i.e E-Class Education System Limited, whose financial statements reflect total assets of ₹ 1,962.18 lakhs as at 31 March 2019, total revenue of ₹ 914.18 lakhs and net profit after tax of ₹ 180.84 lakhs for the year ended 31 March 2019 as considered in the consolidated Ind AS financial statements. These Ind AS financial statements of the subsidiary have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditor. Our opinion is not modified in respect of this matter
2. Concluded on the appropriateness of management's use of the going concern basis of accounting for its subsidiary company. However, future events like ongoing Amalgamation of the subsidiary company with the holding company may cause the subsidiary company to cease to continue as a going concern, subject to approval of regulatory authorities.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company and its subsidiary incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.

**For JMR & Associates LLP**  
Chartered Accountants  
Firm Regn. No. 0106912W/W100300

**CA Nikesh Jain**  
Partner  
M. No. 114003

Place: Mumbai  
Date: 23 May 2019

## “Annexure A”

### **To the Independent Auditors’ Report on the standalone Ind AS financial statements of Sundaram Multi Paper Limited for the year ended 31st March, 2019**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sundaram Multi Paper Limited of even date)

#### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **Sundaram Multi Paper Limited** (hereinafter referred to as “Company”) and its subsidiary company, which are companies incorporated in India, as of that date

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

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

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

financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India

#### **Meaning of Internal Financial Controls Over Financial Reporting**

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

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **JMR & Associates LLP**  
Chartered Accountants  
Firm Regn. No. 0106912W/W100300

**CA Nikesh Jain**  
Partner  
M. No. 114003

Place: Mumbai  
Date: 23 May 2019

**Consolidated Balance Sheet as at 31 March, 2019**

(Currency : Indian Rupees in lakhs)

<b>Particulars</b>	<b>Note No.</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3	5,209.75	5,286.11
Other Intangible assets	4	795.40	385.27
Intangible Asset under Development		-	-
Financial Assets	5	-	-
Investments		-	-
Loans	5(c)	16.34	12.31
Other	5(f)	-	-
Other Tax Assets	6	33.21	22.07
Deferred tax assets (net)	7	-	-
<b>Total Non Current Assets</b>		<b>6,054.70</b>	<b>5,705.76</b>
<b>Current assets</b>			
Inventories	8	3,926.64	3,947.96
Financial Assets	5		
Investments	5(a)	-	-
Trade receivables	5(b)	2,120.28	2,027.00
Loans	5(c)	3.35	3.35
Cash and cash equivalents	5(d)	37.93	14.77
Bank balances other than cash and cash equivalents	5(e)	-	-
Others	5(f)	1,205.92	1,342.88
Other current assets	9	39.36	142.16
Assets classified as held for sale	10	2,007.19	2,007.16
<b>Total Current Assets</b>		<b>9,340.67</b>	<b>9,485.28</b>
<b>Total Assets</b>		<b>15,395.37</b>	<b>15,191.04</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	11	2,716.06	2,716.06
Other Equity			
Reserves and Surplus	12	4,824.16	4,245.16
Non-Controlling Interest	13	2,047.52	-
<b>Total Equity</b>		<b>9,587.74</b>	<b>6,961.22</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Non-current liabilities			
Financial Liabilities	14		
Borrowings	14(a)	18.28	957.28
Provisions	15	42.34	31.09
Deferred tax liabilities (Net)	7	-	-
<b>Total Non Current Liabilities</b>		<b>60.62</b>	<b>988.37</b>
<b>Current liabilities</b>			
Financial Liabilities	14		
Borrowings	14(a)	3,734.51	4,345.88
Trade payables - MSME	14(b)	10.27	17.53
Trade payables - Other than MSME	14(b)	817.21	1,751.64
Other financial liabilities	14(c)	781.14	708.34
Provisions	15	6.68	5.94
Other current liabilities	16	55.98	70.90
Liabilities directly associated with assets classified as held for sale	17	341.22	341.22
<b>Total Current Liabilities</b>		<b>5,747.01</b>	<b>7,241.45</b>
<b>Total Equity and Liabilities</b>		<b>15,395.37</b>	<b>15,191.04</b>

As per our report of even date attached

For JMR & Associates LLP

Chartered Accountants

Firm Registration No.: 0106912W / W100300

CA Nikesh Jain

Partner

Membership No.: 114003

Place : Mumbai

Date : 23rd May, 2019

For and on behalf of the Board of Directors

Amrut P. Shah

Chairman & Managing Director

DIN: 00033120

Rajesh B. Jain

Chief Financial Officer

Shantilal P. Shah

Whole-time Director

DIN: 00033182

Bhavesh Chheda

Company Secretary

**Consolidated Statement of Profit and Loss for the year ended 31 March 2019**

(Currency : Indian Rupees in lakhs)

Particulars	Note No.	31-Mar-19	31-Mar-18
Continuing Operations			
Revenue From Operations	18	9,958.85	10,938.63
Other Income	19	210.19	265.73
<b>Total Income</b>		<b>10,169.04</b>	<b>11,204.36</b>
<b>Expenses:</b>			
Expenses:			
Cost of materials consumed	20	6,294.47	7,037.70
Purchases of Stock-in-Trade		349.90	1,518.41
Excise Duty		-	75.05
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	21	72.90	(753.39)
Employee benefits expense	22	798.93	601.79
Depreciation and amortization expense	23	283.11	269.44
Finance costs	24	739.55	889.07
Other expenses	25	969.74	1,238.42
<b>Total expenses</b>		<b>9,508.60</b>	<b>10,876.49</b>
Profit/(loss) before exceptional items and tax		660.44	327.87
Exceptional Items	26	-	1,850.08
<b>Profit/(loss) before tax</b>		<b>660.44</b>	<b>(1,522.21)</b>
<b>Tax expense:</b>			
Current tax		-	-
Deferred tax		-	363.96
Income tax for earlier years written back		-	(0.17)
<b>Profit (Loss) for the period from continuing operations</b>		<b>660.44</b>	<b>(1,886.00)</b>
<b>Discontinued Operations</b>			
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(loss) from Discontinued operations (after tax)		-	-
<b>Profit/(loss) for the period</b>		<b>660.44</b>	<b>(1,886.00)</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to profit or loss		6.09	(1.66)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
<b>Other Comprehensive Income for the year</b>		<b>6.09</b>	<b>(1.66)</b>
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>666.53</b>	<b>(1,887.66)</b>
<b>Total Comprehensive Income attributable to:</b>			
Owners		579.01	(1,887.66)
Non-controlling interests		87.52	-
Earnings per equity share of ₹ 1 each			
(1) Basic		0.21	(0.73)
(2) Diluted		0.21	(0.73)

**As per our report of even date attached**
**For JMR & Associates LLP**
*Chartered Accountants*
**Firm Registration No.: 0106912W / W100300**
**CA Nikesh Jain**
*Partner*

Membership No.: 114003

**Place : Mumbai**
**Date : 23rd May, 2019**
**For and on behalf of the Board of Directors**
**Amrut P. Shah**
*Chairman & Managing Director*

DIN: 00033120

**Rajesh B. Jain**
*Chief Financial Officer*
**Shantilal P. Shah**
*Whole-time Director*

DIN: 00033182

**Bhavesh Chheda**
*Company Secretary*



**Consolidated Statement of Changes in Equity**
**A. Share Capital**

Particulars	Amount
<b>As at 31 March 2017</b>	<b>2,456.06</b>
Increase during the year	260.00
<b>As at 31 March 2018</b>	<b>2,716.06</b>
Increase during the year	-
<b>As at 31 March 2019</b>	<b>2,716.06</b>

**B. Other Equity**

(Currency : Indian Rupees in lakhs)

Particulars	Reserves and Surplus				Other Reserves	Total
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Remeasurement of Defined Benefit Plans	Other Equity
<b>Balance at 01-Apr-2017</b>	<b>7.00</b>	<b>5,594.14</b>	<b>3,754.24</b>	<b>(3,755.59)</b>	-	<b>5,599.79</b>
Additions for the year	-	533.00	-	(1,886.00)	-	(1,353.00)
Other Comprehensive Income	-	-	-	-	(1.66)	(1.66)
<b>Total Comprehensive Income for the year</b>	-	<b>533.00</b>	-	<b>(1,886.00)</b>	<b>(1.66)</b>	<b>(1,354.65)</b>
Transfer to Retained Earnings	-	-	-	-	-	-
<b>Balance at 31-Mar-2018</b>	<b>7.00</b>	<b>6,127.14</b>	<b>3,754.24</b>	<b>(5,641.59)</b>	<b>(1.66)</b>	<b>4,245.14</b>
<b>Balance at 01-Apr-2018</b>	<b>7.00</b>	<b>6,127.14</b>	<b>3,754.24</b>	<b>(5,641.59)</b>	<b>(1.66)</b>	<b>4,245.14</b>
Profit for the year	-	-	-	572.93	-	572.93
Other Comprehensive Income	-	-	-	-	6.09	6.09
<b>Total Comprehensive Income for the year</b>	-	-	-	<b>572.93</b>	<b>6.09</b>	<b>579.02</b>
Transfer to Retained Earnings	-	-	-	-	-	-
<b>Balance at 31-Mar-2019</b>	<b>7.00</b>	<b>6,127.14</b>	<b>3,754.24</b>	<b>(5,068.65)</b>	<b>4.43</b>	<b>4,824.16</b>

**Consolidated Cash Flow Statement For The Year Ended 31st March, 2019**

(Currency : Indian Rupees in lakhs)

Particulars		Year Ended 31st March, 2019		Year Ended 31st March, 2018	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>				
	<b>Net Profit / (Loss) Before Tax</b>	<b>660.44</b>		<b>(1,521.31)</b>	
	<b>Adjustment For :</b>				
	Provision for Gratuity				
	Depreciation	283.10		269.44	
	Interest Income	(62.24)		(63.55)	
	Unwinding of discount on Financial Assets	(131.23)		(109.92)	
	Interest Paid	739.55		889.07	
	Adjustment for Other Comprehensive Income	-		0.69	
	Impairment of Assets	-		1,676.56	
	(Profit)/Loss On Sale Of Assets (Net)	4.50		(1.29)	
			833.69		2,660.99
	<b>Operating Profit Before Working Capital Changes</b>		<b>1,494.13</b>		<b>1,139.68</b>
	<b>Adjustment For :</b>				
	Trade Receivables	(93.29)		993.14	
	Inventories	21.32		(1,197.69)	
	Loans & Advances	(4.03)		12.45	
	Other Current Assets	239.76		163.36	
	Other Non Current Tax Assets	(5.49)		(23.69)	
	Trade Payables	(941.72)		517.05	
	Other Financial Liabilities	81.82		-	
	Other Liabilities & Provisions	(13.46)		(1,127.60)	
	Assets held for resale	(0.02)		-	
			(715.11)		(662.98)
	<b>Cash Generated From Operations</b>		<b>799.95</b>		<b>476.71</b>
	Direct Taxes Paid(Net)	(5.66)	-	(4.60)	-
	<b>Net Cash Generated From / (Utilised in) Operating Activities</b>		<b>794.29</b>		<b>472.11</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>				
	Purchase Of Tangible Fixed Assets (Net)	(87.32)		(37.59)	
	Investment in Gratuity (LIC)	(4.30)		-	
	Purchase Of Intangible Fixed Assets (Net)	(541.90)		(61.06)	
	Sale Of Tangible Fixed Assets	7.86		13.98	
	Sale of Assets (Held for Sale)	-		366.71	
	Unwinding of Discount on Financial Assets	131.23		109.92	
	Interest Received	62.25		63.55	
	<b>Net Cash Generated From / (Utilised in) Investing Activities</b>		<b>(432.19)</b>		<b>455.51</b>
<b>C.</b>	<b>Cash Flow From Financing Activities :</b>				
	Additional/(Repayment) Of Loan To Directors	38.01		(11.78)	
	(Repayment) of /Proceeds From Borrowings	(948.00)		(826.14)	
	Proceeds From Issue Of Share Capital	130.00		793.00	
	Sale of Equity Shares of subsidiary	1,830.00		-	
	Borrowings	(649.38)		-	
	Interest Paid	(739.55)		(889.07)	
	<b>Net Cash Generated From / (Utilised in) Financing Activities</b>		<b>(338.93)</b>		<b>(933.99)</b>
	<b>Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b>		<b>23.17</b>		<b>(6.37)</b>
	<b>Cash And Cash Equivalents At Beginning Of The Year</b>	14.76		21.13	
	<b>Cash And Cash Equivalents At End Of The Year</b>	37.93		14.76	
	<b>Net Increase/ (Decrease)</b>		<b>23.17</b>		<b>(6.37)</b>

**Reconciliation of cash and cash equivalents as per the cash flow statement**
**Cash and cash equivalents as per above comprise of the following**

Particulars	31st March, 2019	31st March, 2018
<b>Balance with banks :</b>		
In current account	21.38	2.91
In dividend account	1.99	2.07
Bank deposits with original maturity of less than 3 months	-	-
Cheques, drafts on hand	-	-
Cash on hand	14.56	9.79
<b>Balances per statement of cash flows</b>	<b>37.92</b>	<b>14.76</b>

**Note:**

- 1 The above Cash Flow Statement has been prepared under the Indirect method as set out in Indian Accounting standard - 7 "Statement of cash flows" issued by the Institute of Chartered Accountants of India.
- 2 Previous year's figures have been Re-Grouped / Re-Arranged, wherever considered necessary.

**As per our report of even date attached**
**For JMR & Associates LLP**
*Chartered Accountants*
**Firm Registration No.: 0106912W / W100300**
**CA Nikesh Jain**
*Partner*

Membership No.: 114003

**Place : Mumbai**
**Date : 23rd May, 2019**
**For and on behalf of the Board of Directors**
**Amrut P. Shah**
*Chairman & Managing Director*

DIN: 00033120

**Rajesh B. Jain**
*Chief Financial Officer*
**Shantilal P. Shah**
*Whole-time Director*

DIN: 00033182

**Bhavesh Chheda**
*Company Secretary*

**FY - 2018 - 19**

**Corporate Information**

We design, manufacture and market paper stationery products – exercise note books, long books, note pads, scrap books, drawing books, graph books - for students of all ages, as well as office/corporate stationery products and printing, writing & packaging paper.

We have over 190 varieties of paper stationery products under the brand “Sundaram” which are very popular among the student communities and enjoy very high reputation in the market for its superb quality and durability.

Sundaram multi pap ltd was incorporated on 13th March, 1995 with the Registrar of Companies, Maharashtra, at Mumbai and the Certificate of Commencement of Business was obtained on 10th April, 1995. Its shares are listed in BSE Limited and NSE Limited, India

At the start of the Company in the year 1995, we had a capacity of 5 tons per day of conversion of paper into paper stationery, which was increased to 60 tons per day as of now which is also considering 75% utilisation of the machinery.

With the strong brand and market penetration we are present in pan Maharashtra and are number one brand among consumers today.

E-learning: Leveraging the powers of Computers and using a blend of Internet, Mobile, and other means of Digital Communication Technologies, E-class Education System Limited our Wholly-owned Subsidiary Company is taking quality and affordable education to reach the millions of Students across the Maharashtra and even the remote areas of the State. E-class aims at educating the Majority of the Students across the state by providing various products such as Smartphone Application, Android Memory cards, Pen-drives etc. E-class offers E-Educational/ Digital products mapped to the Maharashtra State board, for 1st to 10th Standard syllabus courses on all the Subjects in Marathi, English, and Semi-English Languages. Our content have been designed and reviewed by eminent Academicians. It contains various chapter notes along with practical examples which can help to understand the concept. It also contains the question answer and Mind-map at the end of the chapter to test and enhance the knowledge.

With the increasing Government initiatives to promote the vision of Digital India, Universal digital literacy, universally accessible digital resources, the management is expecting an increase in the demand for E-learning content and positive for the future growth of the Company.

**1 Significant Accounting Policies**

**I Basis of Preparation**

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016. The Group prepared its consolidated financial statements in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with the Companies (Accounts) Rules 2014 (referred as “Indian GAAP”).

**II Principles of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its

subsidiaries as at 31st March 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the group’s accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.”

**Consolidation procedure:**

- (a) The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- (b) Offset (eliminate) the carrying amount of the parent’s investment in the subsidiary and the parent’s portion of equity of the subsidiary.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full).

- (d) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances

**Goodwill / Capital Reserve on consolidation:**

The excess of cost to the Parent company of its investment in Subsidiary Company over the Parent Company's portion of equity, at the date on which investment in Subsidiary is made, is recognized as Goodwill in the Consolidated Financial Statements. When the cost to the Parent Company is less than the Parent Company's portion of equity, the difference is recognized in the financial statements as Capital Reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

**III Current/non-current classification**

All assets and liabilities have been classified as current and non-current as per Group's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013, for a company whose financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015. Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of business and their realization in cash and cash equivalents, 12 months has been considered by the Group for the purpose of current / non-current classification of assets and liabilities.

**IV Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and Goods and Service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Groups activities as described below.

**Sale of goods :**

The Company recognizes revenue on sale of products upon dispatch to the customer or when delivered to the ocean carrier for export sales, which is when risks and rewards of ownership are passed to the customer. Sales are shown net of returns, discounts, excise duty and sales tax.

**Dividend and Interest income :**

- a) Dividend income on investment is accounted for in the year in which the right to receive the payment is established.
- b) Interest income is recognized on the time proportion basis taking into account amount outstanding and interest rate applicable."

**V Income Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes at their reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

**VI Property, Plant and Equipment**

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. When a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as replacement if the recognition criterion is satisfied. Property, plant and equipment is eliminated from the financial statements, either on disposal or on retirement from active use. Losses and gains arising from the retirement/disposal are recognised in the statement of profit or loss in the year of occurrence.

The asset's residual value, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. Depreciation is provided on the "straight line method" based on the estimated useful life of assets which are equal to those suggested in Part C of schedule II of the Act.

The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual value of tangible assets. Depreciation on additions / deletions is provided on pro-rata basis from the date of acquisition/ up to the date of deletion.

Changes in expected useful life or the expected pattern of consumption of future economic benefits embodied in an asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount."

**VII Intangible assets**

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

Intangible assets comprising of "Computer Software" in the Holding Company are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Estimated useful life of software is assessed to be 2 years.

Intangible assets comprising of "Knowledge based Content" and "Website" in the Subsidiary Company are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis.

#### **VIII Borrowing Cost:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The Holding Company has been granted restructuring of loan facility by its banks State Bank of India (Lead Bank). Lead Bank has discretion to recoup concession given to company at a future date depending on the financial position of the company. The management has decided to account such cost as an when event arises.

#### **IX Impairment of non financial assets :**

As at each balance sheet date, the Group assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Group determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined as the higher of the fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss."

#### **X Lease :**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to

compensate for the lessor's expected inflationary cost increases.

In case of leasehold land, being lands having indefinite life are normally classified as operating lease. However, based on the period of lease along with renewal clause or the right of acquisition at below market rate at the end of the lease term, the lease of land may be classified as finance lease.

#### **XI Inventories:**

Raw materials, stores and packing materials are valued at lower of cost or net realizable value. Cost is assigned on FIFO basis.

Semi - finished goods are valued at raw material cost plus proportionate manufacturing overheads.

Finished goods are valued at lower of the cost or net realizable value. Unrealized profit, if any, in inter unit transaction is eliminated to the extent possible.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### **XII Foreign Currency :**

The Groups financial statements are presented in INR, which is also the Company's functional currency.

The Holding Company's transactions in foreign currency are recorded at the rate of exchange prevailing on the date of the transaction. Exchange differences arising on settlement of these transactions are recognized in the Statement of Profit and Loss.

Monetary items (other than those related to acquisition of fixed assets) denominated in foreign currency are revalued using the exchange rate prevailing at date of the Balance Sheet and resulting exchange difference is recognized in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction."

#### **XIII Employee Benefits:**

##### **a) Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries and wages, leave salary etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

##### **b) Post-Employment Benefits:**

###### **i) Defined contribution plans:**

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contributions to the separate entity. The Group makes specified

monthly contributions towards employee provident fund. The Groups contribution paid / payable under the schemes is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service and contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

**ii) Defined benefit plan:**

The Holding Company has defined benefit plans comprising of gratuity. Its obligation towards gratuity liability is funded and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.”

**c) Leave encashment:**

Liability on account of Leave Encashment up to year end has been provided/ paid during the year. None of the employee is allowed to carry forward leave to subsequent period.

**XIV Earning per share:**

Basic earning per share is computed by dividing the profit/(loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing profit/(loss) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earning per share and the weighted average number of equity shares which could have been issued on the conversion at all dilutive potential equity shares.”

**XV Provisions**

The Group creates a provision when there is a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not result in outflow of resources.

When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

**XVI Cash and cash equivalent**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flows, cash and cash equivalent consists of cash and short term deposits, as defined above, as they are considered an integral part of the Company’s cash management”

**XVII Financial Derivatives Hedging Transaction:**

In respect of derivatives contract, premium paid, provision for losses on restatement and gains/losses on settlement are recognized in statement of Profit and Loss. The Holding company uses Foreign Currency Hedges to manage its risks associated with Foreign Currencies Fluctuation relating to Export receivable. It does not use Hedges for speculative purpose.

**XVIII Financial Instruments**

**(i) Financial asset**

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in case of financial asset not recorded at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial asset measured at amortised cost. Subsequent measurement

For purposes of subsequent measurement financial assets are classified into two broad categories :

- Financial asset at fair value
- Financial asset at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit or loss (i.e. fair value through profit or loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income)

A financial asset that meet the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

**Business model test :** the objective of the Company’s model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes)

**Cash flow characteristics test :** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal

and interest on the principal amount outstanding. A financial asset that meet the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option

**Business model test :** the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets

**Cash flow characteristics test :** The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different basis.

All other financial asset is measured at fair value through profit or loss.

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - a) the Company has transferred substantially all the risks and rewards of the asset, or
  - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

#### **Impairment of financial asset**

The Company assesses impairment based on expected credit losses (ECL) model to the following :

- Financial asset measured at amortised cost
- Financial asset measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates, if any. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

#### **(ii) Financial liabilities**

##### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

##### **Loans and borrowings – subsequent measurement**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR). The Effective Interest Rate (EIR) amortisation is included as finance costs in the statement of profit and loss.

##### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by



another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.”

#### **XIX Cash Flow Statement:**

Cash flows are reported using indirect method, whereby profit/(loss) before extraordinary item and tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future, cash receipts or payments. The cash flow from operating, investing and financing activities of the company are segregated based on the available information.

## **2 Significant Accounting judgements, estimates and assumptions**

The preparation of Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### **I Defined Benefit plans**

The cost of defined benefit plans and other post employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### **II Useful life**

The estimated useful lives of items of property, plant and equipment and intangible assets for the current and the comparative periods are as follows :

<b>Asset</b>	<b>Management estimate of useful life</b>	<b>Useful life as per Schedule II</b>
Building	30 Years	30 Years
Plant & Machinery	15 Years	15 Years
Furniture & Fixture	10 Years	10 Years
Vehicles		
-Motor Car and Tempo	8 Years	8 Years
-Scooter	10 Years	10 Years
Office Equipments	5 Years	5 Years
Computers and Data processing units	3 Years	3 Years

#### **III Fair valuation of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation technique including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**3 Property, Plant and Equipment**

Particulars	Tangible Assets not under lease						
	Freehold Land	Building	Plant & Machinery	Furniture and Fixtures	Vehicles	Office Equipments	Total Tangible Assets
<b>Gross Block</b>							
<b>At 31-Mar-2017</b>	<b>3,732.15</b>	<b>1,381.44</b>	<b>1,337.88</b>	<b>443.08</b>	<b>290.48</b>	<b>102.25</b>	<b>7,287.27</b>
Additions during the year	-	-	29.77	0.27	3.48	4.07	37.59
Disposals during the year	-	-	(16.33)	-	(57.79)	-	(74.12)
<b>At 31-Mar-2018</b>	<b>3,732.15</b>	<b>1,381.44</b>	<b>1,351.33</b>	<b>443.35</b>	<b>236.16</b>	<b>106.32</b>	<b>7,250.75</b>
Additions during the year	-	-	43.64	0.31	39.50	3.88	87.32
Disposals during the year	-	-	(20.14)	-	(9.10)	-	(29.24)
<b>At 31-Mar-2019</b>	<b>3,732.15</b>	<b>1,381.44</b>	<b>1,374.83</b>	<b>443.66</b>	<b>266.55</b>	<b>110.20</b>	<b>7,308.83</b>
<b>Accumulated Depreciation</b>							
<b>At 31-Mar-2017</b>	-	<b>394.16</b>	<b>793.53</b>	<b>343.19</b>	<b>208.18</b>	<b>94.28</b>	<b>1,833.34</b>
Depreciation during the year	-	43.07	89.89	33.34	23.62	2.80	192.72
Disposals during the year	-	-	(8.99)	-	(52.43)	-	(61.42)
<b>At 31-Mar-2018</b>	-	<b>437.23</b>	<b>874.42</b>	<b>376.54</b>	<b>179.37</b>	<b>97.08</b>	<b>1,964.63</b>
Depreciation during the year	-	43.07	66.24	18.08	21.05	2.89	151.33
Disposals during the year	-	-	(8.23)	-	(8.65)	-	(16.87)
<b>At 31-Mar-2019</b>	-	<b>480.30</b>	<b>932.43</b>	<b>394.61</b>	<b>191.77</b>	<b>99.97</b>	<b>2,099.09</b>
<b>Net Block</b>							
<b>At 31-Mar-2018</b>	<b>3,732.15</b>	<b>944.21</b>	<b>476.90</b>	<b>66.81</b>	<b>56.79</b>	<b>9.24</b>	<b>5,286.11</b>
<b>At 31-Mar-2019</b>	<b>3,732.15</b>	<b>901.13</b>	<b>442.40</b>	<b>49.05</b>	<b>74.79</b>	<b>10.23</b>	<b>5,209.75</b>

(i) Refer Note No. 34 for assets hypothecated/mortgaged as security.

**4 Intangible Assets**

Particulars	Intangible Assets			
	Knowledge Based Content	Website	Software	Total Intangible Assets
<b>Gross Block</b>				
<b>At 31-Mar-2017</b>	<b>1,259.90</b>	<b>11.22</b>	<b>7.39</b>	<b>1,278.51</b>
Additions during the year	55.56	5.50	-	61.06
Disposals during the year	-	-	-	-
<b>At 31-Mar-2018</b>	<b>1,315.46</b>	<b>16.72</b>	<b>7.39</b>	<b>1,339.57</b>
Additions during the year	351.62	0.29	190.00	541.90
Disposals during the year	-	-	-	-
<b>At 31-Mar-2019</b>	<b>1,667.08</b>	<b>17.01</b>	<b>197.39</b>	<b>1,881.47</b>
<b>Accumulated Amortization</b>				
<b>At 31-Mar-2017</b>	<b>864.20</b>	<b>8.80</b>	<b>4.57</b>	<b>877.58</b>
Amortization during the year	73.33	2.18	1.21	76.72
Disposals during the year	-	-	-	-
<b>At 31-Mar-2018</b>	<b>937.53</b>	<b>10.99</b>	<b>5.78</b>	<b>954.30</b>
Amortization during the year	105.91	0.90	24.97	131.78
Disposals during the year	-	-	-	-
<b>At 31-Mar-2019</b>	<b>1,043.44</b>	<b>11.89</b>	<b>30.75</b>	<b>1,086.08</b>
<b>Net Block</b>				
<b>At 31-Mar-2018</b>	<b>377.93</b>	<b>5.73</b>	<b>1.61</b>	<b>385.27</b>
<b>At 31-Mar-2019</b>	<b>623.64</b>	<b>5.11</b>	<b>166.64</b>	<b>795.40</b>

**5 Financial Assets**
**5(b) Trade receivables**

Particulars	31-Mar-19	31-Mar-18
Trade Receivables	2,221.92	2,089.32
Less: Allowance for bad and doubtful debts	(101.64)	(62.32)
<b>Total Trade receivables</b>	<b>2,120.28</b>	<b>2,027.00</b>
Current portion	2,120.28	2,027.00
Non-current portion	-	-

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

**Break-up of Security details**

Particulars	31-Mar-19	31-Mar-18
Secured, Considered Good	-	-
Unsecured, Considered Good	2,120.29	2,027.00
Doubtful	101.64	62.32
<b>Total Trade receivables</b>	<b>2,221.92</b>	<b>2,089.32</b>

**5(c) Loans**
**Non-Current**

Particulars	31-Mar-19	31-Mar-18
<b>Secured</b>		
Security Deposit	-	-
<b>Unsecured</b>		
Security Deposit	10.39	6.36
Other Loans & Advances		
FD against Bank Guarantee	5.95	5.95
<b>Total of Long Term Loans And Advances</b>	<b>16.34</b>	<b>12.31</b>

**Current**

Particulars	31-Mar-19	31-Mar-18
<b>Unsecured, Considered Good</b>		
Advance To Employees	3.35	3.35
<b>Total Current Loans</b>	<b>3.35</b>	<b>3.35</b>

**5(d) Cash and cash equivalents**

Particulars	31-Mar-19	31-Mar-18
<b>Balances with banks</b>		
- in current accounts	21.38	2.91
- in dividend accounts	1.99	2.07
Deposits with maturity of less than three months	-	-
Cash on hand	14.56	9.79
<b>Total Cash and cash equivalents</b>	<b>37.93</b>	<b>14.77</b>

**5(e) Bank balances other than cash and cash equivalents**

Particulars	31-Mar-19	31-Mar-18
Bank deposit with original maturity of more than 3 months but less than 12 months		-
<b>Total Bank balances other than cash and cash equivalents</b>	<b>-</b>	<b>-</b>

**5(f) Other**

Particulars	31-Mar-19	31-Mar-18
<b>Non Current</b>		
Other Advances	-	-
<b>Total Other Non Current Financial Assets</b>	-	-
<b>Current</b>		
Deposit	11.64	11.64
Other Advances	3.92	2.90
Balance With Revenue Authorities	399.30	346.12
Dividend Receivable	-	0.41
Interest Receivable	754.44	931.38
Sales Tax Deposit	-	0.30
Tender Deposit	35.78	50.04
Advance to Employees	0.84	0.09
<b>Total Other Financial Assets</b>	<b>1,205.92</b>	<b>1,342.88</b>

**6 Other Tax Assets**

Particulars	31-Mar-19	31-Mar-18
Advance income tax (Net off provision for tax ₹42,47,010 (Previous Year ₹42,47,010))	33.21	22.07
<b>Closing balance</b>	<b>33.21</b>	<b>22.07</b>

**7 Deferred Tax Liability / (Assets)**

Classified on a Company wise basis:

Particulars	31-Mar-19	31-Mar-18
(i) Deferred Tax Asset	-	-
(ii) Deferred Tax Liability	-	-

**The balance comprises temporary differences attributable to:**

Particulars	31-Mar-19	31-Mar-18
<b>Liabilities</b>		
Depreciation	(76.27)	-
<b>Assets</b>		
Employee Benefits / Expenses allowable on Payment Basis	12.84	10.45
Depreciation and Unabsorbed Depreciation	1,250.25	1,038.63
	<b>1,263.09</b>	<b>1,049.08</b>
<b>Net Deferred tax Liability / (Assets) *</b>	<b>(1,339.36)</b>	<b>(1,049.08)</b>
Opening Net Deferred Tax Liability	1,339.36	1,049.08
Net Deferred Tax Liability Charged To Statement Of Profit And Loss	(1,339.36)	(1,049.08)
<b>Net Deferred tax Liability / (Assets)</b>	<b>-</b>	<b>-</b>

\* The Company has recognised deferred tax asset only to the extent of deferred tax liability & squared off against each other as it is not able to generate revenue which will get off set in future considering prudent accounting policy.

**8 Inventories**

Particulars	31-Mar-19	31-Mar-18
Raw Materials	1,817.28	1,765.98
Work-In-Progress	1,609.16	1,543.93
Finished Goods	305.77	585.77
Trading Goods	156.85	14.98
Stores & Spares	37.58	37.30
<b>Total Inventories</b>	<b>3,926.64</b>	<b>3,947.96</b>

**9 Other current assets**

Particulars	31-Mar-19	31-Mar-18
Advance to Suppliers	21.86	44.42
Balance With Revenue Authorities	(0.00)	79.27
Prepaid Expenses	17.50	18.47
<b>Total Other current assets</b>	<b>39.36</b>	<b>142.16</b>

**10 Assets classified as held for sale**

Particulars	31-Mar-19	31-Mar-18
<b>Fixed Assets</b>		
Freehold land	1,616.40	1,616.40
Freehold buildings	186.13	186.13
Long Term Loans And Advances	30.37	30.37
Trade Receivables	136.99	136.99
Cash And Cash Equivalents	2.62	2.59
Short-Term Loans And Advances	33.28	33.28
Other Current Assets	1.40	1.40
<b>Total Assets classified as held for sale</b>	<b>2,007.19</b>	<b>2,007.16</b>

**11 Equity Share capital**
**Authorised equity share capital**

Particulars	No. of shares	Amount
<b>As at 31 March 2017</b>	<b>270,000,000</b>	<b>2,700.00</b>
Increase during the year	10,000,000	100.00
<b>As at 31 March 2018</b>	<b>280,000,000</b>	<b>2,800.00</b>
Increase during the year	-	-
<b>As at 31 March 2019</b>	<b>280,000,000</b>	<b>2,800.00</b>

**Issued Subscribed and Paid up Equity capital**

Particulars	No. of shares	Amount
<b>As at 31 March 2017</b>	<b>245,605,773</b>	<b>2,456.06</b>
Increase during the year	26,000,000	260.00
<b>As at 31 March 2018</b>	<b>271,605,773</b>	<b>2,716.06</b>
Increase during the year	-	-
<b>As at 31 March 2019</b>	<b>271,605,773</b>	<b>2,716.06</b>

**Terms and Rights attached to Equity Shareholders**

The Holding Company has only one class of equity shares having a face value of INR 1/- per share. Each holder of equity shares is entitled to one vote per equity share. A member shall not have any right to vote whilst any call or other sum shall be due and payable to the Holding Company in respect of any of the shares of such member. All equity shares of the Holding Company rank pari passu in all respects including the right to dividend.

**Notes to Financial Statements for the period ended 31 March 2019**
*(Currency : Indian Rupees in lakhs)*

In the event of winding-up, subject to the rights of holders of shares issued upon special terms and conditions, the holders of equity shares shall be entitled to receive remaining assets, if any, in proportion to the number of shares held at the time of commencement of winding-up.

The shareholders have all other rights as available to equity shareholders as per the provisions of the Companies Act, 2013, read together with the memorandum of association and articles of association of the company, as applicable.

The Company does not have any holding company or ultimate holding company. Promoter shareholding in the company including persons acting in concert with the promoters as on March 31, 2019 is 6,04,51,585 equity shares i.e. 22.26% of the equity share capital of the company. (Previous year March 31, 2018 is 6,20,96,585 equity shares i.e. 22.86%)

**The Details Of Share Holders Holding More Than 5% Shares:**

Name Of Shareholder	31-Mar-19		31-Mar-18	
	No. of Shares held	% of Holding	No. Of Shares held	% of Holding
Amrut P Shah	21,708,925	7.99	22,283,925	8.20
Raichand P Shah	19,494,503	7.18	19,984,503	7.36
Ganjam Trading Pvt Ltd	14,999,499	5.52	14,999,499	5.52

The Company has allotted 26,000,000 (FV - INR 1/-) equity shares issued at INR 3.05/- by way of Qualified Institutional Placement (QIP) in the Financial Year 2017-2018.

Shares issued for consideration other than in cash for last 5 years: NIL

**12 Reserves and Surplus**

Particulars	31-Mar-19	31-Mar-18
Securities premium reserve	6,127.14	6,127.14
Capital Reserve	7.00	7.00
General Reserve	3,754.24	3,754.24
Retained earnings	(5,064.21)	(5,643.22)
<b>Total Reserves and Surplus</b>	<b>4,824.16</b>	<b>4,245.16</b>

**Securities premium reserve**

Particulars	31-Mar-19	31-Mar-18
Opening balance	6,127.14	5,594.14
Increase during the year	-	533.00
<b>Closing balance</b>	<b>6,127.14</b>	<b>6,127.14</b>

**Capital Reserve**

Particulars	31-Mar-19	31-Mar-18
Opening Balance	7.00	7.00
Increase during the year	-	-
<b>Closing Balance</b>	<b>7.00</b>	<b>7.00</b>

**General Reserve**

Particulars	31-Mar-19	31-Mar-18
Opening Balance	3,754.24	3,754.24
Increase during the year	-	-
<b>Closing Balance</b>	<b>3,754.24</b>	<b>3,754.24</b>

**Retained earnings**

Particulars	31-Mar-19	31-Mar-18
Opening Balance	(5,643.22)	(3,755.59)
Add: Ind AS Implementation Reserve	-	-
Add: Net Profit/(Loss) For The Year	579.01	(1,887.63)
<b>Net Surplus/(Deficit) In The Statement of Profit And Loss</b>	<b>(5,064.21)</b>	<b>(5,643.22)</b>

**13 Non-Controlling Interest**

Particulars	31-Mar-19	31-Mar-18
Share in Equity Share Capital	1,960.00	-
Less: Share in Profit/(Loss) for the year	87.52	-
<b>Non-Controlling Interest</b>	<b>2,047.52</b>	<b>-</b>

**14 Financial Liabilities**
**14(a) Borrowings**
**Non current**

Particulars	31-Mar-19	31-Mar-18
<b>Secured</b>		
<b>From Banks</b>		
State Bank of India	-	898.41
Industrial Development Bank of India	-	41.00
Yes Bank	-	-
<b>From Others</b>		
Vehicle Loans	18.28	17.87
<b>Total Non current Borrowings</b>	<b>18.28</b>	<b>957.28</b>

\*In case of E-class (Subsidiary Company) Vehicle loans are secured by hypothecation of respective vehicle purchased and carrying interest of 9.01% and repayable by July-2021.

Particulars	Maturity Date	Terms of Repayment	Interest Rate
<b>Secured</b>			
<b>From Banks</b>			
State Bank of India	Dec-20	Quarterly Installments in tenure of 69 months	3% above Base Rate (first half) 8% above Base Rate (second half)
Industrial Development Bank of India	Dec-20	Quarterly Installments in tenure of 69 months	12.40% p.a. (First three quarters) 14.45% p.a. (Last quarter)
<b>From Others</b>			
Vehicle Loans	Mar-21	84 Monthly installments	12.00% p.a.

**Current**

Particulars	31-Mar-19	31-Mar-18
<b>Loan Repayable on Demand</b>		
<b>From Bank</b>		
<b>Secured:</b>		
<b>From Bank</b>		
Cash Credit from State Bank of India	1,586.72	1,614.50
Cash Credit from Industrial Development Bank of India	336.62	335.67
<b>Loans &amp; Advances From Related Parties</b>		
<b>Unsecured</b>		
Loans From Directors	430.75	1,004.87
Loans From Others	-	-
<b>Deposit</b>		
<b>Unsecured</b>		
Intercorporate Deposits	1,380.42	1,390.85
<b>Total Current Borrowings</b>	<b>3,734.51</b>	<b>4,345.88</b>

Particulars	Terms of Repayment	Interest Rate
<b>Secured:</b>		
<b>From Bank</b>		
Cash Credit from State Bank of India	On Demand	16.60 % p.a.
Cash Credit from Industrial Development Bank of India	On Demand	MCLR + 580 bps p.a.
From Public Financial Institutions		
<b>Unsecured</b>		
Loans From Directors	On Demand	12.00% p.a.
<b>Deposit</b>		
<b>Unsecured</b>		
Intercompany Deposits	On Demand	9.00% p.a - 17.00 % p.a.

For security Refer Note No 34

**14(b) Trade payables - MSME**

Particulars	31-Mar-19	31-Mar-18
Trade Payables	10.27	17.53
<b>Total Trade payables - MSME</b>	<b>10.27</b>	<b>17.53</b>

The Holding Company has received information from the “suppliers” regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to the amounts as at year end together with interest paid / payable under the said Act have been given.

**14(b) Trade payables - other than MSME**

Particulars	31-Mar-19	31-Mar-18
<b>Current</b>		
Trade Payables	817.21	1,751.64
<b>Total Trade payables</b>	<b>817.21</b>	<b>1,751.64</b>

**14(c) Other financial liabilities**

Particulars	31-Mar-19	31-Mar-18
<b>Current</b>		
<b>Current maturities of long-term debt</b>		
From Banks	574.42	560.00
From Others	-	-
-Vehicle Loans	14.68	7.75
Interest Accrued but not due	-	0.19
Interest Accrued and due	-	-
Outstanding Expenses	69.53	66.44
Outstanding Statutory Liabilities	82.46	29.56
Unpaid Dividend	1.99	2.07
Book Overdraft	-	0.27
From others Party	38.06	42.06
<b>Total Current Other financial liabilities</b>	<b>781.14</b>	<b>708.34</b>

**14 Provisions**
**Non-Current Provisions**

Particulars	31-Mar-19	31-Mar-18
Provision for Gratuity	42.34	31.09
<b>Total Non-Current Provisions</b>	<b>42.34</b>	<b>31.09</b>



**Current**

Particulars	31-Mar-19	31-Mar-18
Provision for Gratuity	6.68	5.94
<b>Total Non-Current Provisions</b>	<b>6.68</b>	<b>5.94</b>

**Post-employment obligations:**
**Defined contribution plans:**

The Group makes Provident Fund contributions, Employers Contribution to Employees' State Insurance and Maharashtra Labour Welfare Fund which are defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. Provident Fund, Employers Contribution to Employees' State Insurance and Maharashtra Labour Welfare Fund contributions amounting to INR 20.40 Lacs (31 March 2018: INR 16.19 Lacs) have been charged to the Statement of Profit and Loss. The contributions payable to this plan are at rates specified in the rules of the scheme.

**Defined Benefit Plans:**

The Group has a defined benefit gratuity plan. Every employee who has completed continuous service for five years or more gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

**Reconciliation of defined benefit obligation**

Particulars	31-Mar-19	31-Mar-18
Opening Defined Benefit Obligation	61.45	54.06
Current service cost	7.15	5.52
Interest expense/(income)	4.30	3.61
Components of actuarial gain/losses on obligations:		
Experience (gains)/losses	5.77	(1.46)
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	0.06	0.48
Benefit payments	(8.96)	(0.76)
<b>Closing Defined Benefit Obligation</b>	<b>69.77</b>	<b>61.45</b>

**Reconciliation of Plan Assets**

Particulars	31-Mar-19	31-Mar-18
Opening value of Plan Assets	24.42	19.79
Interest expense/(income)	1.74	1.47
Return on plan assets, excluding amounts included in interest expense/(income)	(0.57)	(0.30)
Assets distributed on settlements	-	-
Contributions by employer	4.30	4.22
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange differences on Foreign plans	-	-
Benefit payments	(8.96)	(0.76)
<b>Closing Value of Plan Assets</b>	<b>20.93</b>	<b>24.42</b>

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	31-Mar-19	31-Mar-18
Present value of funded obligations	65.03	50.84
Fair value of plan assets	(20.93)	(19.79)
<b>Deficit of funded plan</b>	<b>44.09</b>	<b>31.05</b>
Unfunded plans	4.93	-
<b>Deficit of gratuity plan</b>	<b>49.02</b>	<b>31.05</b>

The significant actuarial assumptions for the Holding Company were as follows:

Particulars	31-Mar-19	31-Mar-18
Discount Rate (p.a.)	7.50% p.a.	7.60% p.a.
Salary Escalation Rate (p.a.)	6.00% p.a.	6.00% p.a.

Employee benefit obligations

**Sensitivity Analysis:**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

**Discount rate Sensitivity**

Particulars	31-Mar-19		31-Mar-18	
	Amount	% Change	Amount	% Change
Increase by 0.5%	6,229,072	-4.21%	5,589,125	-4.00%
Decrease by 0.5%	6,796,202	4.51%	6,072,387	4.30%

**Salary growth rate Sensitivity**

Particulars	31-Mar-19		31-Mar-18	
	Amount	% Change	Amount	% Change
Increase by 0.5%	6,773,728	4.17%	6,048,846	3.89%
Decrease by 0.5%	6,246,411	-3.94%	5,600,461	-3.81%

**Withdrawal rate (W.R.) Sensitivity**

Particulars	31-Mar-19		31-Mar-18	
	Amount	% Change	Amount	% Change
W.R. x 110%	6,541,598	0.60%	5,855,512	0.57%
W.R. x 90%	6,461,240	-0.64%	5,786,985	-0.61%

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**The major categories of plans assets are as follows:**

Particulars	31-Mar-19	31-Mar-18
<b>Unquoted Investments:</b>		
Gratuity fund maintained by LIC of India	20.93	24.42
<b>Total</b>	<b>20.93</b>	<b>24.42</b>

**Risk exposure**

The defined benefit plans expose the company to actuarial risk, such as longevity risk, interest rate risk and market (investment) risk.

Expected contributions to post-employment benefit plans for the year ending 31 March 2019 are INR 5.94 lacs. The weighted average duration of the defined benefit obligation is 9.71 years (2017 – 9.98 years) for employees who are covered under group gratuity scheme of LIC of India.

**The significant actuarial assumptions for Subsidiary were as follows:**

Particulars	31-Mar-19	31-Mar-18
Discount Rate (p.a.)	7.45%	7.60%
Withdrawal rates	10% p.a at all ages	10% p.a at all ages
Salary Escalation Rate (p.a.)	8%	8%

**Sensitivity Analysis:**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

**Discount rate Sensitivity**

Particulars	31-Mar-19		31-Mar-18	
	Amount	% Change	Amount	% Change
Increase by 0.5%	472,812	-4.12%	308,661	-4.33%
Decrease by 0.5%	515,002	4.44%	337,688	4.67%

**Salary growth rate Sensitivity**

Particulars	31-Mar-19		31-Mar-18	
	Amount	% Change	Amount	% Change
Increase by 0.5%	512,906	4.01%	336,408	4.27%
Decrease by 0.5%	473,929	-3.89%	309,556	-4.05%

**Withdrawal rate (W.R.) Sensitivity**

Particulars	31-Mar-19		31-Mar-18	
	Amount	% Change	Amount	% Change
W.R. x 110%	489,175	-0.80%	317,862	-1.48%
W.R. x 90%	497,040	0.80%	327,330	1.46%

**16 Other Current Liabilities**

Particulars	31-Mar-19	31-Mar-18
Advance from customers	55.98	70.90
<b>Total Other current liabilities</b>	<b>55.98</b>	<b>70.90</b>

**17 Liabilities directly associated with assets classified as held for sale**

Particulars	31-Mar-19	31-Mar-18
Long-Term Borrowings	135.55	135.55
Trade Payables	133.11	133.11
Sales Tax Deferred Loan	1.25	1.25
Advance From Customers	2.04	2.04
Outstanding Expenses	66.29	66.29
Outstanding Statutory Liabilities	2.98	2.98
<b>Total Liabilities directly associated with assets classified as held for sale</b>	<b>341.22</b>	<b>341.22</b>

**18 Revenue From Operations**

Particulars	31-Mar-19	31-Mar-18
<b>Sale of products (including excise duty)</b>		
Local Sales	9,589.51	9,136.87
Trading Sales	260.02	1,800.68
<b>Other operating revenue</b>		
Advertisement Income	109.32	1.08
<b>Total Revenue from continuing operations</b>	<b>9,958.85</b>	<b>10,938.63</b>

**19 Other Income**

Particulars	31-Mar-19	31-Mar-18
Exchange Difference	-	13.22
Interest Income	62.24	63.55
unwinding discount of financial assets	131.23	109.92
Miscellaneous Income	-	-
Profit On Sale Of Fixed Assets	0.00	1.67
Sundry Balance Written Back	16.72	77.37
<b>Total Other Income</b>	<b>210.19</b>	<b>265.73</b>

**20 Cost of materials consumed**

Particulars	31-Mar-19	31-Mar-18
Opening Stock	1,765.98	1,583.79
Add: Purchases	6,157.68	7,277.95
Raw Material Sales	-	(264.20)
Transport Inwards	188.09	206.14
Less: Closing Stock	(1,817.28)	(1,765.98)
<b>Total Cost of Material Consumed</b>	<b>6,294.47</b>	<b>7,037.70</b>

**21 Changes in inventories of finished goods, Stock-in-Trade and work-in-progress**

Particulars	31-Mar-19	31-Mar-18
<b>Inventory (at Commencement)</b>		
Add: Opening Stock-Finished Goods	585.77	307.72
Add: Opening Stock-Work In Progress	1,543.93	1,166.96
Add: Opening Stock-Stock-in-Trade	14.98	19.68
<b>Inventory (at Close)</b>		
Less: Trading Stock Transfer Exceptional items	-	(103.07)
Less: Closing Stock-Finished Goods	(305.77)	(585.77)
Less: Closing Stock-Work In Progress	(1,609.16)	(1,543.93)
Less: Closing Stock-Stock-in-Trade	(156.85)	(14.98)
<b>Changes In Inventories Of Finished Goods And Work-In-Progress</b>	<b>72.90</b>	<b>(753.39)</b>

**22 Employee benefits expense**

Particulars	31-Mar-19	31-Mar-18
Salaries & Wages	596.14	434.82
Contribution to Provident Fund, Gratuity and Other Funds	42.78	27.80
Director's Remuneration	152.00	132.50
Staff Welfare	8.01	6.67
<b>Total Employee benefits expense</b>	<b>798.93</b>	<b>601.79</b>

**23 Depreciation and amortization expense**

Particulars	31-Mar-19	31-Mar-18
Depreciation	151.33	192.72
Amortisation of Intangibles	131.78	76.72
<b>Total Depreciation and amortization expense</b>	<b>283.11</b>	<b>269.44</b>

**24 Finance costs**

<b>Particulars</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
Interest Expenses	723.67	867.57
Other Borrowing Costs	15.88	21.50
<b>Total Finance costs</b>	<b>739.55</b>	<b>889.07</b>

**25 Other expenses**

<b>Particulars</b>	<b>31-Mar-19</b>	<b>31-Mar-18</b>
Auditor's Remuneration	7.15	19.74
Electricity Expenses	3.99	3.75
Job Work Expenses	220.43	226.45
Sales Promotion & Advertisement Expenses	25.73	24.94
Commission Expenses	39.50	21.34
Travelling Expenses	11.29	8.30
Insurance Charges	11.13	7.24
Listing & Registration	15.70	9.77
Professional Fees	49.15	51.56
Printing & Stationary	10.47	7.82
Telephone Expenses	4.18	4.38
Miscellaneous Expenses	1.80	1.43
Bank Charges	0.91	3.82
Share Issue Expenses	0.13	0.79
Repairs & Maintenance to Building	1.23	1.22
Repairs & Maintenance to Machinery	51.87	38.46
Computer Maintenance	1.93	1.21
Tempo Expenses	21.82	22.04
Motor Car Expenses	6.04	6.55
Postage & Courier	2.14	1.90
Rates & Taxes	6.19	10.03
Rent Expenses	33.97	24.47
Freight Clearing & Forwarding Charges	49.62	26.70
Loading & Unloading Charges	43.60	45.15
Interest on delay Payment on Statutory	3.09	2.91
Stores & Packing Material Consumed	263.07	225.87
Power & Fuel	32.77	25.88
Loss on Sale of Assets	4.50	0.38
Sundry Balance Written Off	7.03	329.83
Bad Debts	39.31	82.58
Royalty	-	1.87
<b>Total Other expenses</b>	<b>969.74</b>	<b>1,238.42</b>

**Details of Auditors remuneration**

Particulars	31-Mar-19	31-Mar-18
<b>As auditor:</b>		
Statutory Audit fees	5.55	6.15
Tax Audit fees	1.00	-
<b>In other capacities</b>		
Taxation matters	0.35	11.72
Other Matters	0.25	1.87
<b>Total Payments to auditors</b>	<b>7.15</b>	<b>19.74</b>

**Corporate Social Responsibility Expenditure**

As per the Section 135 of the Companies Act, 2013 every year the Company is required to spend at least 2% of its Average Net Profit made during the immediately 3 preceding financial years on the Corporate Social Responsibility (CSR) activities. However, the Group was not required to incur such expenditure.

**26 Exceptional Items**

Particulars	31-Mar-19	31-Mar-18
Prior Period Items	-	-
Loss on Sale of non moving items	-	499.58
Sundry Balance W/Off Loan	-	173.52
Impairment of Fixed Assets	-	1,176.98
<b>Total Exceptional Items</b>	<b>-</b>	<b>1,850.08</b>

**27 Income tax expense**

Particulars	31-Mar-19	31-Mar-18
<b>Income Tax Expense</b>		
Current Tax	-	-
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	(0.17)
<b>Total current tax expense</b>	<b>-</b>	<b>(0.17)</b>
Deferred tax	-	-
deferred tax expense/(income)	-	-
<b>Total deferred tax expense/(benefit)</b>	<b>-</b>	<b>-</b>
<b>Income tax expense</b>	<b>-</b>	<b>(0.17)</b>
Income tax expense is attributable to:		
Profit from continuing operations	-	(0.17)
Profit from discontinued operation	-	-

**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

Particulars	31-Mar-19	31-Mar-18
Profit from continuing operations before income tax expense	479.60	(1,486.52)
Profit from discontinuing operation before income tax expense	-	-
<b>Total</b>	<b>479.60</b>	<b>(1,486.52)</b>
Tax at the Indian tax rate of 33.063% (2017-18 – 33.063%)	-	-
Income Tax Expense	-	-

**27 Fair Value Measurements**  
**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	As on 31-Mar-2019						
	Carrying Amount			Fair Value			
	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial Assets</b>							
Non Current Loans	10.39	-	5.95	16.34	-	-	16.33
Trade Receivable	-	-	2,120.28	2,120.28	-	-	2,120.29
Loan to employees	-	-	4.19	4.19	-	-	4.19
Cash and Cash Equivalents	-	-	35.52	35.52	-	-	35.52
Other Bank Balances	-	-	2.41	2.41	-	-	2.41
Balance with revenue authorities	375.00	-	28.22	403.22	-	-	3.92
Interest Receivable	-	-	-	-	-	-	-
Other Advances	754.44	-	-	754.44	-	-	1,153.74
Other Current Financial Assets	-	6.11	41.31	47.42	-	-	47.42
<b>Total Financial Assets</b>	<b>1,139.83</b>	<b>6.11</b>	<b>2,237.88</b>	<b>3,383.82</b>	<b>-</b>	<b>-</b>	<b>3,383.82</b>
<b>Financial Liabilities</b>							
Borrowings	-	-	1,835.55	1,835.55	-	-	1,835.53
Cash Credit Facility	-	-	1,923.34	1,923.34	-	-	1,923.34
Current Maturities of long term debt & interest accrued	-	-	583.02	583.02	-	-	583.02
Unpaid Dividend	-	-	1.99	1.99	-	-	1.99
Trade Payables	-	-	827.45	827.45	-	-	827.45
Outstanding Liabilities	-	7.03	177.42	184.45	-	-	177.42
Trade Deposits	-	-	5.61	5.61	-	-	5.61
<b>Total Financial Liabilities</b>	<b>-</b>	<b>7.03</b>	<b>5,354.38</b>	<b>5,361.41</b>	<b>-</b>	<b>-</b>	<b>5,354.36</b>

**Notes to Financial Statements for the period ended 31 March 2019**
*(Currency : Indian Rupees in lakhs)*

Particulars	As on 31-Mar-2018							
	Carrying Amount			Fair Value				
	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
Non Current Loans	6.36	-	5.95	12.31	-	-	0.09	0.09
Trade Receivable	-	-	2,027.00	2,027.00	-	-	2,027.00	2,027.00
Loan to employees	-	-	3.44	3.44	-	-	3.44	3.44
Cash and Cash Equivalents	-	-	12.20	12.20	-	-	12.20	12.20
Other Bank Balances	-	-	2.57	2.57	-	-	2.57	2.57
Balance with revenue authorities	-	-	2.90	2.90	-	-	2.90	2.90
Dividend Receivable	-	-	-	-	-	-	-	-
Interest Receivable	-	-	0.41	0.41	-	-	0.41	0.41
Other Advances	323.54	-	953.96	1,277.50	-	-	1,277.50	1,277.50
Other Current Financial Assets	-	6.11	55.87	61.98	-	-	61.98	61.98
<b>Total Financial Assets</b>	<b>329.90</b>	<b>6.11</b>	<b>3,064.30</b>	<b>3,400.31</b>	<b>-</b>	<b>-</b>	<b>3,388.09</b>	<b>3,388.09</b>
<b>Financial Liabilities</b>								
Borrowings	-	-	3,353.00	3,353.00	-	-	3,366.89	3,366.89
Cash Credit Facility	-	-	1,950.16	1,950.16	-	-	1,950.16	1,950.16
Current Maturities of long term debt & interest accrued	-	-	567.94	567.94	-	-	567.94	567.94
Unpaid Dividend	-	-	2.07	2.07	-	-	2.07	2.07
Trade Payables	-	-	1,769.17	1,769.17	-	-	1,769.17	1,769.17
Outstanding Liabilities	-	17.11	113.34	130.45	-	-	130.45	130.45
Bank Overdraft	-	-	0.27	0.27	-	-	0.27	0.27
Trade Deposits	-	-	7.61	7.61	-	-	7.61	7.61
<b>Total Financial Liabilities</b>	<b>-</b>	<b>17.11</b>	<b>7,763.57</b>	<b>7,780.68</b>	<b>-</b>	<b>-</b>	<b>7,794.57</b>	<b>7,794.57</b>

**B. Fair value heirarchy**

Ind AS 107, 'Financial Instrument - Disclosure' requires classification of the valuation method of financial instruments measured at fair value in the Balance Sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements). The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

Level 1: Level 1 heirarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level. This is the case for unlisted equity securities included in level 3.



## 28 Financial Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. Market risk is the risk of loss of future earnings, fair value or future cashflows that may result from a change in the price of financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market sensitive financial instruments including investments and deposits, foreign currency receivable and payables and loans and borrowings.

If the risk exposure is significant then senior management reviews the position and takes decision regarding hedging / other risk strategies to mitigate such risk exposures.

### Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rate.

### Foreign Currency Risk

The Company is not exposed to foreign exchange risk as there is no overseas transaction during the reporting period.

Thus, the Company did not have any outstanding dues as on 31st March, 2019

### Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- (i) Actual or expected significant adverse change in business
- (ii) Actual or expected significant change in the operating results of the counterparty
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation.
- (iv) Significant increases in credit risk on other financial instruments of the same counterparty"

A default on a financial asset is when the counterparty fails to make contractual payments within 30 - 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

Financial assets are written off when there is no reasonable expectation of recovery. Where loans or receivables have been written off, the Company may engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

The carrying amounts of financial assets represent the maximum credit risk exposure

Exposure to Credit Risk	31-Mar-19	31-Mar-18
<b>Financial risk for which loss allowance is measured using 12 months expected Credit Losses (ECL)</b>		
Loans	3.35	3.35
Cash & cash equivalent	37.93	14.77
Bank deposits with more than 12 months maturity	-	-
<b>Financial risk for which loss allowance is measured using Lifetime expected Credit Losses (ECL)</b>		
Trade Receivables	2,120.28	2,027.00

The Holding Company uses an allowance matrix to measure the expected credit losses of trade receivables (which are considered good). The following table provides information about the exposure to credit risk and loss allowance (including expected credit loss provision) for trade receivables:

**Expected Credit loss for the period ending 31-Mar-2019**

Ageing	Gross Carrying Amount	Expected Credit Loss Rate	Credit Loss	Net Carrying Amount
0-90 days past due	503.17	0%	0.00	503.17
91-180 days past due	43.23	1%	0.43	42.80
180-365 days past due	93.85	2%	1.88	91.97
365-520 days past due	337.94	3%	10.14	327.80
520-885 days past due	485.97	9%	43.74	442.23
More than 880 days past due	252.50	18%	45.45	207.05
<b>Total</b>	<b>1,716.66</b>		<b>101.64</b>	<b>1,615.02</b>

There are no specific forward looking information estimated by the management.

**Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the company's net liquidity position through rolling forecasts on the basis of expected cash flows.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31-Mar-19	31-Mar-18
a) Expiring within one year (bank overdraft and other facilities)	2,497.76	2,510.16
b) Expiring beyond one year (bank loans)	18.28	957.28
c) No expiry period	1,811.16	2,395.72
<b>Total</b>	<b>4,327.21</b>	<b>5,863.16</b>

**Maturity profile of financial assets**

The table below provides details regarding the contractual maturities of financial assets at the reporting date

Particulars	Current Maturities	2 - 5 years	6 - 10 years	Total
<b>As on 31-Mar-18</b>				
Other Non Current Financial Assets	-	-	-	-
Loans	-	12.31	-	12.31
Trade Receivables	2,027.00	-	-	2,027.00
Current Loans	3.35	-	-	3.35
Other Current Financial Assets	1,342.88	-	-	1,342.88
<b>As on 31-Mar-19</b>				
Loans	16.34	-	-	16.34
Trade Receivables	2,120.28	-	-	2,120.28
Current Loans	3.35	-	-	3.35
Other Current Financial Assets	1,205.92	-	-	1,205.92

**Maturity profile of financial liabilities**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

Particulars	Current Maturities	2 - 5 years	6 - 10 years	Total
<b>As on 31-Mar-18</b>				
Current Borrowings	4,345.88	-	-	4,345.88
Trade Payables	1,769.17	-	-	1,769.17
Other Financial Liabilities	140.59	-	-	140.59
Term Loan - From Banks	567.75	957.28	-	1,525.03
<b>As on 31-Mar-19</b>				
Current Borrowings	3,734.51	-	-	3,734.51
Trade Payables	827.48	-	-	827.48
Other Financial Liabilities	206.72	-	-	206.72
Term Loan - From Banks	574.42	18.28	-	592.70

**29 Capital Management**

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial statements

The company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	31-Mar-19	31-Mar-18
Net Debt	4,341.89	5,870.91
Total equity plus debt	14,462.28	12,832.13
<b>Net Debt to Equity Ratio</b>	<b>30.02%</b>	<b>45.75%</b>

**30 Related Party Transactions**

Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures

**a) List of related parties with whom the Company has entered into transactions during the year in the ordinary course of business:**

Relationship	Name	Nature
<b>Key Management Personnel (KMP)</b>	Mr. Amrut P. Shah	Chairman & Managing Director
	Mr. Shantilal P. Shah	Whole-time Director
	Mr. Krunal S Shah	Whole-time Director w.e.f 08-Aug-2017
	Mr. Rajesh B. Jain	Chief Financial Officer
	Mr. Bhavesh Chedda	Company Secretary
	Mr. Hardik A Shah	Whole-time Director
<b>Enterprise over which KMP are able to exercise significant influence</b>	Sundaram Bio-Tech. Pvt. Ltd	Company (Common Promoter)
<b>Relatives of KMP</b>	Mr. Raichand P. Shah	Brother of Amrut P. Shah & Shantilal P. Shah
	Mrs Vimla A. Shah	Spouse of Amrut P. Shah
	Mr. Yash R. Shah	Chief Operating Officer w.e.f 01-Oct-2018

**Key Management Personnel Compensation**

Particulars	31-Mar-19	31-Mar-18
Short term employee benefits	152.00	132.50
Post employment benefits	-	-
Long term employee benefits	-	-
Termination Benefits	-	-
Employee Share Based Payment	-	-
<b>Total Compensation</b>	<b>152.00</b>	<b>132.50</b>

**b) Transactions with Related Parties**
**The following transactions occurred with related parties:**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
<b>Transaction with the related parties during the year:</b>		
<b>Key Managerial Personnel</b>		
<u>Loan Taken</u>		
Mr. Amrut P. Shah	461.19	634.47
Mr. Shantilal P. Shah	504.46	611.32
Mr. Hardik A. Shah	12.00	-
<u>Repayment of Loan taken</u>		
Mr. Amrut P. Shah	612.19	762.78
Mr. Shantilal P. Shah	802.82	259.00
Mr. Hardik A. Shah	12.50	-
<u>Sale of shares of subsidiary company</u>		
Mr. Amrut P. Shah	125.00	-
Mr. Shantilal P. Shah	321.00	-
<u>Interest Charged</u>		
Mr. Amrut P. Shah	17.55	25.16
Mr. Shantilal P. Shah	41.27	52.70
Mr. Hardik A. Shah	0.50	-
<u>Remuneration</u>		
Mr. Amrut P. Shah	42.00	42.00
Mr. Shantilal P. Shah	42.00	42.00
Mr. Krunal Shah	42.00	24.50
Mr. Hardik A. Shah	26.00	24.00
<b>Relatives of Key Managerial Personnel</b>		
<u>Mr. Raichand P. Shah</u>		
Office Salary	42.00	28.50
Loan Taken	221.88	202.29
Repayment of Loan	384.74	42.29
Sale of shares of subsidiary company	264.00	-
Interest Charged	2.88	3.17
<u>Mr. Yash R. Shah</u>		
Office Salary	15.00	-
Mrs Vimla A. Shah	3.00	0.75

c) Outstanding Balances of Related Parties

Particulars	31-Mar-19	31-Mar-18
<b>KMP</b>		
<b>Current Borrowing</b>		
Mr. Amrut P. Shah	-	145.34
Mr. Shantilal P. Shah	430.75	696.68
<b>Current liabilities</b>		
Mr. Amrut P. Shah	1.23	0.26
Mr. Shantilal P. Shah	2.88	2.07
Mr. Krunal S Shah	3.68	7.34
Mr. Hardik A. Shah	8.21	12.11
<b>Relatives of KMP</b>		
<b>Current Borrowing</b>		
Mr. Raichand P. Shah	-	162.86
Mrs Vimla A. Shah	-	0.75
<b>Current liabilities</b>		
Mr. Raichand P. Shah	3.90	7.57
Mr. Yash R. Shah	3.38	-

31 Contingent Liabilities and Contingent Assets

a) Contingent Liabilities

Particulars	31-Mar-19	31-Mar-18
<b>Income Tax:</b>		
AY 2013-14	4,873,583	-
AY 2012-13	-	3,542,140

b) Contingent Assets

Particulars	31-Mar-19	31-Mar-18
-	-	-

32 Commitments

**Non Cancellable Operating Leases:**

The Holding Company and Subsidiary Company have entered into operating lease arrangements for office premises. The leases are non-cancellable and are for the period from 01-Nov-14 to 31-Oct-19. The lease agreements provide for an increase in the lease payments by 7 % every lease period (18 months)

The Subsidiary Company has entered into operating lease arrangement for the purpose of warehousing and general business use. The lease can be terminated by the Subsidiary Company by giving notice of one month to the licensor in writing. The lease is for a period of 36 months from 01 January, 2018 to 31 December, 2018.

Particulars	31-Mar-19	31-Mar-18
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within 1 year	1,444,182	2,335,608
Later than 1 year but not later than 5 years	-	1,444,182
Later than 5 years	-	-
Commitments for minimum lease payments in relation to leases other than non-cancellable operating leases are payable as follows:		
Within 1 year	1,485,520	300,000
Later than 1 year but not later than 5 years	1,678,950	525,000
Later than 5 years	-	-

**Rental expenses relating to operating leases**

Particulars	31-Mar-19	31-Mar-18
Minimum lease payments	3,382,097	2,321,470
<b>Total Rental expense relating to operating leases</b>	<b>3,382,097</b>	<b>2,321,470</b>

**33 Earnings Per Share**

Particulars	31-Mar-19	31-Mar-18
Profit attributable to the equity holders of the company used in calculating basic earnings per share:	572.92	(1,887.66)
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	2,716.06	2,577.87
Basic earnings per share	0.21	(0.73)
Diluted earnings per share	0.21	(0.73)

**34 Assets Pledged / Mortgaged / Hypothecated as security**

Particulars	31-Mar-19	31-Mar-18
<b>Current</b>		
<b>First pari passu Charge</b>		
Inventories	3,657.03	3,673.30
Financial Assets	770.00	946.33
Investments	-	-
Trade receivables	1,615.02	1,620.77
Other current assets	29.59	94.33
Assets classified as held for sale	1,802.53	1,802.53
<b>Total current assets mortgaged / hypothecated as security</b>	<b>7,874.17</b>	<b>8,137.26</b>
<b>Non Current</b>		
<b>First Charge</b>		
Freehold Land	3,732.15	3,732.15
Building	944.21	944.21
Plant & Machinery	476.90	476.90
Furniture & Fixture	39.50	39.50
Vehicles	56.79	56.79
Office Equipments	5.38	5.38
<b>Total non current assets mortgaged / hypothecated as security</b>	<b>5,254.94</b>	<b>5,254.94</b>
<b>Total assets mortgaged / hypothecated as security</b>	<b>13,129.11</b>	<b>13,392.20</b>

**35 a) Details of Sales Value of Products:**

Class of Goods	Sales Value (in ₹)	
	For the year ended 31.03.2019	For the year ended 31.03.2018
<b>Class of Goods</b>		
Exercise Books	8,864.76	8,844.88
Trading	260.02	1,800.68
E-box and Pen drive	724.75	216.94
<b>Total</b>	<b>9,849.53</b>	<b>10,862.51</b>

For 2017-2018 the above figures are net of excise duty of ₹ 75.05 lakhs.

**b) Details of opening & closing stock of Finished Goods:**

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	For the year ended 31.03.2019	For the year ended 31.03.2018	For the year ended 31.03.2019	For the year ended 31.03.2018
Exercise Books	585.77	307.72	305.77	585.77
Trading of Copier Paper & Others	14.98	19.68	156.85	14.98
<b>Total</b>	<b>600.76</b>	<b>327.40</b>	<b>462.62</b>	<b>600.76</b>

**c) Details of Opening & Closing stock of Semi Finished Goods:**

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	For the year ended 31.03.2019	For the year ended 31.03.2018	For the year ended 31.03.2019	For the year ended 31.03.2018
Exercise Books	1,543.93	1,063.89	1,609.16	1,543.93
Paper	103.07	103.07	-	103.07
<b>Total</b>	<b>1,647.00</b>	<b>1,166.96</b>	<b>1,609.16</b>	<b>1,647.00</b>

**36 (i) Value of Raw Material Consumed:**

Particulars	For the year ended 31.03.2019		For the year ended 31.03.2018	
	Amount	%	Amount	%
Raw Materials (Paper & Paper Boards)				
(i) Imported	-	-	-	-
(ii) Indigenous	6,002.80	100%	6,997.86	100%
Hardware				
(i) Imported	-	-	-	-
(ii) Indigenous	291.67	100%	39.84	0%
<b>Total</b>	<b>6,294.47</b>		<b>7,037.70</b>	

**(ii) Value of Raw Material Purchase(Breakup)**

Particulars	2018-19 Amount (in ₹)	2017-18 Amount (in ₹)
Paper	5,050.70	6,558.36
Duplex Board	722.01	710.13
Others	108.05	116.04
<b>Total</b>	<b>5,880.76</b>	<b>7,384.52</b>

**37 Earnings & Expenditure in Foreign Currency:**

The company has not entered into any transactions in foreign currency during the reporting period.

**38 Disclosure Pursuant To Securities And Exchange Board Of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 And Section 186 Of Companies Act, 2013**

Particulars	Maximum Amount outstanding during the year		As at	
	2018-19	2017-18	31-Mar-19	31-Mar-18
<b>(A) Loans and advances to enterprises</b>				
Atlanta Realtors Ltd	17.50	17.50	17.50	17.50
Stardom Trading Company Ltd	50.00	50.00	50.00	50.00
Vijay Group Housing Pvt Ltd	150.14	136.64	150.14	105.27
Rajesh Estates And Nirman Pvt Ltd	121.60	110.80	121.60	105.30
Ontime Agencies Pvt Ltd	40.00	40.00	40.00	40.00
Mars Realtors Pvt Ltd	300.00	300.00	300.00	300.00

Particulars	Maximum Amount outstanding during the year		As at	
	2018-19	2017-18	31-Mar-19	31-Mar-18
Rpg Design Studio	35.00	35.00	35.00	35.00
Ajanta Impex	19.00	39.00	19.00	39.00
Rfa Enterprises	7.00	7.00	7.00	7.00
Shreeji Polymers (ADV)	20.00	20.00	20.00	20.00
Jay Corporation	21.00	21.00	21.00	21.00
Primemover Engineering	15.00	15.00	15.00	15.00
Rajhans Nutriments Private Limited	285.11	77.52	285.11	-
Sicom Limited	2.03	2.03	2.03	2.03
Rajhans Infracon	239.68	221.60	-	-
Mindspace Valuation Infra Pvt. Ltd.	10.00	10.00	10.00	10.00
Shakti Press Ltd.	-	52.00	-	52.00
<b>(B) Investment in Subsidiary</b>				
E-Class Education Systems Limited	3,870.00	3,870.00	2,040.00	3,870.00

Note: The above loans have given for principle business purpose & it is utilised for the same purpose by the recipient

**39 Reconciliation under IND AS for previous year reporting for Subsidiary Company**

Particulars	Amount in ₹
Profit / (Loss) as reported as on 31.03.2018	(398.75)
Impact of post employment benefit obligation (Net of Tax)	(0.88)
<b>Profit / (Loss) as per Ind AS (before OCI)</b>	<b>(399.63)</b>
<b>Other Comprehensive Income</b>	
Remeasurements of post employment benefit obligation (Net of Tax)	(2.34)
<b>Total Other Comprehensive Income for the period</b>	<b>(401.98)</b>

**40** Previous year figures have been re-grouped/re-classified wherever considered necessary to make comparable with current year figures.

**As per our report of even date attached**

**For JMR & Associates LLP**

*Chartered Accountants*

**Firm Registration No.: 0106912W / W100300**

**CA Nikesh Jain**

*Partner*

Membership No.: 114003

**Place : Mumbai**

**Date : 23rd May, 2019**

**For and on behalf of the Board of Directors**

**Amrut P. Shah**

*Chairman & Managing Director*

DIN: 00033120

**Rajesh B. Jain**

*Chief Financial Officer*

**Shantilal P. Shah**

*Whole-time Director*

DIN: 00033182

**Bhavesh Chheda**

*Company Secretary*



## NOTICE

Notice is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of Sundaram Multi Paper Limited will be held on Monday, September 30, 2019 at 10.30 a.m. at Chatwani Baug Hall, 1<sup>st</sup> Floor, 7, Gokhale Road, Near Vile Parle Station, Vile Parle East, Mumbai: 400057 to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the annual audited financial statements (including consolidated financial statement) of the Company for the financial year ended March 31, 2019 together with the reports of the Board of Directors and Auditors thereon; and in this regard, pass the following resolution as an **ORDINARY RESOLUTION:**

**“RESOLVED THAT** the annual audited financial statements (including consolidated financial statement) of the company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before the Meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Mr. Shantilal P. Shah (DIN: 00033182), who retires by rotation and being eligible has offered himself for re-appointment and in this regard, pass the following resolution as an **ORDINARY RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 and applicable provisions of the Articles of Association of the Company, Mr. Shantilal P. Shah (DIN: 00033182), who retires by rotation at the Meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed and that the terms and conditions of his appointment as Whole-time Director of the Company as approved by the members in their meeting held on September 15, 2017 shall remain unchanged.”

3. To appoint Statutory Auditors of the Company, and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **ORDINARY RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. R. I. JAIN & CO, Chartered Accountants, (Firm Registration No. 103956W) be and is hereby appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the 30<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2024 on such remuneration (including fees for Certification) and reimbursement of out of pocket expenses for the purpose of audit as may be determined by the Board in consultation with the Audit Committee.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters, and things as may be required to give effect to above resolution from time to time.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to above or contemplated in the foregoing resolution are hereby approved and confirmed in all respects.”

### SPECIAL BUSINESS:

4. To re-appoint of Ms. Minjal V. Kadakia (DIN: 07135977) as an Independent Director for second term of five consecutive years and to consider and if thought fit, to pass with or without modification(s), the following resolution as a **SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Minjal V. Kadakia (DIN: 07135977), who was appointed as an Independent Director of the Company and who holds office up to March 29, 2020 and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, commencing with effect from March 30, 2020 up to March 29, 2025.”

5. To regularize the appointment of Mr. Paresh Jain (DIN: 05159799) as an Independent Director and 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 Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Paresh Jain (DIN: 05159799), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director, not liable to retire by rotation and to hold office for a term up to August 11, 2024;

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

6. To give prior approval for the Proposed Material Related Party transactions for the period from October 01, 2019 to September 30, 2024 and in this regard to consider and if thought it, to pass, with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under and Regulation 23 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for time being in force) and in Supersession of all the previous resolutions passed and

subject to such other approvals, consent of the Shareholders be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board", which term shall include a Committee constituted by the Board or any person(s) authorized by the Board) to enter into Proposed Material Related Party transaction(s) with the following Related Party on arm's length basis for the maximum amount of ₹500.00 Crores during the period from the period from October 01, 2019 to September 30, 2024, with respective Related Parties and maximum amount per annum, as mentioned herein below:

Name of Related Parties	Relationship	Nature of Transaction	Expected Annual Value of Transaction
1. E-Class Education System Limited; 2. Amrut P. Shah; 3. Shantilal P. Shah; 4. Raichand P. Shah; 5. Hardik A. Shah; 6. Vimla A. Shah; 7. Riddhi C. Gala; 8. Nayna S. Shah; 9. Krunal S. Shah; 10. Divij S. Shah; 11. Amrut P. Shah HUF; 12. Shantilal P. Shah HUF; 13. Raichand P. Shah HUF; 14. Yash R. Shah; 15. Nidhi R. Shah; 16. Richa R. Shah; 17. Chetna R. Shah;	1. Subsidiary Company; 2. Chairman & Managing Director & Promoter; 3. Whole-time Director & Promoter; 4. Plant Manager & Promoter (Relative of Director); 5. Promoter Group & Relative of Director; 6. Promoter Group & Relative of Director; 7. Promoter Group & Relative of Director; 8. Promoter Group & Relative of Director; 9. Whole-time Director & Promoter Group; 10. Promoter Group & Relative of Director; 11. Director is Karta; 12. Director is Karta; 13. Relative of Director & Promoter is Karta; 14. Chief Operating Office & Promoter Group; 15. Promoter Group; 16. Promoter Group; 17. Promoter Group;	<ul style="list-style-type: none"> <li>• Loan Transactions (not falling under loan to Directors);</li> <li>• sale, purchase or supply of any goods or materials or Services;</li> <li>• selling or otherwise disposing of, or buying, property of any kind;</li> <li>• leasing of property of any kind;</li> <li>• availing or rendering of any services;</li> <li>• Related Party's appointment to any office or place of profit in the company, its Subsidiary Company or Associate Company;</li> <li>• Commission;</li> <li>• Remuneration;</li> <li>• Transfer of resources, services or obligations between a Company and a Related Party.</li> </ul>	₹ 100.00 Crores

**RESOLVED FURTHER THAT** the Board of Directors (the "Board") and/or any Committee thereof be and is hereby authorized to negotiate and finalize other terms & conditions and to do all such acts, things or deeds and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary and/or expedient to giving effect to the above resolution."

By Order of the Board of Directors  
For **Sundaram Multi Paper Limited**

Sd/-  
**Bhavesh Chheda**  
Company Secretary

Place: Mumbai  
Date: August 12, 2019

**Registered Office:**

5/6, Papa Industrial Estate, Suren Road, Andheri (E), Mumbai - 400 093, Maharashtra, India  
CIN: L21098MH1995PLC086337; E-mail: info@sundaramgroups.in

**Notes:**

1. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of item under Special Businesses is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.  

A person can act as proxy on behalf of members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder. Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than forty eight hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. A proxy form is attached hereto.
3. Corporate Members are required to send a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote on their behalf at the Meeting.
4. The instrument appointing the proxy, duly completed, must be deposited at the Company's Registered Office not less than FORTY-EIGHT (48) HOURS before the commencement of the meeting. A proxy form for the Meeting is enclosed.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the company.
6. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the attendance slip enclosed herewith, duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No. Duplicate attendance slip will not be made available at the Meeting venue.
7. All the Statutory Registers required to be maintained under the provisions of the Companies Act, 2013, will be available for inspection by the members at the Meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Company's Registered Office on all working days (except Saturdays, Sundays and Public Holidays) during business hours up to the date of this Meeting and also at the Meeting.
9. The Register of Members and the Share Transfer Book shall be closed from September 24, 2019 to September 30, 2019 (both days inclusive).
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to Company or Registrar and Transfer Agents (RTA).
11. Members are requested to address all correspondence to the Registrar and Share Transfer Agents, Sharex Dynamics (India) Private Limited, C 101, 247 Park, L BS Marg, Vikhroli West, Mumbai: 400083.
12. With a view to using the natural resources responsibly, we request shareholders to update their email address, with their Depository Participants to enable the Company to send communications electronically.
13. Email copy of the Notice of Meeting and Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report are being sent through permitted mode. Members are requested to support Green initiative by registering/updating their e-mail addresses with the Depository participant (in case of shares in dematerialized form) or with M/s Sharex Dynamic (India) Private Limited (in case of Shares held in physical form).
14. Members may also note that the Annual report (including the Notice of Meeting) will be available on the Company's website at [www.sundaramgroups.in](http://www.sundaramgroups.in). The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days, except Saturday. Members who require communication in physical form in addition to e-communication or have any queries may write to us at [info@sundaramgroups.in](mailto:info@sundaramgroups.in)
15. Additional information, pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard 2 in respect of the Directors seeking appointment / re-appointment at this Meeting is furnished as annexure to the Notice of this Meeting. The Directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules made thereunder.
16. The Company has transferred the unpaid or unclaimed dividends declared up to Financial Years 2010-11, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on the date of last Annual General Meeting on the website of the Company ([www.sundaramgroups.in](http://www.sundaramgroups.in)), as also on the website of the Ministry of Corporate Affairs. The unclaimed dividend amount pertaining to Dividend for the year 2011-12 will be due for transfer to the Investor Education and Protection Fund of the Central Government on October 30, 2019.
17. The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124

and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules, dividends which are not claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company requests all the Members to claim their respective dividend. The Members whose shares are transferred to the IEPF Authority can now claim their shares from the Authority by making request to Company or Registrar and Share Transfer Agents.

18. The Securities and Exchange Board of India (SEBI) has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to RTA / Investor Services Department of the Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
19. In case of joint holder attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
20. Non-Resident Indian Members are requested to inform RTA, immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.
21. Information and other instructions relating to e-voting are as under:
  - a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
  - b) The Chairman shall at the venue of Meeting, at the end of discussion on the resolution on which voting is to be held, allow voting through ballot form / polling paper. The members who are attending the meeting who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting through ballot form / polling paper.

- c) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- d) The Company has engaged the services of Central Depository Services Limited (CDSL) as the agency to provide e-voting facility.
- e) The Board of Directors of the Company has appointed Ms. Amisha V. Shah, proprietor of M/s. A. V. Shah & Associates, Practicing Company Secretary, Mumbai as the Scrutinizer to act as Scrutinizer to scrutinize entire voting process in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for same purpose.
- f) The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on website of CDSL e-Voting [www.evotingindia.com](http://www.evotingindia.com) within 48 hours of the conclusion of the Meeting and will also be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- g) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. September 23, 2019.
- h) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. September 23, 2019 only shall be entitled to avail the facility of remote e-voting / Poll.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 26, 2019 at 11.00 a.m. and ends on September 29, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members holding shares in physical or in demat form as on September 23, 2019, shall only be eligible for e-voting.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders/Members.
- (v) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier

voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (V).</p>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for "Sundaram Multi Pap Limited" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on website of CDSL e-Voting [www.evotingindia.com](http://www.evotingindia.com) within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

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

**ITEM NO. 4:**

Ms. Minjal V. Kadakia (DIN: 07135977) was appointed as an Independent Director of the Company and she holds office as an Independent Director of the Company up to March 29, 2020 ("first term").

The Nomination & Remuneration Committee of the Board of Directors, on the basis of the performance evaluation has recommended re-appointment of Ms. Minjal V. Kadakia (DIN: 07135977) as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance and as per the recommendation of the Nomination & Remuneration Committee, considers that, given her background and experience and contributions made by her during her tenure, the continued association of Ms. Minjal V. Kadakia would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly, it is proposed to re-appoint Ms. Minjal V. Kadakia as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years commencing with effect from March 30, 2020 up to March 29, 2025 on the Board of the Company.

Ms. Minjal V. Kadakia is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has also received declaration from Ms. Minjal V. Kadakia that she meets the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and under the SEBI (LODR) Regulations, 2015.

In the opinion of the Board, Ms. Minjal V. Kadakia fulfils the conditions for appointment as an Independent Director as specified in the Companies Act, 2013 and under the SEBI (LODR) Regulations, 2015. Ms. Minjal V. Kadakia is independent of the management.

Details of Ms. Minjal V. Kadakia are provided in the "Annexure" to the Notice. She may be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings, within the limits stipulated under Section 197 of the Companies Act, 2013.

Copy of draft letter of appointment of Ms. Minjal V. Kadakia setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Ms. Minjal V. Kadakia is interested in the resolution set out at Item No. 4 of the Notice with regard to her reappointment. Relatives of Ms. Minjal V. Kadakia may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

**ITEM NO. 5:**

Based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act"), and the Articles of Association of the Company, the Board of Directors of the Company appointed, Mr. Paresh Jain (DIN: 05159799) as an Additional Independent Director, to hold office as an Independent Director of the Company for a term of 5 (five) consecutive years with effect from August 12, 2019.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the members.

Mr. Paresh Jain (DIN: 05159799) is not disqualified from being appointed as a director in terms of Section 164 of the Act and has given her consent to act as a director.

The Company has also received declaration from Mr. Paresh Jain (DIN: 05159799) that he meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

In the opinion of the Board, Mr. Paresh Jain (DIN: 05159799) fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Paresh Jain (DIN: 05159799) is independent of the management and possesses appropriate skills, experience and knowledge.

Details of Mr. Paresh Jain (DIN: 05159799) are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS2"), issued by the Institute of Company Secretaries of India. He may be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act.

Copy of the letter of appointment of Mr. Paresh Jain (DIN: 05159799) setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mr. Paresh Jain (DIN: 05159799) is interested in the resolution set out at Item No. 5 of the Notice with regard to his appointment. Relatives of Mr. Paresh Jain (DIN: 05159799) may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations. The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

**ITEM NO. 6:**

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 and provisions of Regulation 23 of SEBI (LODR)

Regulations, 2015 that govern the Related Party Transactions, requires that for Material Related Party Transaction Company must obtain prior approval of the Shareholders by way of a Resolution, in case the threshold limits are exceeded.

In the light of provisions of Section 188 of Companies Act, 2013

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

read with Rules made there under and Regulation 23 of SEBI (LODR) Regulations, 2015 and in Supersession of all the previous resolutions passed, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties.

Name of Related Parties	Relationship	Nature of Transaction	Expected Annual Value of Transaction
1. E-Class Education System Limited; 2. Amrut P. Shah; 3. Shantilal P. Shah; 4. Raichand P. Shah; 5. Hardik A. Shah; 6. Vimla A. Shah; 7. Riddhi C. Gala; 8. Nayna S. Shah; 9. Krunal S. Shah; 10. Divij S. Shah; 11. Amrut P. Shah HUF; 12. Shantilal P. Shah HUF; 13. Raichand P. Shah HUF; 14. Yash R. Shah; 15. Nidhi R. Shah; 16. Richa R. Shah; 17. Chetna R. Shah;	1. Subsidiary Company; 2. Chairman & Managing Director & Promoter; 3. Whole-time Director & Promoter; 4. Plant Manager & Promoter (Relative of Director); 5. Promoter Group & Relative of Director; 6. Promoter Group & Relative of Director; 7. Promoter Group & Relative of Director; 8. Promoter Group & Relative of Director; 9. Whole-time Director & Promoter Group; 10. Promoter Group & Relative of Director; 11. Director is Karta; 12. Director is Karta; 13. Relative of Director & Promoter is Karta; 14. Chief Operating Office & Promoter Group; 15. Promoter Group; 16. Promoter Group; 17. Promoter Group;	<ul style="list-style-type: none"> <li>• Loan Transactions (not falling under loan to Directors);</li> <li>• sale, purchase or supply of any goods or materials or Services;</li> <li>• selling or otherwise disposing of, or buying, property of any kind;</li> <li>• leasing of property of any kind;</li> <li>• availing or rendering of any services;</li> <li>• Related Party's appointment to any office or place of profit in the company, its Subsidiary Company or Associate Company;</li> <li>• Commission;</li> <li>• Remuneration;</li> <li>• Transfer of resources, services or obligations between a Company and a Related Party.</li> </ul>	₹100.00 Crores

Members are hereby informed that no members of the company shall vote on such resolution to approve any contract or arrangement which may be entered into by the company, if such member is a related party. The Directors recommend the Item No. 6 of the Notice for consent and approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Amrut P. Shah & Mr. Shantilal P. Shah & Mr. Krunal S. Shah (and their Relatives) is in any way, concerned or interested, financially or otherwise, in the proposed special resolution except to the extent of their respective shareholding in the Company, if any.

By Order of the Board of Directors  
For **Sundaram Multi Paper Limited**

Sd/-  
**Bhavesh Chheda**  
Company Secretary

Place: Mumbai  
Date: August 12, 2019

**Additional Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 regarding appointment of a new Director or re-appointment of Directors and as required under applicable Secretarial Standard:**

<b>Mr. Shantilal P. Shah, Whole-time Director (DIN: 00033182):</b>	
Age & Date of Birth	07/11/1970 (48 Years)
Qualifications & Experience (including expertise in specific functional area) / Brief Resume	Mr. Shantilal P. Shah is the Whole-time Director of the Company. Though he is SSC qualified he is a great marketing and management brain in the paper and stationery industry. He has evolved and developed a unique dealer/retailer network in the form of retail shops in Maharashtra, Gujarat and Goa. He constantly strives to expand the dealer/retail network through personal relationships and innovative schemes of rewarding the dealer achievers. He has put in place the system to gather from this network great deal of market intelligence in terms of customer preference for Sundaram's products vis-à-vis the competitors' products.
Terms and Conditions of Re-appointment	Terms and conditions of his re-appointment will remain same as approved in AGM held on September 15, 2017.
Remuneration last drawn	42 Lakhs p.a.
Remuneration proposed to be paid	As per existing approved terms and conditions.
Date of first appointment on the Board	01-08-1999
Shareholding in the Company as on June 30, 2019	13137157 Equity Shares (4.84%)
Relationship with other Directors / Key Managerial Personnel	He is Brother of Mr. Amrut P. Shah, Chairman & Managing Director (DIN: 00033120). He is Father of Mr. Krunal S. Shah, Whole-time Director DIN: 07877986).
Directorships of other Boards as on March 31, 2019	E-Class Education System Limited; Sundaram Bio-Tech Private Limited;
Membership / Chairmanship of Committees of other Boards as on March 31, 2019	<b>E-Class Education System Limited:-</b> <ul style="list-style-type: none"> <li>· Audit Committee – Member</li> <li>· Nomination and Remuneration Committee- Member</li> </ul>

<b>Ms. Minjal V. Kadakia, Women Independent Director (DIN: 07135977)</b>	
Age & Date of Birth	29/11/1980 (38 Years)
Qualifications & Experience (including expertise in specific functional area) / Brief Resume	Minjal V. Kadakia is Non-Executive Independent Women Director of the Company. A marketing professional with over 10 years' experience in product planning and management, marketing activations, vendor management, business development and client servicing. Enthusiastic learner, knowledgeable about the current social media and new marketing trends. Ability to lead and work as part of a team in order to improve the organization's performance in the targeted market segments. She had served as General Manager in Books Division and She had also performed services as senior manager in Digital marketing division in various other Companies.
Terms and Conditions of Re-appointment	She is reappointed as Independent Director.
Remuneration last drawn	NIL
Remuneration proposed to be paid	She will not be paid any remuneration except Sitting Fees for Board/Committee Meeting as may be decided by Board from time to time.
Date of first appointment on the Board	30-03-2015
Shareholding in the Company as on June 30, 2019	NIL
Relationship with other Directors / Key Managerial Personnel	She is Independent of the Management of the Company.
Directorships of other Boards as on March 31, 2019	E-Class Education System Limited;



Membership / Chairmanship of Committees March 31, 2019	<p><b>Sundaram Multi Pap Limited:-</b></p> <ul style="list-style-type: none"> <li>· Audit Committee – Chairperson</li> <li>· Nomination and Remuneration Committee - Chairperson</li> <li>· Stakeholders Relationship Committee - Chairperson</li> <li>· Corporate Social Responsibility Committee - Chairperson</li> </ul> <p><b>E-Class Education System Limited:-</b></p> <ul style="list-style-type: none"> <li>· Audit Committee – Chairperson</li> <li>· Nomination and Remuneration Committee - Chairperson</li> </ul>
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<b>Mr. Paresh Jain, Independent Director (DIN: 05159799)</b>	
Age & Date of Birth	14/09/1984 (34 Years)
Qualifications & Experience (including expertise in specific functional area) / Brief Resume	Paresh Jain is Non-Executive Independent Director of the Company. He is Chartered Accountant by qualification. He has 10 years of post-qualification experience in handling direct and indirect taxes of domestic and Multinational companies. He has worked with Ernst and Young, TR Chadha and Company and Dalal and Shah (now PWC) as part of their tax and regulatory practices.
Terms and Conditions of Re-appointment	He is appointed as Independent Director.
Remuneration last drawn	NIL
Remuneration proposed to be paid	He may be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings and profit related commission within the limits stipulated under Section 197 of the Act
Date of first appointment on the Board	12-08-2019
Shareholding in the Company as on June 30, 2019	NIL
Relationship with other Directors / Key Managerial Personnel	He is Independent of the Management of the Company.
Directorships of other Boards as on March 31, 2019	ARIONA IMPEX PRIVATE LIMITED
Membership / Chairmanship of Committees March 31, 2019	NIL

**Form No. MGT-11**

**Proxy form**

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

CIN:	L21098MH1995PLC086337
Name of the company:	SUNDARAM MULTI PAP LIMITED
Registered office:	5/6, Papa Industrial Estate, Suren Road, Andheri (E), Mumbai: 400093, Maharashtra, INDIA W: www.sundaramgroups.in E: info@sundaramgroups.in, Tel: 022 6760 2200 Fax: 022 6760 2244

Name of the member(s):			
Registered address:			
Email Id:			
Folio No./Client Id:			
DP ID:			

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

1.	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 25<sup>th</sup> Annual General Meeting of the company, to be held on the Monday, September 30, 2019 at 10.30 a.m. at Chatwani Baug Hall, 1<sup>st</sup> Floor, 7, Gokhle Road, Near Vile Parle Station, Vile Parle East, Mumbai: 400057, Maharashtra, INDIA or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolution	Type of Resolution	Optional	
			For	Against
1	To receive, consider and adopt the annual audited financial statements (including consolidated financial statement) of the Company for the financial year ended March 31, 2019 together with the reports of the Board of Directors and Auditors thereon.	Ordinary Resolution		
2	To appoint a Director in place of Mr. Shantilal P. Shah (DIN: 00033182), who retires by rotation and being eligible has offered himself for re-appointment.	Ordinary Resolution		
3	To appoint Statutory Auditors of the Company, and to fix their remuneration.	Ordinary Resolution		
4	To re-appoint of Ms. Minjal V. Kadakia (DIN: 07135977) as an Independent Director for second term of five consecutive years.	Special Resolution		
5	To regularize the appointment of Mr. Paresh Jain (DIN: 05159799) as an Independent Director	Ordinary Resolution		
6	To give prior approval for the Proposed Material Related Party transactions for the period from October 01, 2019 to September 30, 2024.	Ordinary Resolution		

Signed this.....day of..... 2019

\_\_\_\_\_  
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. It is optional to put a "X" in the appropriate column against the Resolution indicated in the box. If you leave the 'For' or 'Against' column blank any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details of Member(s) in the above box before submission.

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

**Route Map to Annual General Meeting Venue:**







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## Sundaram Multi Pap Ltd.

Manufacturer of Paper Stationery

Plot No. 33 to 37, Sundaram Industrial Zone, Palghar (W) 401 404. Maharashtra, INDIA.  
Tel. : (+91-22) 6760 2200 • Email : sales@sundaramgroups.in



[www.sundaramgroups.in](http://www.sundaramgroups.in)

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