



# Balkrishna Paper Mills Ltd.

Ref: OPS:BPML:SEC&LEGAL:AGM:2020-21

Date: August 11, 2020

BSE Limited  
Listing Department  
P.J. Tower, Dalal Street,  
Mumbai – 400 001

National Stock Exchange of India Limited  
Listing Department  
Exchange Plaza, Plot No. C/1,  
G-Block, Bandra Kurla Complex, Bandra  
(East), Mumbai – 400 051

Script Code : **539251**

Symbol: **BALKRISHNA**

Dear Sir/ Madam,

**Sub: Notice of Annual General Meeting and Annual Report of FY 2019-20.**

**Ref.: Disclosure under Regulation 34 and Regulation 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

This is to inform you that the 7<sup>th</sup> Annual General Meeting (“AGM”) of the Members of the Company will be held on Friday, September 04, 2020 at 3.00 p.m. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, inter alia, to transact the businesses stated in the Notice convening the said AGM.

Pursuant to Regulation 34(1) and Regulation 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2019-20 including the Notice of AGM, which is being sent through electronic mode to the Members of the Company, whose e-mail IDs are registered with Depositories/ Company/ Registrar and Share Transfer Agent. The Annual Report including Notice of AGM is also available on the website of the Company at <https://www.bpml.in/wp-content/uploads/2020/08/annual-report-2019-20.pdf> The Notice of the AGM of the Company inter alia indicates the process and manner of remote e-Voting/ e-voting at the AGM.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
**For Balkrishna Paper Mills Limited**

(Omprakash Singh)  
**Company Secretary and Compliance Officer**

Encl: As above

**Registered Office:**

A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013

Tel: +91 22 6120 7900 | Fax: +91 22 6120 7999 | Email: bpmho@bpml.in | [www.bpml.in](http://www.bpml.in) | CIN : L21098MH2013PLC244963



**Balkrishna  
Paper Mills Ltd.**



# **ANNUAL REPORT**

**2019-2020**



वक्रतुंड महाकाय सुर्यकोटिसमप्रभ  
निर्विघ्नं कुरु मे देव सर्वकार्येषु सर्वदा

## COMPANY INFORMATION

### BOARD OF DIRECTORS:

#### ANURAG P. PODDAR

(Chairman & Managing Director)

#### ANKIT P. PODDAR

(Executive Director)

#### HARISH N. MOTIWALLA

(Independent Director)

#### RAMANLAL B. GOLECHA

(Independent Director)

#### RAKESH N. GARODIA

(Independent Director)

#### MEGHNA S. SHAH

(Independent Director)

#### SHRUTISHEEL JHANWAR

(Whole time Director & CFO)

#### OMPRAKASH SINGH

(Company Secretary)

### BANKERS:

UNION BANK OF INDIA (Erstwhile Corporation Bank)  
STANDARD CHARTERED BANK

### STATUTORY AUDITORS:

M/s. JAYANTILAL THAKKAR & CO.  
(Chartered Accountants)

### COST AUDITORS:

K.G. GOYAL & ASSOCIATES  
( Cost Accountants)

### INTERNAL AUDITORS:

K.M. GARG & CO.  
(Chartered Accountants)

### SECRETARIAL AUDITORS :

GMJ & ASSOCIATES  
(Company Secretaries)

### REGISTERED OFFICE:

A/7, Trade World, Kamala City, Senapati Bapat Marg,  
Lower Parel (W), Mumbai - 400013.

### PLANTS:

#### Unit 1: (Paper/Paper Board & Coating Plant)

Village: Ambivli, P.O.Mohone  
Taluka - Kalyan,  
Dist. Thane - 421 102.

#### Unit 2: (Cutting & Packing Unit)

Building No. F3 & F4, Rajlaxmi Logisitic Park,  
Bhiwandi Nashik Road, Village Dhamngaon,  
Taluka Bhiwandi, Dist. Thane - 421 102.

### REGISTRAR AND SHARE TRANSFER AGENT :

Sharex Dynamic (India) Pvt. Ltd.  
C-101, 247 Park, L.B.S. Marg,  
Vikhroli West, Mumbai - 400 083.

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## Notice

Notice is hereby given that the Seventh Annual General Meeting of the Members of Balkrishna Paper Mills Limited will be held on Friday, the 4th September, 2020 at 3.00 P.M. through Video Conferencing /Other Audio Visual Means to transact the following businesses:

### Ordinary Business

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2020, and the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Anurag Poddar (DIN: 00599143), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (the Rules), (including any statutory modification (s) or re-enactment(s) thereof for the time being in force), M/s. Jayantilal Thakkar & Co., Chartered Accountants, (Firm Registration No. 104133W), be and are hereby appointed as Statutory Auditors of the Company for a term of 3 (three) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the fourth Annual General Meeting from this Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including any Committee thereof) and/or Shri Omprakash Singh, Company Secretary be and are hereby severally authorized to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to the above Resolution.”

### Special Business

4. **Ratification of remuneration of Cost Auditors for the Financial Year 2019-20.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), and subject to such other permissions as may be necessary, M/s. K. G. Goyal & Associates, Cost Accountants (Firm Registration No.000024) appointed by the Board of Directors of the Company as Cost

Auditors to conduct the audit of the cost records for the financial year ending March 31, 2021, be paid remuneration of ₹ 40,000/- (Rupees Forty Thousand only) per annum plus applicable tax, reimbursement of travelling and other out of pocket expenses incurred by them at actuals, in connection with the said audit.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and/or Shri Omprakash Singh, Company Secretary be and are hereby severally authorised to do all such acts, deeds and things as may be considered necessary, proper or expedient, desirable to give effect to the above Resolution.

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) Rules framed thereunder (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and subject to such other applicable permissions, sanctions and approvals, as may be required, if any, consent of the Company be and is hereby accorded for the re-appointment of Shri Anurag Poddar (DIN 00599143), as Chairman and Managing Director, whose office will be liable to determination by retirement by rotation, for a further period of 3 (three) years from 11<sup>th</sup> February, 2021 to 10<sup>th</sup> February, 2024 on the terms, conditions and remuneration as set out below :-

1. **Salary** : ₹ 3,45,000/- per month with such increment as may be approved by the Board from time to time.

The same is bifurcated as under:-

- (i) Basic Salary: ₹1,75,000/- p.m.
- (ii) House Rent Allowance: ₹1 ,00,000/-p.m.
- (iii) Special Allowance: ₹ 70,000/- p.m.

2. **Commission**:

Commission as may be decided by the Board of Directors of the Company, subject to overall ceiling stipulated from time to time under the provisions of the Act. The amount of commission will be payable after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

3. **Perquisites**

In addition to the salary and commission, the following perquisites shall also be allowed.

- a. **Medical reimbursement**

Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges and premium for medical insurance

incurred for self and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for the patient and attendant will also be paid by the Company.

**b. Leave Travel Concession**

Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of self and family, whether in India or abroad.

**c. Club Membership**

Fees of clubs including admission and life membership.

**d. Personal Accident insurance**

The actual premium paid.

**e. Provident Fund and Annuity Fund**

Contribution to Provident Fund and Annuity Fund shall be payable as per rules of the Company.

**f. Gratuity**

Gratuity shall be payable at half month's salary for each completed year of service.

**g. Leave and Encashment of Leave**

The Chairman & Managing Director shall be entitled to leave with full pay as per the rules of the Company and will be entitled to encash the accumulated leave at the end of the tenure/retirement.

**h. Use of Car with Driver**

The Company shall provide fully maintained car with driver.

**i. Free Telephone, Facsimile and other Communication Facilities.**

The Company shall provide free Telephone, facsimile and other communication facilities at the appointee's residence.

For the purpose of perquisites, family shall mean the spouse, dependent children and dependent parents of the appointee.

**4. Minimum Remuneration:**

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Chairman and Managing Director shall be paid remuneration by way of salary, perquisites, allowance and other benefits as the Board of Directors may deem fit, subject to the limits prescribed in Schedule V of the Act (including any statutory modification or re-enactment thereof) as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) be and is hereby authorized to alter, vary or modify the terms and conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Act.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts, deeds, things and take all such steps as may be necessary or desirable, expedient and proper to give effect to the above resolution".

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and Rules framed thereunder (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and subject to such other applicable permissions, sanctions and approvals, as may be required, if any, consent of the Company be and is hereby accorded for the re-appointment of Shri Ankit Poddar (DIN 03521731), as an Executive Director, whose office will be liable to determination by retirement by rotation, for a further period of 3 (three) years from 11<sup>th</sup> February, 2021 to 10<sup>th</sup> February, 2024 on the terms, conditions and remuneration as set out below :-

**1. Salary :** ₹ 3,45,000/- per month with such increment as may be approved by the Board from time to time.

The same is bifurcated as under:-

(i) Basic Salary: ₹ 1,75,000/- p.m.

(ii) House Rent Allowance: ₹ 1,00,000/-p.m.

(iii) Special Allowance: ₹ 70,000/- p.m.

**2. Commission:**

Commission as may be decided by the Board of Directors of the Company, subject to overall ceiling stipulated from time to time under the provisions of the Act. The amount of commission will be payable after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

**3. Perquisites**

In addition to the salary and commission, the following perquisites shall also be allowed:

**a. Medical reimbursement**

Reimbursement of actual medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges and premium for medical insurance incurred for self and family. In case of any medical treatment abroad, the travelling, boarding and lodging expenses for the patient and attendant will also be paid by the Company.

**b. Leave Travel Concession**

Reimbursement of actual travelling expenses for proceeding on leave once in a year in respect of self and family, whether in India or abroad.

- c. **Club Membership**  
Fees of clubs including admission and life membership.
- d. **Personal Accident insurance**  
The actual premium paid.
- e. **Provident Fund and Annuity Fund**  
Contribution to Provident Fund and Annuity Fund shall be payable as per rules of the Company.
- f. **Gratuity**  
Gratuity shall be payable at half month's salary for each completed year of service.
- g. **Leave and Encashment of Leave**  
The Executive Director shall be entitled to leave with full pay as per the rules of the Company and will be entitled to encash the accumulated leave at the end of the tenure/retirement.
- h. **Use of Car with Driver**  
The Company shall provide fully maintained car with driver.
- i. **Free Telephone, Mobile, Facsimile and other Communication Facilities.**  
The Company shall provide free Telephone, facsimile and other communication facilities at the appointee's residence.  
For the purpose of perquisites, family shall mean the spouse, dependent children and dependent parents of the appointee.
4. **Minimum Remuneration:**  
In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Executive Director shall be paid remuneration by way of salary, perquisites, allowance and other benefits as the Board of Directors may deem fit subject to the limits prescribed in Schedule V of the Act, (including any statutory modification or re-enactment thereof) as minimum remuneration.  
**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) be and is hereby authorized to alter, vary or modify the terms and conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under Section 197, read with Schedule V of the Act.  
**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts, deeds, things and take all such steps as may be necessary or desirable, expedient and proper to give effect to the above resolution".
7. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an **Special Resolution:**  
**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, and 203 read with Schedule V and other applicable provisions, if any, of the

Companies Act, 2013 ("Act") and Rules framed thereunder (including any statutory modification(s) or amendment thereto or re-enactment thereof for the time being in force) and subject to such other applicable permissions, sanctions and approvals, as may be required, if any, consent of the Company be and is hereby accorded for the re-appointment of Shri Shrutisheel Jhanwar (DIN:03582803), as a Whole-time Director & Chief Financial Officer, whose office will be liable to determination by retirement by rotation, for a further period of 3 (three) years from 11<sup>th</sup> February, 2021 to 10<sup>th</sup> February, 2024 on the terms, conditions and remuneration as set out below :-

1. **Salary:** ₹ 3,07,980/- p.m.

The same is bifurcated as under:-

- (i) Basic Salary: ₹1,46,000/- p.m.  
(ii) House Rent Allowance: ₹ 73,000/-p.m.  
(iii) Special Allowance: ₹ 88,980/- p.m.

2. **Commission:** No commission will be payable to him.

3. **Perquisites:** In addition to the salary, he shall also be entitled to the following perquisites, as per the rules of the Company:

- a. **Leave Travel Concession:**

Reimbursement of actual travelling expenses for proceeding on leave once in a year for self and family as per the Rules of the Company.

Explanation:

For the purpose of the perquisites under (a) above, family shall mean the spouse, dependent children and dependent parents.

- b. **Conveyance Reimbursement:** ₹ 30,000/- per month.

- c. **Telephone, facsimile and other communication facilities:**

The Company shall provide free telephone, facsimile and other communication facilities.

- d. **Use of Car with Driver**

The Company shall provide fully maintained car with driver.

- e. **Personal Accident Policy:**

The actual premium paid.

- f. **Provident Fund:**

Contribution to Provident Fund is payable as per the rules of the Company.

- g. **Gratuity:**

Gratuity shall be payable as per the Rules of the Company.

- h. **Leave and encashment of Leave:**

He will be entitled to leave with full pay and encashment of the accumulated leave as per the rules of the Company.

- i) **Bonus & Ex-gratia:** Bonus & Ex-gratia will be

paid, as per the Rules of the Company.

For the purpose of leave, provident fund, gratuity and other retiring benefits to which he may be entitled, account shall be taken of his service with the Company's prior to his appointment as Whole time Director.

#### 4. Minimum Remuneration:

In the event of absence or inadequacy of profits in any financial year during the tenure of his appointment, the Whole Time Director and Chief Financial Officer shall be paid remuneration by way of salary, perquisites, allowance and other benefits as the Board of Directors may deem fit subject to the limits prescribed in part II of Schedule V of the Act, (including any Statutory modification or re-enactment thereof) as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any committee thereof) be and is hereby authorized to alter, vary or modify the terms and conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under section 197, read with Schedule V of the Act.

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

By Order of the Board of Directors

Omprakash Singh  
Company Secretary & Compliance Officer  
(Membership No.FCS-4304)

Place: Mumbai

Date : 17<sup>th</sup> July, 2020

#### Important Notes:

- In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM is as per note no.22 and available at the Company's website at [www.bpml.in](http://www.bpml.in).
- The deemed venue for Seventh e-AGM shall be the Registered Office of the Company at A/7, Trade World, Kamala City, Lower Parel (W), Mumbai – 400 013.
- The helpline number regarding any query/assistance for participation in the AGM through VC/OAVM is 1800222990.
- At Information regarding appointment/re-appointment of Director(s) and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/ or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is **annexed hereto**.
- Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- In line with the aforesaid Ministry of Corporate Affairs (MCA) Circulars and SEBI Circular dated May 12, 2020, the Notice of AGM alongwith Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/ Depositories. Member may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at [www.bpml.in](http://www.bpml.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 29th August, 2020 to Friday, 4th September, 2020 (both days inclusive), for the purpose of AGM.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holdings shares in electronic form are requested to intimate immediately their PAN, any change in their address, E-mail id, Mobile No. or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN, E-mail id, Mobile No. or advise any change in their address or bank mandates immediately to the Company/ Registrar and Transfer Agent (RTA) viz. M/s. Sharex Dynamic (India) Private Limited.
- Members, who have not registered their mobile number & e- mail addresses so far, are requested to update their mobile number and e-mail id in the user profile details of the folio which may be



used for sending Annual Reports, Notices and for future communication(s). For any communication, the shareholders may also send requests to the Company's email id: opsingh@bpml.in or RTA E-mail id: [support@sharexindia.com](mailto:support@sharexindia.com).

11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13, which is available with RTA, Sharex Dynamic (India) Pvt. Ltd (SDIPL). Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to SDIPL in case the shares are held in physical form.
12. There is no unclaimed dividend account lying with the Company which needs to be transfer to Investor Education and Protection Fund (IEPF), under Section 124 of the Companies Act, 2013.
13. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to remote e- voting are given below in this Notice.
14. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode.
15. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
16. **Voting through electronic means:**
  - I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.
  - II. A Member, 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. 28<sup>th</sup> August, 2020, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of AGM. A person who is not a member as on the cut-off date should treat this Notice of the AGM for information purpose only.
  - III. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice of the AGM and holding shares as of the cut-off date i.e. 28<sup>th</sup> August, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
  - IV. The remote e-voting period commences on 1<sup>st</sup> September, 2020 (9:00 am) and ends on 3<sup>rd</sup> September, 2020 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e 28<sup>th</sup> August, 2020 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
  - V. The members who have cast their vote by remote e-voting, he/she shall not be allowed to change it subsequently or cast the vote again.
  - VI. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e 28<sup>th</sup> August, 2020.
  - VII. Shri Prasen Naithani, Practising Company Secretary (Membership No. FCS 3830), Proprietor of M/s. P. Naithani & Associates, Company Secretaries has been appointed as a Scrutinizer for conducting the remote e-voting process and also the e-voting system on the date of the AGM, in fair and transparent manner.
17. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-**

**The remote e-voting period begins on Tuesday, 1<sup>st</sup> September, 2020 at 09.00 A.M. and ends on Thursday, 3<sup>rd</sup> September, 2020 at 05.00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter.

**18. Vote electronically using NSDL e-Voting system:**

The process and manner for remote e-voting system consists of "Two Steps" which are given below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

**Details on Step 1 is mentioned below:**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your

password.

- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email id. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open. **Details on Step 2 are given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

  1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
  2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
  3. Select "EVEN" of the Company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.
  5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
  6. Upon confirmation, the message "Vote cast successfully" will be displayed.
  7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
  8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
19. **General Guidelines for shareholders:**
1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [naithanipcs@gmail.com](mailto:naithanipcs@gmail.com) or [opsingh@bpml.in](mailto:opsingh@bpml.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
  3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or contact Ms. Pallavi Mhatre, Manager, National Securities Depository Ltd., Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel (w), Mumbai – 400 013, at the designated email address: [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in)/[evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or at telephone no. +91 22 2499 4545 who will also address the grievances connected with the voting by electronic means.
20. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL IDS ARE NOT REGISTERED:**
1. In case shares are held in physical mode, please provide Folio No., Name of Shareholder, PAN Number by email to [opsingh@bpml.in](mailto:opsingh@bpml.in) /[support@sharexindia.com](mailto:support@sharexindia.com).
  2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name of Shareholder, PAN Number by email to [opsingh@bpml.in](mailto:opsingh@bpml.in) /[support@sharexindia.com](mailto:support@sharexindia.com).
21. **THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:**
1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
  2. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
  3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
  4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
22. **INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**
1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
  2. Members are encouraged to join the Meeting through Laptops for better experience.
  3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  5. Shareholders who would like to express their views/have questions may send their questions in advance atleast (7) seven days before AGM mentioning their name, demat account number,

folio number, mobile number, email id at [opsingh@bpml.in](mailto:opsingh@bpml.in) and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.

6. As the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

#### 23. OTHER INSTRUCTIONS:

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or Company Secretary or a person authorised by him in writing, who shall countersign the same.
2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.bpml.in](http://www.bpml.in) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

#### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

##### Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021 on remuneration of ₹ 40,000/- (₹ Forty Thousand) plus out of pocket expenses, at actuals and applicable taxes.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020.

None of the Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board of Directors recommends the Ordinary Resolution as set out at Item No. 4 of the Notice of the AGM for approval by the Members.

##### Item No.5

Keeping in view the vast and rich experience of Shri Anurag Poddar, especially in the Paper Industry, his overall performance and contribution to the growth of the Company, his duties and responsibilities, the prevailing

managerial remuneration in the industry and on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 17<sup>th</sup> July, 2020 approved the re-appointment and remuneration of Shri Anurag Poddar as Chairman and Managing Director for a further period of 3 years w.e.f. 11<sup>th</sup> February, 2021 to 10<sup>th</sup> February, 2024, on the terms, conditions and remuneration as mentioned in the resolution, subject to approval of the members and other permissions and sanctions as may be applicable, if any.

Shri Anurag Poddar is a member of the Stakeholders Relationship Committee and Share Transfer Committee of the Company.

A brief resume of Shri Anurag Poddar as required under the Listing Regulations is given in annexure hereto. The other required disclosures have been made in the Corporate Governance Report which forms part of the Annual Report.

Shri Anurag Poddar himself and Shri Ankit Poddar, being relatives of Shri Anurag Poddar are deemed to be concerned or interested in this resolution.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested financially or otherwise in the resolution.

The above along with resolution at Item No. 5 of the Notice may be treated as a written memorandum setting out the terms of re-appointment of Shri Anurag Poddar under section 190 of the Act.

The Board recommends the **Special Resolution** as set out at Item No. 5 of the Notice, for approval by the members

##### Item No.6

Keeping in view the vast and rich experience of Shri Ankit Poddar, especially in the Paper Industry, his overall performance and contribution to the growth of the Company, his duties and responsibilities, the prevailing managerial remuneration in the industry and on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 17<sup>th</sup> July, 2020 approved the re-appointment and remuneration of Shri Ankit Poddar as Executive Director for a further period of 3 years w.e.f. 11<sup>th</sup> February, 2021 to 10<sup>th</sup> February, 2024, on the terms, conditions and remuneration as mentioned in the resolution, subject to approval of the members and other permissions and sanctions as may be applicable, if any.

Shri Ankit Poddar is a member of the Share Transfer Committee of the Company.

A brief resume of Shri Ankit Poddar as required under the Listing Regulations is given in annexure hereto. The other required disclosures have been made in the Corporate Governance Report which forms part of the Annual Report.

Shri Ankit Poddar himself and Shri Anurag Poddar, being relatives of Shri Ankit Poddar are deemed to be concerned or interested in this resolution.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company or their



relatives are in any way concerned or interested financially or otherwise in the resolution.

The above along with resolution at Item No. 6 of the Notice may be treated as a written memorandum setting out the terms of re-appointment of Shri Ankit Poddar under section 190 of the Act.

The Board recommends the **Special Resolution** as set out at Item No. 6 of the Notice, for approval by the members

**Item No.7**

Keeping in view the vast and rich experience of Shri Shruitsheel Jhanwar, especially in the Paper Industry, his overall performance and contribution to the growth of the Company, his duties and responsibilities, the prevailing managerial remuneration in the industry and on the recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on 17<sup>th</sup> July, 2020 approved the re-appointment and remuneration of Shri Shruitsheel Jhanwar, as Whole time Director and Chief Financial Officer for a further period of 3 years w.e.f. 11<sup>th</sup> February, 2021 to 10<sup>th</sup> February, 2024, on the terms, conditions and remuneration as mentioned in the resolution, subject to approval of the members and other permissions and sanctions as may be applicable, if any.

Shri Shruitsheel Jhanwar, is a member of the Audit

Committee, Stakeholders Relationship Committee and Share Transfer Committee of the Company.

A brief resume of Shri Shruitsheel Jhanwar, as required under the Listing Regulations is given in annexure hereto. The other required disclosures have been made in the Corporate Governance Report which forms part of the Annual Report.

Except Shri Shruitsheel Jhanwar, none of the other Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested financially or otherwise in the resolution.

The above along with resolution at Item No. 7 of the Notice may be treated as a written memorandum setting out the terms of re-appointment of Shri Shruitsheel Jhanwar under section 190 of the Act.

The Board recommends the **Special Resolution** as set out at Item No. 7 of the Notice, for approval by the members

**By Order of the Board of Directors**

Omprakash Singh  
**Company Secretary & Compliance Officer**  
 (Membership No.FCS-4304)

Place : Mumbai  
 Date : 17th July, 2020

**ANNEXURE TO ITEM NOS. 2, 5 TO 7 OF THE NOTICE.**

**DETAILS OF THE DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING (PURSUANT TO REGULATION 36 OF THE LISTING REGULATIONS AND SECRETARIAL STATNDARD-2 ON GENERAL MEETING):**

Name of the Director, DIN and Number of Equity Shares held in the Company	Date of Birth	Date of Appointment/ Re-appointment on the Board	Qualifications	Expertise in specific functional area	List of other Companies (excluding Private Companies) in which Directorships and Committee Chairmanships/ Memberships if any.
Shri Anurag Poddar (DIN 00599143) 530626 Equity Shares	13/07/1981	11/02/2018	MBA from Drexel University, USA	Industrialist with Specialized in Finance, Marketing, Technical, Production, Sale, and Export	<b>Directorship: None</b>
Shri Ankit Poddar (DIN 03521731) 530626 Equity Shares	30/10/1988	11/02/2018	Bachelor of Business Administration	Industrialist with Specialized in Marketing and Finance	<b>Directorship: None</b>
Shri Shruitsheel Jhanwar (DIN 03582803) 25 Equity Shares	26/12/1974	11/02/2018	M.Com, FCA	Finance Accounting and Business Administration	<b>Directorship: None</b>

**DIRECTOR'S REPORTS**

 To The Members of,  
**Balkrishna Paper Mills Ltd**

Your Directors have pleasure in presenting the Seventh Annual Report of the Company along with Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2020.

**1. FINANCIAL RESULTS:**

The summary of the financial performance of the Company for the financial year ended March 31, 2020 compared to the previous year ended March 31, 2019, is given below:

(₹ in Lakhs)

Particulars	2019-20	2018-19
Net Turnover and Other Income	19,632.68	21,445.35
Profit/(Loss) before Depreciation, and Tax	(2,608.08)	(3,703.02)
Less: Depreciation and Amortisation	662.11	660.89
Profit/(loss) before Tax	(3,270.19)	(4,363.91)
Less: Provision for Taxation:		
Current Tax (MAT)	(11.59)	0.00
Deferred Tax (Net)	197.43	(140.01)
Profit after Tax	(3,456.03)	(4,223.90)
Add/(Less): Other Comprehensive Income (net of taxes)	(13.01)	10.00
Total Comprehensive Income/ (Expenses) for the year	(3,469.04)	(4,213.90)

**COVID-19**

During March, 2020, Government of India has imposed lockdown and shut all the economic activities due to COVID-19 pandemic, as Corona positive cases increased rapidly resulted into global crises. The Company has closed the factory and office to ensure health of the employees/workers and advised the employees to work from home. Your Company has faced cash flow shortages due to its inability to collect dues from customers during the lockdown period. Paper & Paper Board demand was affected significantly due to the lockdown, as industrial and commercial establishments inter se Hotel, Pharmaceuticals, readymade Garments etc., were shut down across the nation. This reduction in demand had an impact on the business of the Company, during the last week of March 2020. The impact on Paper and Paper Board demand is short term in nature, and is expected to improve as and when the lockdown is fully lifted.

**2. OPERATIONS:**

During the year under review, the Gross turnover and other Income of your Company was ₹ 19,632.68 Lakhs as compared to ₹ 21,445.35 Lakhs in the previous year. The net Loss for the year stood at ₹ 3,469.04 Lakhs against Loss of ₹ 4,213.90 Lakhs in

the previous year.

**3. DIVIDEND**

Your Directors have not recommended any dividend for the financial year under review.

**4. SHARE CAPITAL:**
**Authorized Share Capital:**

During the year under review, your company had increased the Authorised Share Capital from ₹ 36,00,00,000/- to ₹ 118,00,00,000/-. The Authorised Share capital consist of 3,30,00,000/- Equity Shares of ₹ 10/- each, 25,00,000/- 9% Cumulative Redeemable Preference Shares of ₹ 100/- each and 60,00,000/- Preference Shares of ₹ 100/- each.

**Allotment of Preference Shares:**

Your Company had issued and allotted 60,00,000 - 6.5% Non-Cumulative Redeemable Preference Shares of ₹ 100 each at par as fully paid up to the Promoters/Promoters Group on Preferential basis. The said shares are not listed with stock exchanges.

The issued, subscribed and paid up Share Capital of the Company as on 31<sup>st</sup> March, 2020 are as under:

- Equity Share Capital: ₹ 10.74 Crore

- Preference Share Capital: ₹ 85.00 Crore.

The Company has not issued shares with differential voting rights nor granted stock options & sweat equity. As on 31<sup>st</sup> March, 2020, none of the Directors of the Company hold convertible instruments in the Company.

**5. REVISION OF FINANCIAL STATEMENT:**

There was no revision of the financial statements for the year under review.

**6. MANAGEMENT DISCUSSION AND ANALYSIS:**
**OUT LOOK:**

The COVID-19 pandemic and the economic shutdown in advanced economies and other parts of the globe have disrupted billions of lives and are jeopardizing decades of development progress.

The global output growth in 2019 is estimated to be the slowest since the global financial crisis of 2009, arising from a geographically broad-based decline in manufacturing activity and trade. Stabilising, yet uncertain, trade tensions between two top countries of the world have contributed to the decline of world output and trade. The balance of risks to the global outlook remains on the downside.

The COVID-19 recession is the first since 1870 to be triggered solely by a pandemic. *Amidst a weak environment for global manufacturing, trade and demand*, India's GDP growth in FY2019-20 slowed down to an 11-year-low of 4.2 per cent. In fact, India's GDP for the fourth and final quarter of FY2019-20 fell to 3.1 per cent.

As per IPMA, Paper is one of the leading manufacturing sectors that have borne the brunt of imports the maximum. Several smaller paper mills, and even a few large ones, in India, have been forced to shut down their operations due to commercial unviability.

The speed and strength of the recovery will depend on the effectiveness of the support programs governments and the international community put in place now; and, critically, on what policymakers do to respond to the new environment.

### **Company's Overview**

Your Company is engaged in manufacturing and marketing of quality Coated Duplex Boards.

As India travels through the path of economic uncertainty, the GDP growth in the fourth quarter becomes important as it includes the figures for one week of lockdown. Even before the coronavirus cases started to surge in India, the country's economy was struggling through a prolonged economic slowdown. Due to high debt burden, slowdown in economy, underutilisation of manufacturing capacity, we could not increase the realisation rates in line with the expenses.

Your Company is looking forward with a progressive attitude to grow their presence and market share in the paper board industry in India and abroad.

### **Internal Audit and Control**

Your Company's maintains all its records in ERP Systems and maximum approvals are routed through this system. The Company has laid down adequate systems and supported by the procedures for ensuring internal financial controls. The Company has appointed an external audit firm as Internal Auditors for day to day checking and monitoring the internal control measures. Internal Auditors are present at the Audit Committee Meetings where internal Audit Reports are discussed along with management comments and the final observation of the Internal Auditor.

### **Opportunities, Threats and Risk**

The Company has been strengthening its risk management processes with the objective of enhancing organisational stability and predictability. Due to slowdown of the economy could have an adverse effect on the revenues of the Company. The existing Paperboard players alive to the emerging international threats, have been aggressively pursuing quality improvement programs, coupled with cost rationalization. Increasingly, more modern technologies are sought to be implemented, with added focus on environmental compliance.

### **Human Resources**

The Company has prioritized the personal development of its employees and the creation of a future-ready leadership team. The Company's talent management system believes in internal grooming of our employees, preparing them to take on higher

responsibilities. This helped the Company strengthen its internal talent pool and reduce its dependence on external recruitment. The industrial relations at both unit at Ambivali and Bhiwandi are cordial.

### **CAUTIONARY STATEMENT**

The report contains forward looking statements describing expectations, estimates, plans or words, with similar meaning. The Company's actual results may differ from those projected, important factors that could make the difference to the Company operations include prices of raw material, power and finished goods, changes in Government regulations, economic developments globally and within India. The Company cannot guarantee that the assumptions and estimates in the 'forward looking statements' are accurate or will be realised.

## **7. CORPORATE GOVERNANCE:**

A report on Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015, together with Certificate from the Auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated under the aforesaid regulations, forms part of the Annual Report.

## **8. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**

### **Forgo of Remuneration:**

Shri Anurag Poddar, Chairman and Managing Director and Shri Ankit Poddar, Executive Director have forgone their monthly remuneration due to poor financial position of the Company with effect from 1st April, 2019 and continue to do so till further communication.

### **Directors appointment / reappointment:**

The Board of Directors on the recommendation of Nomination and Remuneration Committee has approved the re-appointment and remuneration of Shri Anurag Poddar, Chairman and Managing Director, Shri Ankit Poddar, Executive Director and Shri Shrutisheel Jhanwar, Whole time Director & Chief Financial Officer for a further period of 3 years with effect from 11<sup>th</sup> February, 2021, subject to approval of shareholders. Necessary resolution have been put up in the Notice of ensuing AGM for approval of the members. Your Directors commend their re-appointment

Brief particulars of Directors being appointed/re-appointed as required by the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings are provided in the Annexure to the notice convening the AGM of the Company.

### **Declarations by Independent Directors:**

All the Independent Directors of the Company have given requisite declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and also Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015.

Also, your Company has received annual declarations from all the Independent Directors of the Company confirming that they have already registered their names with the data bank maintained by the Indian Institute of Corporate Affairs ["IIICA"] as prescribed by the Ministry of Corporate Affairs under the relevant rules and that the online proficiency self-assessment test as prescribed under the said relevant rules is applicable to them and they will attempt the said test in due course of time.

## 9. NOMINATION AND REMUNERATION COMMITTEE:

The composition, role, terms of reference as well as powers of the Nomination and Remuneration Committee of the Company meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.

### Composition:

The Committee comprises of 3 Independent Directors.

The composition of the Nomination and Remuneration Committee\* and category of members, is given in the table below:

Sr. No.	Name of the Director	Category
1	Shri Ramanlal B. Golecha	Independent Director
2	Shri Harish N. Motiwalla	Independent Director
3	Shri Rakesh N. Garodia	Independent Director

\* During the year under review, one Meeting was held on May 13, 2019.

### Company's Policy on appointment and remuneration of Directors.

#### Remuneration Policy:

The Company has devised the Nomination and Remuneration Policy for the selection, appointment and remuneration of the whole time Directors, Key Managerial Personnel and Senior Management Personnel. The extract of Nomination and Remuneration Policy is provided in the Corporate Governance Report and forms part of this Annual Report.

The Company's policy on remuneration for Directors and Senior Management employees are displayed on the website of the company at [www.bpml.in](http://www.bpml.in).

#### Appointment of Independent Directors.

All Independent Directors of the Company are appointed for a term of 5 (five) years. Accordingly, the Independent Directors viz. Shri Ramanlal B. Golecha hold office up to 19th November, 2022 and Shri Harish N. Motiwalla, Shri Rakesh N. Garodia and Smt. Meghna S. Shah hold office up to 10th February, 2025.

#### Criteria for appointment of Independent Directors.

The Independent Directors shall be of high integrity

with relevant experience and expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management, so as to have a diverse Board.

#### Performance Evaluation.

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual Directors, the Board as a whole. Evaluation of performance is undertaken annually.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors at a separately convened meeting. The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Company has implemented a system of evaluation on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Directors expressed their satisfaction with the evaluation process.

**Remuneration of Non-Executive Directors :** The Non- executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in Board/Committee meetings and commission, if any, after approval of the members.

## 10. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors to the best of their knowledge hereby confirm that :

- That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2020 and of the Profit of the Company for that year under review;
- that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the accounts for the financial year on going concern basis;
- the Directors have laid down internal financial



controls, which are adequate and were operating effectively.

- f. the Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **11. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:**

##### **a. BOARD MEETINGS:**

The Board of Directors met 4 times during the year on the following dates in accordance with the provisions of the Companies Act, 2013 and also rules made thereunder.

May 13, 2019, July 30, 2019, October 24, 2019, January 31, 2020.

In addition to the above, Independent Directors Meeting was also held on March 16, 2020.

##### **b. COMMITTEES OF THE BOARD:**

The Board has the following Committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee;
4. Share transfer Committee.
5. Finance Committee

The details of these Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

#### **12. EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return in Form No. MGT – 9 for the financial year ended 31<sup>st</sup> March, 2020 made under the provisions of Section 92(3) of the Act is attached as **Annexure I** which forms part of this Report and is also available on the Company's website at [www.bpml.in](http://www.bpml.in).

#### **13. FIXED DEPOSITS**

During the year under review, your Company has not accepted any fixed deposits and there were no unclaimed deposits or interest thereon as on 31<sup>st</sup> March, 2020.

#### **14. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

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

#### **15. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has framed a Whistle Blower Policy to deal with instances of fraud and mismanagement, if any. The details of the Policy are given in the

Corporate Governance Report and the policy is posted on the Company's website at [www.bpml.in](http://www.bpml.in).

#### **16. RELATED PARTY TRANSACTIONS :**

All related party transactions that were entered into during the financial year were in the ordinary course of business and were on an arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other related parties which may have a potential conflict with the interest of the Company at large.

All related party transactions for the year are placed before the Audit Committee as well as before the Board for approval. The transactions entered into with related parties are reviewed on a quarterly basis by the Audit Committee.

The policy on Related Party Transactions as approved by the Audit Committee and Board is uploaded on the Company's website at [www.bpml.in](http://www.bpml.in).

The details of the transactions with Related Parties to be provided in Form AOC-2 is annexed herewith as **Annexure-II**.

Members can refer to Note No. 37 to the Financial Statements which set out related party disclosures.

#### **17. RISK MANAGEMENT FRAMEWORK:**

The Board of Directors of the Company has Risk Management Framework to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Risk Management Policy is available on Company's website at [www.bpml.in](http://www.bpml.in).

#### **18. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL**

During the year under review, there were no orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

#### **19. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:**

There were no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure III** which forms part of this Report

**21. AUDITORS**

The matters related to Auditors and their Reports are as under:

**a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020:**

The observations made by the Statutory Auditors in their report for the financial year ended 31st March 2020 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

Further, there were no adverse remarks or qualifications of reservations in the audit report submitted by auditors.

**b. COST AUDITORS:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Notifications/Circulars issued by the Ministry of Corporate Affairs from time to time, the Board of Directors have appointed M/s. K. G. Goyal & Associates, Cost Accountants, as a cost auditor of the Company for the Financial Year 2020-21.

The remuneration to be paid to Cost auditors require ratification by the shareholders and accordingly necessary resolution for ratification for seeking approval of members is included in Notice of ensuing AGM.

**c. SECRETARIAL AUDITORS.**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed GMJ & Associates, Company Secretaries in Practice to undertake Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report is annexed herewith as **Annexure – IV**.

There is no Secretarial audit qualification for the year under review.

M/s GMJ & Associates, Company Secretaries has issued certificate dated 17th July, 2020 certifying that none of the Directors on the Board of the Company during the Financial year 2019-20 have been debarred or disqualified from

being appointed or continuing as directors of the company by SEBI, MCA or any such other Statutory authority.

**22. INDUSTRIAL RELATIONS:**

Industrial relations with staff and workmen during the year under review continued to be cordial.

**23. Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013:**

The Company has formulated and implemented a policy of prevention of sexual harassment at the workplace with mechanism of lodging/redressal complaints. During the year under review, there were no complaints reported to the Board.

**24. DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:**

The information required pursuant to Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company will be provided upon request in terms of section 196 of the Act, the Report is being sent to all the Shareholders of the Company and other entitled thereto, excluding the information particulars of which is available for inspection by the Members at the Registered office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Members interested in obtaining a copy thereof, may write to the Company Secretary in this regard.

**25. INSURANCE**

All the properties/assets including buildings, furniture/fixtures, and insurable interests of the Company are adequately insured.

**26. ACKNOWLEDGMENT**

Your Directors take this opportunity to thank the Customers, Suppliers, Shareholders, Bankers, Dealers, Agents, Employees and Government and Semi-Government Authorities for their consistent support and encouragement to the Company.

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

**Anurag P. Poddar**  
Chairman & Managing Director  
DIN: 00599143

Place : Mumbai  
Date : 17<sup>th</sup> July, 2020

**ANNEXURE I**
**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN**

As on Financial Year ended on 31st March 2020

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

**I. REGISTRATION AND OTHER DETAILS:**

CIN	:	L21098MH2013PLC244963
Registration Date	:	29.06.2013
Name of the Company	:	Balkrishna Paper Mills Limited
Category / Sub-Category of the Company	:	Public Company / Limited by Shares
Address of the Registered Office and contact details	:	A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai – 400 013. Tel No. 022-6120 7900; Fax No. 022-6120 7999
Whether Listed Company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Sharex Dynamic (India) Pvt. Ltd. C-101,247 Park, L.B.S. Marg, Vikhroli West, Mumbai- 400 083. Tel.: 022-2851 5606/5644; Fax: 022-2851 2885 Email: support@sharexindia.com

**II. 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	Manufacturing of Paper and Paper Board	280	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

The Company has no subsidiary as on date.

**I. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :**
**i. Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year 1-04-2019				No. of Shares held at the end of the year 31-03-2020				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	1000281	0	1000281	9.314	6267755	0	6267755	58.360	49.046
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	5405594	0	5405594	50.332	37119	0	37119	0.346	-49.990
e) Banks / FI	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>6405875</b>	<b>0</b>	<b>6405875</b>	<b>59.646</b>	<b>6304874</b>	<b>0</b>	<b>6304874</b>	<b>58.706</b>	<b>-0.940</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/FII	0	0	0	0	0	0	0	0	0
e) Qualifies Foreign	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)(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>6405875</b>	<b>0</b>	<b>6405875</b>	<b>59.646</b>	<b>6304874</b>	<b>0</b>	<b>6304874</b>	<b>58.706</b>	<b>-0.940</b>

<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0.000
b) Banks / FI	0	0	0	0	27	0	27	0.0	0.000
c) Central Govt.	0	0	0	0	0	0	0	0	0.000
d) State Govt(s)	0	0	0	0	0	0	0	0	0.000
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0.000
f) Insurance Companies	0	0	0	0	866	0	866	0.008	0.008
g) FI's	0	0	0	0	0	0	0	0	0.000
h) Foreign Venture Capital	0	0	0	0	0	0	0	0	0.000
i) Others (specify)	0	0	0	0	0	0	0	0	0.000
<b>Sub-Total (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>893</b>	<b>0</b>	<b>893</b>	<b>0.008</b>	<b>0.008</b>
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	525677	166	525843	4.896	467660	83	467743	4.355	-0.541
ii) Overseas	0	0	0	0	0	0	0	0	0.000
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2541323	113803	2655126	24.722	2732036	113222	2845258	26.493	1.771
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	989845	33332	1023177	9.527	979071	33332	1012403	9.427	-0.100
<b>c) others (specify)</b>									
Non-Resident Individual	77167	0	77167	0.719	61271	0	61271	0.571	-0.148
Foreign National	0	0	0	0	0	0	0	0	0
Overseas Corporate Bodies	50	0	50	0	0	0	0	0	0
Foreign Bodies – D R	0	0	0	0	0	0	0	0	0
Trust	2	0	2	0	0	0	0	0	0
Clearing Member	52604	0	52604	0.49	47402	0	47402	0.441	-0.049
<b>Sub-Total(B)(2):</b>	<b>4186668</b>	<b>147301</b>	<b>4333969</b>	<b>40.354</b>	<b>4287440</b>	<b>146637</b>	<b>4434077</b>	<b>41.287</b>	<b>0.933</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>4186668</b>	<b>147301</b>	<b>4333969</b>	<b>40.354</b>	<b>4288333</b>	<b>146637</b>	<b>4434970</b>	<b>41.295</b>	<b>0.941</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>0.000</b>
<b>Grand Total (A+B+C)</b>	<b>10592543</b>	<b>147301</b>	<b>10739844</b>	<b>100.00</b>	<b>10593207</b>	<b>146637</b>	<b>10739844</b>	<b>100.00</b>	<b>0.000</b>

**ii. SHAREHOLDING OF PROMOTERS:**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01-04-2019			Shareholding at the end of the year 31-03-2020			% changes in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	AKP Enterprises LLP	2666493	24.828	0	10	0	0	-24.828
2	RAP Enterprises LLP	2663110	24.797	0	10	0	0	-24.797
3	Khushboo Rajiv Poddar	421833	3.928	0	10	0	0	-3.928
4	Sangeeta Pramodkumar Poddar	144272	1.343	0	530628	4.941	0	3.598
5	Vibhadevi Shrikishan Poddar	144261	1.343	0	795929	7.411	0	6.068
6	Ashadevi Rameshkumar Poddar	144261	1.343	0	795940	7.411	0	6.068
7	Madhudevi Pawankumar Poddar	144261	1.343	0	265314	2.47	0	1.127
8	TMP Enterprises LLP	38902	0.362	0	10	0	0	-0.362
9	GPP Enterprises LLP	37011	0.345	0	37011	0.345	0	0
10	Geetadevi Dharaprasad Poddar	1168	0.011	0	1168	0.011	0	0



11	Rameshkumar Dharaprasad Poddar	33	0	0	795939	7.411	0	7.411
12	Pawankumar Dharaprasad Poddar	33	0	0	164312	1.53	0	1.53
13	Shrikishan Dharaprasad Poddar	33	0	0	795929	7.411	0	7.411
14	Rajiv Arvind kumar Poddar	20	0	0	20	0	0	0
15	HSP Enterprises LLP	13	0	0	13	0	0	0
16	DPP Enterprises LLP	13	0	0	13	0	0	0
17	VKP Enterprises LLP	13	0	0	13	0	0	0
18	PKP Enterprises LLP	13	0	0	13	0	0	0
19	Harshit Shrikishan Poddar	11	0	0	11	0	0	0
20	Gaurav Pramod Poddar	11	0	0	530626	4.941	0	4.941
21	Ankit Pramodkumar Poddar	11	0	0	530626	4.941	0	4.941
22	Abhishek S Poddar	11	0	0	11	0	0	0
23	Anurag Pawankumar Poddar	11	0	0	530626	4.941	0	4.941
24	Avnish Pawankumar Poddar	11	0	0	530626	4.941	0	4.941
25	Rishabh Sureshkumar Poddar	10	0	0	10	0	0	0
26	Shyamalata Sureshkumar Poddar	10	0	0	10	0	0	0
27	Arvindkumar Mahabirprasad Poddar	10	0	0	10	0	0	0
28	Vijaylaxmi Arvindkumar Poddar	10	0	0	10	0	0	0
29	Balgopal Holding & Traders Ltd	5	0	0	5	0	0	0
30	Poddar Brothers Investment Private Limited	5	0	0	5	0	0	0
31	Vishal Furnishings Ltd	5	0	0	5	0	0	0
32	S P Finance And Trading Ltd	5	0	0	5	0	0	0
33	S P Investrade (India) Limited	3	0	0	3	0	0	0
34	Sanchna Trading & Fin. Ltd.	3	0	0	3	0	0	0

**CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):**

Shareholder's Name	Shareholding at the beginning of the year 01-04-2019			Shareholding at the end of the year 31-03-2020			% of total Shares of the company
	No. of shares at the beginning /end of the Year	% of the shares of the company	Date	increasing/ Decreasing in shareholding	Reason	No. of shares	
1.Ashadevi Rameshkumar Poddar	144261	1.343	01-04-2019	-	-	-	-
			24-05-2019	651679	Buy	795940	7.411
-Closing Balance			31-03-2020	-	-	795940	7.411
2.Rameshkumar Dharaprasad Poddar	33	0	01-04-2019	-	-	-	-
			24-05-2019	795906	Buy	795939	7.411
-Closing Balance			31-03-2020	-	-	795939	7.411
3. Vibhadevi Shrikishan Poddar	144261	1.343	01-04-2019	-	-	-	-
			24-05-2019	651668	Buy	795929	7.411
-Closing Balance			31-03-2020	-	-	795929	7.411
4. Shrikishan Dharaprasad Poddar	33	0	01-04-2019	-	-	-	-
			24-05-2019	795896	Buy	795929	7.411
-Closing Balance			31-03-2020	-	-	795929	7.411
5.Sangeeta Pramodkumar Poddar	144272	1.343	01-04-2019	-	-	-	-
			24-05-2019	386356	Buy	530628	4.941
-Closing Balance			31-03-2020	-	-	530628	4.941
6. Gaurav Pramod Poddar	11	0	01-04-2019	-	-	-	-
			24-05-2019	530615	Buy	530626	4.941
-Closing Balance			31-03-2020	-	-	530626	4.941
7.Ankit Poddar	11	0	01-04-2019	-	-	-	-
			24-05-2019	530615	Buy	530626	4.941
-Closing Balance			31-03-2020	-	-	530626	4.941

8. Anurag Pawankumar Poddar	11	0	01-04-2019	-	-	-	-
			24-05-2019	1000	Buy	1011	0.009
			06-09-2019	499637	Buy	500648	4.662
			15-11-2019	29978	Buy	530626	4.941
-Closing Balance			31-03-2020	-	-	530626	4.941
9. Avnish Pawankumar Poddar	11	0	01-04-2019	-	-	-	-
			24-05-2019	303049	Buy	303060	2.822
			15-11-2019	227566	Buy	530626	4.941
-Closing Balance			31-03-2020	-	-	530626	4.941
10. Madhudevi Pawankumar Poddar	144261	1.343	01-04-2019	-	-	-	-
			24-05-2019	121053	Buy	265314	2.47
-Closing Balance			31-03-2020	-	-	265314	2.47
11. Pawankumar Dharaprasad Poddar	33	0	01-04-2019	-	-	-	-
			15-11-2019	164279	Buy	164312	1.53
-Closing Balance			31-03-2020	-	-	164312	1.53
12. AKP Enterprises LLP	2666493	24.828	01-04-2019	-	-	-	-
			24-05-2019	2666483	Sold	10	0
-Closing Balance			31-03-2020	-	-	10	0
13. RAP Enterprises LLP	2663110	24.797	01-04-2019	-	-	-	-
			24-05-2019	2163463	Sold	499647	4.652
			30-08-2019	499637	Sold	10	0
-Closing Balance			31-03-2020	-	-	10	0
14. Khushboo Rajiv Poddar	421833	3.928	01-04-2019	-	-	-	-
			08-11-2019	421823	Sold	10	0
-Closing Balance			31-03-2020	-	-	10	0
15. TMP Enterprises LLP	38902	0.362	01-04-2019	-	-	-	-
			24-05-2019	38892	Sold	10	0
-Closing Balance			31-03-2020	-	-	10	0

**iii. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDR's AND ADR's):**

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year 01-04-2019		Cumulative Shareholding at the end of the year 31-03-2020	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	KISHAN GOPAL MOHTA	113400	1.056	110400	1.028
2	SUNHILL TRADING PRIVATE LIMITED	100466	0.935	100466	0.935
3	RAMESH BABU RAO	40000	0.372	79265	0.738
4	ROYAL CALCUTTA GOLF CLUB	0	0	70013	0.652
5	AADISHU SECURITIES PRIVATE LTD	70000	0.652	70000	0.652
6	MEHUL K MOTA	44000	0.41	60000	0.559
7	KAMLESH RAMNIKLAL MEHTA HUF	40500	0.377	40500	0.377
8	SHAVER KAITAN DRAGO	30437	0.283	39315	0.366
9	GLOBE CAPITAL MARKET LTD	36089	0.336	2	0
10	VINEET NAHATA	130659	1.217	0	0

**iv. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL(KMP):**

Sr. No.	Name of the Directors and KMP	Shareholding at the beginning of the year 01-04-2019		Cumulative Shareholding the end of the Year 31-03-2020	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Anurag Poddar	11	0	530626	4.941
2	Ankit Poddar	11	0	530626	4.941
3	Shrutisheel Jhanwar	25	0	25	0
4	Omprakash Singh	5	0	5	0

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

(₹ in Crores)

Particulars	Secured Loan excluding	Unsecured Loans	Deposits	Total In debtednes
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	100.03	15.80	4.52	120.35
ii) Interest due but not paid	0.13	1.96	0.00	2.09
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>100.16</b>	<b>17.76</b>	<b>4.52</b>	<b>122.44</b>
<b>Change in Indebtedness during the financial year</b>				
Net Change	(21.00)	(11.27)	2.92	37.66
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	78.67	6.40	7.44	92.51
ii) Interest due but not paid	0.37	0.09	0.00	0.46
iii) Interest accrued but not due	0.12	0.00	0.00	0.12
<b>Total (i+ii+iii)</b>	<b>79.16</b>	<b>6.49</b>	<b>7.44</b>	<b>93.09</b>

**III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**
**A. Remuneration to Managing Director, Executive Director and Whole time Director :**

(Amount in ₹)

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager			Total Amount
		Anurag Poddar *	Ankit Poddar *	Shrutisheel Jhanwar	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	-	17,52,000	17,52,000
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	-	-	20,67,480	20,67,480
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- Others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total (A)</b>	-	-	<b>3,819,480</b>	<b>3,819,480</b>
	<b>Ceiling as per Act</b>	<b>42,00,000 p.a</b>	<b>42,00,000 p.a</b>	<b>42,00,000 p.a</b>	<b>42,00,000 p.a</b>

\* Shri Anurag Poddar, Chairman and Managing Director and Shri Ankit Poddar, Executive Director have forgone their monthly remuneration due to poor financial position of the Company with effect from 1st April, 2019 and continue to do so till further communication.

**B. REMUNERATION TO OTHER DIRECTORS :**

(Amount in ₹)

Sr. no.	Particulars of Remuneration	Name of Directors				Total Amount ₹
		Harish N. Motiwalla	Rakesh N. Garodia	Meghna S. Shah	Ramanlal B. Golecha	
<b>1.</b>	<b>Independent Directors</b>					
	• Fee for attending Board/ Committee meetings	95,000	55,000	40,000	92,500	2,82,500
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (1)</b>	<b>95,000</b>	<b>55,000</b>	<b>40,000</b>	<b>92,500</b>	<b>2,82,500</b>
<b>2.</b>	<b>Other Non-Executive Directors</b>					
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others, please specify	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>95,000</b>	<b>55,000</b>	<b>40,000</b>	<b>92,500</b>	<b>2,82,500</b>
	<b>Total Managerial Remuneration</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,01,980</b>
	<b>Overall Ceiling as per the Act</b>	<b>11% of the net profit of the Company for all the Directors including MD/ED/WTD</b>				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ ED/ WTD:**

Sr. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO*	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	<b>18,98,561</b>	-	<b>18,98,561</b>
	(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>18,98,561</b>	<b>-</b>	<b>18,98,561</b>

\*please refer to the Remuneration of Shri Shrutisheel Jhanwar who is acting as CFO without any additional remuneration which he is receiving in capacity of Whole-time Director.





**IV PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
<b>A. COMPANY</b>					
PENALTY					
PUNISHMENT					
COMPOUNDING					
<b>B. DIRECTORS</b>					
PENALTY					
PUNISHMENT					
COMPOUNDING					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
PENALTY					
PUNISHMENT					
COMPOUNDING					

NIL

For and on behalf of the Board of Directors

Place : Mumbai  
Date : 17<sup>th</sup> July, 2020

**Anurag P. Poddar**  
Chairman & Managing Director  
DIN: 00599143

**ANNEXURE II**
**FORM NO. AOC- 2.**

Particulars of Contracts/ Arrangements with Related Parties

(Pursuant to section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

**Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:**

1. Details of contracts or arrangements or transactions not at arm's length basis: **NONE.**
2. Details of material contracts or arrangement or transactions at arm's length basis :  
 The Company has issued and allotted 60,00,000 – 6.5 % Non-Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 60,00,00,000/- on Preferential basis to Promoters / Promoters Group & Associates. The Shareholders have approved the same through Postal Ballot/ e-voting on 22<sup>nd</sup> June, 2019. The Allotment Committee of Board of Directors has allotted the aforesaid Preference Shares, as under:

Name(s) of the Related party and Nature of relationship.	Nature of contracts/ arrangements/ transactions.	Duration of the contracts/ arrangements/ transactions.	Salient terms of the contracts or arrangements or transaction including the value.	Date(s) of approval by Allotment Committee of the Board.	Amount paid as advances. Total Face Value ( ₹ ).
(a)	(b)	(c)	(d)	(e)	(f)
Beetee Textile Industries Limited / Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 8,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 8,00,00,000/- on Preferential basis	05/07/2019	8,00,00,000/-
Vishal Furnishing Limited/ Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 2,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 2,00,00,000/- on Preferential basis	05/07/2019	2,00,00,000/-
Vishal Furnishing Limited/ Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 8,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 8,00,00,000/- on Preferential basis	15/07/2019	8,00,00,000/-
Beetee Textile Industries Limited/ Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 2,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 2,00,00,000/- on Preferential basis	15/07/2019	2,00,00,000/-

Sanchna Trading & Finance Limited / Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 1,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 1,00,00,000/- on Preferential basis	15/07/2019	1,00,00,000/-
Smt. Vibhadevi Shrikishan Poddar / Promoter	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 4,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 4,00,00,000/- on Preferential basis	15/07/2019	4,00,00,000/-
Smt. Madhudevi P. Poddar/ Promoter	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 4,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 4,00,00,000/- on Preferential basis	15/07/2019	4,00,00,000/-
Smt. Ashadevi Rameshkumar Poddar/ Promoter	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 4,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 4,00,00,000/- on Preferential basis	15/07/2019	4,00,00,000/-
Smt. Sangeeta Pramodkumar Poddar/ Promoter	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 4,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 4,00,00,000/- on Preferential basis	15/07/2019	4,00,00,000/-
S P Finance and Trading Ltd./ Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 13,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 13,00,00,000/- on Preferential basis	17/07/2019	13,00,00,000/-
Wavelink Commercials Private Limited/ Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 2,50,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 2,50,00,000/- on Preferential basis	23/10/2019	2,50,00,000/-

Beetee Textile Industries Limited/ Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 2,50,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹100/- each aggregating ₹ 2,50,00,000/- on Preferential basis	23/10/2019	2,50,00,000/-
Vishal Furnishing Limited/ Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 3,25,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 3,25,00,000/- on Preferential basis	13/11/2019	3,25,00,000/-
S P Finance and Trading Ltd./ Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 1,00,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 1,00,00,000/- on Preferential basis	13/11/2019	1,00,00,000/-
SPG Power LLP/ Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 25,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 25,00,000/- on Preferential basis	13/11/2019	25,00,000/-
SPG Infrastructure LLP/ Promoters Group	Non-Cumulative, Redeemable Preference Shares	Not exceeding 20 years from the date of their issue or as may be determined by the Board	Issued and allotted 50,000- 6.5% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each aggregating ₹ 50,00,000/- on Preferential basis	13/11/2019	50,00,000/-
	<b>Total</b>				60,00,00,000/-

For and on behalf of the Board of Directors

**Anurag P. Poddar**  
Chairman & Managing Director  
DIN: 00599143

Place : Mumbai  
Date : 17<sup>th</sup> July, 2020



**ANNEXURE – III**
**Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014:**
**A. CONSERVATION OF ENERGY:**

(a) Energy Conservation measures taken by the Company;

(i) Electrical Energy:

The Company is regularly monitoring the overall consumption of energy periodically during the year and losses if any are identified and suitable improvement action carried out immediately.

(ii) Coal/Fuel Oil Consumption:

The Company is carrying out regular maintenance of steam lines/steam traps and user equipments to ensure high efficiency levels throughout the year, and new improvements are reviewed regularly and implemented wherever found suitable.

(b) Additional investments and proposals, if any, being implemented for reduction of Consumption of energy;

The Company is reviewing various proposals for reduction in consumption of energy, mainly by way of replacement of existing equipments by modern and energy efficient equipments.

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

The various energy conservation measures detailed above adopted by the Company have resulted in savings in energy consumption as per information given in Form 'A'.

**I. Total energy consumption and energy consumption per unit of production as per Form 'A' hereunder:**

FORM 'A'		Current Year	Previous year
<b>POWER AND FUEL CONSUMPTION:</b>			
<b>1</b>	<b>Electricity</b>		
a	Purchased		
	Units (KWH)	88,13,905	76,46,420
	Total amount (₹ in Lakhs)	954.93	791.02
	Rate/Unit (₹)	10.83	10.34
b	Own Generation		
	Units (KWH)	3,40,32,220	3,47,66,280
	Total amount (₹ in Lakhs)	1,443.16	1,296.10
	Rate/Unit (₹)	4.24	3.73
<b>2</b>	<b>Coal (specify quality and where used)</b>		
	The Company uses Steam Coal grade B/C in its Boilers		
	Quantity (Tons)	46,314.48	42,566.18
	Total Amount (₹ in Lakhs)	2,901.70	2,853.94
	Average rate (₹ /Ton)	6,265.22	6,704.71
<b>3</b>	<b>H.S.D/L.D.O./FURNACE OIL</b>		
	Quantity (K.Ltrs)	7,790.00	2,210.00
	Total Amount (₹ in Lakhs)	4.72	1.34
	Average rate (₹/KL)(Net of GST, Wherever applicable)	60.65	60.65

**II. Consumption per unit of production:**

Electricity (KWH)	Coal (Kgs)	Furnace Oil (Ltr)
0.635 (0.612)	0.780 (0.703)	0.000 (0.000)

**B. TECHNOLOGY ABSORPTION:**

Efforts made in technology absorption as per Form 'B':

**FORM 'B'****I. Research and development (R&D):**

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

Product and quality improvement, development of new products, cost control and energy conservation.

2. Benefits derived as a result of the above R&D:

The R&D activities have resulted in conserving of scarce raw materials, higher productivity and containing the costs all around.

3. Future plan of action:

Water and energy conservation and further improvement in process technology and product mix.

4. Expenditure on R&D ( ₹ in Lakhs):

(a) Capital	:	NIL
(b) Recurring	:	NIL
(c) Total	:	NIL

**II. Technology absorption, adaptation and innovation:**

1. Efforts, in brief, made towards technology absorption, adaptation and innovation:

The Company has been developing in-house modification/improvements in Process Technology in its various manufacturing sections-which, when found suitable, are integrated into the regular manufacturing operation.

2. Benefits – which, when found suitable, are integrated into the regular manufacturing operation:

- (a) Quality improvement. N.A.  
(b) Energy conservation. N.A.

**C. FOREIGN EXCHANGE EARNINGS & OUTGO:**

- (a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans;

The Export of Paper & Paper Board during the year amounted to ₹ 71.55 Crores.

- (b) Total foreign exchange used and earned (₹ in Crores)

Used: ₹ 34.49 Crore Earned: ₹ 71.55 Crores

For and on behalf of the Board of Directors

**Anurag P. Poddar**  
Chairman & Managing Director  
DIN: 00599143

Place : Mumbai  
Date : 17<sup>th</sup> July, 2020

**ANNEXURE IV****FORM NO.MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020**

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

To,  
**The Members,**  
**Balkrishna Paper Mills Limited**  
A/7, Trade World, Kamala City,  
Senapati Bapat Marg,  
Lower Parel (West),  
Mumbai - 400 013.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Balkrishna Paper Mills 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 31<sup>st</sup> March, 2020 complied with the statutory provisions of the applicable Acts 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 31<sup>st</sup> March, 2020 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") viz:-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during the period of audit]**.
  - f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share based Employee Benefits) Regulations, 2014; **[Not applicable during the period of audit]**.
  - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the period of audit]**.
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the period of audit]**.
  - i) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; **[Not applicable during the period of audit]**.
- vi. We have relied on the representation made by the Company and its Officers for systems and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations which are mentioned as under:

- a) The Factories Act, 1948 and Rules made thereunder;
- b) The Industries (Development and Regulation) Act, 1951
- c) Labour laws and other incidental laws related to labour and employees appointed by the Company;
- d) Acts and Rules prescribed under prevention and control of pollution;
- e) Acts and Rules relating to Environmental protection, energy conservation and hazardous substances and chemicals;
- f) Acts and Rules relating to boilers, electricity explosives, fire, etc.;
- g) Acts as prescribed under Direct and Indirect Tax and Goods and Service Tax;
- h) Trade Mark Act, 1999 and Copy Right Act, 1957;
- i) Legal Metrology Act, 2009;
- j) Acts as prescribed under Shops and Establishment Act of various local authorities.

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India;
- b) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the 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. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well 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. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the information provided and the representation made by the Chief Financial Officer/ Company Secretary and taken on record by the Board of Directors of the Company, in our opinion 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.

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the audit period under review, the Company has undertaken following event/action(s) having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

- a) The Company has increased the Authorised Share Capital from ₹ 36.00 Crores to ₹ 118.00 Crores and alteration of the capital clause in the Memorandum of Association of the Company;
- b) The Company has issued 60,00,000 – 6.5 % Non-Cumulative Redeemable Preference Shares of ₹ 100/- each for cash at par aggregating to ₹ 60.00 crores on preferential basis. The said preference shares are not listed on the Stock Exchanges.

**For GMJ & ASSOCIATES**  
Company Secretaries

**[CS PRABHAT MAHESHWARI]**  
PARTNER  
M. No. : FCS 2405  
COP No.: 1432  
UDIN: F002405B000470070

Place : Mumbai  
Date : 17<sup>th</sup> July, 2020

**Note:** This report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this report.



**ANNEXURE I**

To,  
The Members,  
Balkrishna Paper Mills Limited,  
A/7, Trade World, Kamala City,  
Senapati Bapat Marg,  
Lower Parel (West),  
Mumbai – 400 013.

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For GMJ & ASSOCIATES**  
Company Secretaries

**[CS PRABHAT MAHESHWARI]**  
PARTNER  
M. No. : FCS 2405  
COP No.: 1432  
UDIN: F002405B000470070

Place : Mumbai  
Date : 17<sup>th</sup> July, 2020

## CORPORATE GOVERNANCE REPORT FOR THE YEAR 2019-20

### I. Company's Philosophy

Balkrishna's philosophy on Corporate Governance aims at achieving long term viability of the business by taking into consideration the customers' satisfaction in terms of quality, cordial relationship with shareholders. Corporate Governance is a continuous process that aims to align interest of the Company with its shareholders and other stakeholders. The principal characteristics of corporate governance are transparency, independence, accountability, fairness and responsibility. The company has a strong legacy of fair, transparent and ethical governance practices and compliance with statutory and legal requirements. The Company has formulated, inter alia, various policy documents and introduced best practices of governance like Code of Conduct, Prohibition of Insider Trading Policy, Whistle Blower Policy etc.

The Company's policies on Corporate Governance and compliance thereof in respect of specific areas

for the year ended March 31, 2020, as per the format prescribed by SEBI (LODR) Regulations, 2015 (the Listing Regulations) are set out below for the information of the shareholders of the Company.

### II. Board of Directors

#### Composition:

The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors. As on March 31, 2020, the Board comprises of 7 (Seven) Directors, out of which 3(Three) are Executive and Non Independent Directors, and 4(Four) are Non-Executive and Independent Directors. The Chairman is an Executive Director designated as Chairman and Managing Director of the Company.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Name of Directors	Category of Directors	Attendance		Directorship in other Public Companies**	Committee Positions of other public companies***	
		Board	Last AGM		Chairman	Member
Shri Anurag P. Poddar *	Chairman and Managing Director –Executive & Non-Independent Director	4	Yes	-	-	-
Shri Ankit P. Poddar *	Executive & Non-Independent Director	4	Yes	-	-	-
Shri Ramanlal B. Golecha #	Non-Executive & Independent Director	5	Yes	-	-	-
Shri Harish N Motiwalla @	Non-Executive & Independent Director	5	Yes	8	4	2
Shri Rakesh N Garodia @	Non-Executive & Independent Director	3	No	4	1	4
Smt. Meghna S. Shah @	Non-Executive & Independent Director	4	Yes	-	-	-
Shri Shrutisheel Jhanwar *	Executive & Non-Independent Director	4	Yes	-	-	-

\* Term of Office of the above Executive & Non-Independent Directors is from February 11, 2018 to February 10, 2021.

# Appointed as an Independent Director w.e.f. November 20, 2017 for five years.

@ Term of office of the above three Non-Executive & Independent Directors is of 5 Consecutive years commencing from February 11, 2020 to February 10, 2025.

\*\* The Directorship held by Directors as mentioned above, do not include Alternate Directorships and Directorships in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

\*\*\*Memberships/Chairmanships of only Audit Committee and Stakeholders Relationship Committee in all other listed public limited companies have been considered.

#### Board Meetings:

During the year, 4 (Four) Board Meetings were held on May 13, 2019, July 30, 2019, October 24, 2019 and January 31, 2020 and the Annual General Meeting was held on September 9, 2019.

#### Independent Directors Meeting:

There was one Independent Directors Meeting held on March 16, 2020. All four Independent Directors were present at the said meeting.

**Board procedures:**

Agenda papers for the Board and committee meeting are finalised in consultation with concern persons. The minutes of proceeding of each board meetings are maintained in terms of statutory provisions. The minutes of committee are placed before the Board on regular basis. The Agenda and notes to agenda for the Board & Committee meetings are circulated in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under the provision of SEBI (LODR) Regulations, 2015, (Listing Regulation) / Uniform Listing Agreements the Board is also kept informed of major events/items and approvals taken wherever necessary. The Chairman & Managing Director/Executive (s), at the Board Meetings, keeps the Board apprised of the overall performance of the Company.

**Performance Evaluation:**

During the year under review, the Board designed and conducted a formal evaluation mechanism for evaluating performance of the Board, its Committees and individual directors including the Chairman and Managing Director of the Company.

**Familiarisation Programme for Board Members:**

The Company designed the programmes and measures to familiarise Independent Directors regarding Company, its business, updates, growth includes various measures i.e. issue of appointment letters containing the terms of appointment, duties, responsibilities etc. The policy and programme aims to provide insights into the Company to enable independent directors to understand the business, manufacturing, finance and other related matters. The details of such familiarisation programmes have been displayed under the head Investor on the Company's website at www.bpml.in.

**III. Audit Committee**
**Terms of Reference:**

The scope of activities of the Audit Committee is as set out in Regulation 18, Part C of Schedule II of SEBI (LODR) Regulations, 2015 (Listing Regulation) read with Section 177 of the Companies Act, 2013. These broadly includes oversights of financial reporting process, review reports of the Internal Auditors and to discuss the same with them periodically, to meet Statutory Auditors to discuss their findings/suggestions, to review weaknesses in internal controls reported by Internal and Statutory Auditors and internal control systems, appointment and payment to statutory auditors, approval of related party transactions, to review quarterly/half yearly/annual financial results and other matters.

**Audit Committee Composition:**

The Audit Committee consists 3 (three) Independent

Directors and 1 (one) Whole time Director having requisite knowledge of Finance, Accounts and Company Law. The composition of the Audit Committee meets with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 (1) of SEBI (LODR) Regulations, 2015. The Company Secretary, Shri Omprakash Singh, acts as the Secretary of the Committee. The Chairman of the Committee was present at the last Annual General Meeting.

**Audit Committee Meetings:**

During the year under review, the Committee met 4 (four) times on May 13, 2019, July 30, 2019, October 24, 2019 and January 31, 2020.

**Name of the Committee Members along with their attendance is given below:**

Name of the Member	Designation	No. of meeting attended
Shri Ramanlal B. Golecha	Chairman	4
Shri Harish N. Motiwalla	Member	4
Shri Rakesh N. Garodia	Member	2
Shri Shrutisheel Jhanwar	Member	4

**IV. Nomination and Remuneration Committee:**
**Terms of Reference:**

Terms of reference of the Nomination and Remuneration Committee includes the matters specified under section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015 (Listing Regulation). The main reference includes formulation of remuneration policy, remuneration payable and determining the package to the Managing Directors, Executive Directors and Whole-time Directors, commission to be paid to the Directors.

**Nomination and Remuneration Committee Meetings:**

During the year under review, there were one Meeting held on 13<sup>th</sup> May, 2019.

**Nomination and Remuneration Committee Composition, Meetings held and Attendance:**
**Composition:**

The Committee consists of three wholly Non-Executive and Independent Directors, as under:

**Name of the Committee Members along with their attendance is given below:**

Name of the Member	Designation	No of Meeting attended
Shri Ramanlal B. Golecha	Chairman	1
Shri Harish N. Motiwalla	Member	1
Shri Rakesh N. Garodia	Member	1

All the Members of this Committee are an Independent Director.

**Remuneration Policy:**

The Board on recommendation of Nomination and Remuneration Committee approved Remuneration Policy (Nomination and Remuneration policy has been posted on the website of the Company at www.bpml.in) for Directors, KMP and Senior Management Employees as numerated below:

**Remuneration of Non Executive Directors**

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/ Committee meetings and commission, if any, subject to approval of the members.

**Remuneration of Managing Director / Executive Director / Whole Time Director.**

- At the time of appointment or re-appointment of the Managing Director/Executive Director/ Whole Time Director, such remuneration shall be paid as may be mutually agreed between the Company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the Managing Director /Executive Director / Whole Time Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

- The remuneration of the Managing Director/Executive Director/Whole Time Director are broadly divided into Basic Salary, Allowances, perquisites, amenities, retirement benefits and commission (subject to availability of profits).
- In determining the remuneration the Nomination and Remuneration Committee shall ensure/ consider the following :-
  - The relationship of remuneration and performance benchmark is clear.
  - Responsibility required to be shouldered by the Managing Director/ Executive Director/Whole Time Director, the industry benchmarks and the current trends.
  - The company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs/KPIs.

**Remuneration of Senior Management Employees:**

The Board, on the recommendations of the Nomination and Remuneration Committee approves the remuneration payable to the KMP and Senior Management Personnel. The structure of remuneration payable to KMP and Senior Management Personnel will be in accordance with the compensation framework adopted for employees by the HR department of the Company.

**Details of Directors' Remuneration \* for the year 2019-20 are given below:-**

(₹ in Lacs)

Name of Director	Salary & Other Perquisites	Sitting Fees	Commission	Total Remuneration
Shri Anurag Poddar #	-	-	-	-
Shri Ankit Poddar #	-	-	-	-
Shri Shrutisheel Jhanwar	38.19	-	-	38.190
Shri Harish N. Motiwalla	-	0.950	-	0.950
Shri Rakesh N. Garodia	-	0.550	-	0.550
Smt. Meghna S. Shah	-	0.400	-	0.400
Shri Ramanlal B. Golecha	-	0.9250	-	0.9250
<b>Total</b>	<b>38.19</b>	<b>2.825</b>	<b>-</b>	<b>41.015</b>

\* Remuneration includes Basic Salary, Allowance and Perquisites.

# Shri Anurag Poddar, Chairman and Managing Director and Shri Ankit Poddar, Executive Director have forgone their monthly remuneration due to poor financial position of the Company with effect from 1<sup>st</sup> April, 2019

**V. Stakeholders Relationship Committee:**
**Terms of Reference:**

Term of Reference and role of the Stakeholders Relationship Committee includes the matters specified under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Stakeholders Relationship Committee deals with all matters relating to Stakeholders/Investors Grievance and its redressal.

**Stakeholders Relationship Committee Meetings:**

During the year, there was one meeting held on 16<sup>th</sup> March, 2020.

**Name of the Committee Members along with their attendance is given below:**

Name of the Member	Designation	No of Meeting attended
Shri Rakesh N. Garodia	Chairman	1
Shri Harish N. Motiwalla	Member	1
Shri Anurag Poddar	Member	1
Shri Shrutisheel Jhanwar	Member	1

**Stakeholders Grievance Redressal:**

During the year ended March 31, 2020, no Shareholders' Complaints were received. There were no outstanding complaints at the end of the year.



The Company Secretary, Shri Omprakash Singh, has been designated as Compliance Officer.

#### VI. Other Committees:

##### Share Transfer Committee:

##### Terms of Reference:

The Share Transfer Committee deals with all matters relating to transfer of Shares, issue of duplicate/new shares, sub-divided and consolidated share certificates, demat / remat.

##### Share Transfer Committee Meetings:

During the year under review, the Committee met 3 (three) times on 8<sup>th</sup> April, 2019, 15<sup>th</sup> July, 2019 and 7<sup>th</sup> November, 2019.

**Name of the Committee Members along with their attendance is given below:**

Name of the Member	Designation	No of Meeting attended
Shri Anurag Poddar	Chairman	3
Shri Ankit Poddar	Member	1
Shri Shrutisheel Jhanwar	Member	3
Shri Omprakash Singh	Member	3

##### Finance Committee

##### Terms of Reference:

The Finance Committee deals with matters relating to exercising borrowing powers delegated by the Board and opening/closing bank accounts and other banking matters.

##### Finance Committee Meeting:

During the year under review, the Committee met 2 (Two) times on 30<sup>th</sup> April, 2019 and 19<sup>th</sup> December, 2019.

**Name of the Committee Members along with their attendance is given below:**

Name of the Member	Designation	No of Meeting attended
Shri. Anurag Poddar	Chairman	2
Shri Ankit Poddar	Member	2
Shri Shrutisheel Jhanwar	Member	2

#### VII. Independents Directors Meeting.

All the Independents Directors' of the company met once on 16<sup>th</sup> March, 2020 during the Financial year, inter-alia, to consider:

- the performance for Non-Independent Directors and the Board as a whole.
- the performance of the Chairman and Managing Director of the Company.
- assessing the quality, quantity and timeliness of flow of information.

#### VIII. Information on Annual General Meeting:

Financial Year	Date	Time	Venue
2016-17	19 <sup>th</sup> July, 2017	2.30 p.m.	Sunville 9, Dr. Annie Besant Road, Worli, Mumbai 400018.
2017-18	5 <sup>th</sup> September, 2018	2.30 p.m.	Walchand Hirachand Hall, 4 <sup>th</sup> floor, IMC chamber of Commerce and Industry, IMC Building, IMC Marg, Churchgate, Mumbai-400020.
2018-19	9 <sup>th</sup> September, 2019	2.30p.m	"18.99 Latitude Banquets", 4 <sup>th</sup> Floor, Trade View Building, Gate No.4, Kamala Mills Compound, Lower Parel, Mumbai- 400013.

The following are the special resolutions passed at AGM/EOGM during last three financial years.

Date of AGM/EOGM	Summary of Special Resolution passed
19.07.2017	<ul style="list-style-type: none"> <li>Increase in Authorised Share Capital of the Company from ₹11 Crores to ₹ 36 crores and amendments of existing clause V (a) of the Memorandum of Association with new clause V(a).</li> <li>Offer or invite to subscribe, issue and allot 25,00,000 9% Cumulative Redeemable Preference Shares of ₹ 100/- each for cash at par on private placement basis.</li> </ul>
05.09.2018	<ul style="list-style-type: none"> <li>Appointment of Shri. Ramanlal B. Golecha as an Independent Non-Executive Director of the Company.</li> </ul>
09.09.2019	<ul style="list-style-type: none"> <li>Appointment of Shri Harish N. Motiwala as Independent Non-Executive Director of the Company for the term form 11<sup>th</sup> February, 2020 to 10<sup>th</sup> February, 2025.</li> <li>Appointment of Shri Rakesh N. Garodia as Independent Non-Executive Director of the Company for the term form 11<sup>th</sup> February, 2020 to 10<sup>th</sup> February, 2025.</li> <li>Appointment of Smt Meghna S. Shah as Independent Non-Executive Director of the Company for the term form 11<sup>th</sup> February, 2020 to 10<sup>th</sup> February, 2025.</li> </ul>

##### Special Resolutions passed through postal ballot

During the Financial Year 2016-17, the following special resolution passed through Postal Ballot as provided under Section 110 of the Companies Act, 2013:

##### Change of Name of the company from Nirvikara Paper Mills Limited to Balkrishna Paper Mills Limited

Special Resolution pursuant to the section 13 and section 14 of the Companies Act, 2013, Companies (Incorporation) Rules, 2014 and other applicable provisions and rules, if any, of the Companies Act 2013, Regulation 45 of the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, for change of the existing name of the Company from "Nirvikara Paper Mills Limited" to "Balkrishna Paper Mills Limited" through postal ballot notice dated 1<sup>st</sup> July, 2016.

#### IX. Code of Conduct

The code of conduct for the Directors and the Employees of the Company has been laid down by the Board and it is internally circulated and necessary declaration has been obtained. Declaration regarding compliance by Board Members and Senior Management with the said code is given in **Annexure-A** to this Report. In addition the Company has framed a Code of Conduct for Prevention of Insider Trading based on SEBI (Insider Trading) Regulations, 1992. The Code is applicable to all the Directors and Designated Employees. The Code also aims to prevent dealing in the shares by persons having access to unpublished price sensitive information.

#### X. Disclosures:

1. During the year under review, there were no materially significant transactions with related parties that may have potential conflict with the interest of the Company. All Related party transactions have been disclosed in the notes to financial statements and in Board's Report.
2. No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
3. All Indian Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
4. The Company has a well-defined Risk Management Policy covering identifying business risks of the Company and laying procedures for minimizing the risk.
5. No money was raised by the Company through public issue, rights issue, preferential issues etc., in the last financial year.

6. The Company has a Whistle Blower Policy for Directors and Employees for establishing a vigil mechanism to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's code of conduct or ethical policy. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. No employee of the Company was denied access to the Audit Committee. The protected disclosure should be made to the Chairman of the Audit Committee to the email ID: [rbgolecha@rediffmail.com](mailto:rbgolecha@rediffmail.com).
7. The Company is in compliance with all mandatory requirements of SEBI (LODR) Regulations, 2015 and the adoption non-mandatory requirements are being reviewed by the Board from time-to-time.
8. There were no pecuniary relationships or transactions of non-executive director's vis-à-vis the Company during the year under review, except payment of sitting fees & in the case of Advocate Sukesh Shah who is relative of independent director, Smt. Meghna Sukesh Shah.

#### XI. Means of Communication:

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and annual results and announces forthwith results to all the Stock Exchanges, where the shares are listed. The same are published in one English daily newspaper and one in Marathi newspaper (Mumbai edition) and displayed on the Company's website at [www.bpml.in](http://www.bpml.in).

Annual Report containing inter-alia, Board's Report, Auditor's Report, Audited Financial Statements etc. circulated to members and others entitled thereto. The Annual Report is also available on the website of the Company.

**Website:** The Company's website [www.bpml.in](http://www.bpml.in) contains an exclusive head "Investor Relations" where shareholders information is available. Quarterly and annual financial results, annual report, notice of AGM, shareholding pattern, corporate governance etc. are also available on the website.

**XII. General Shareholder Information:**

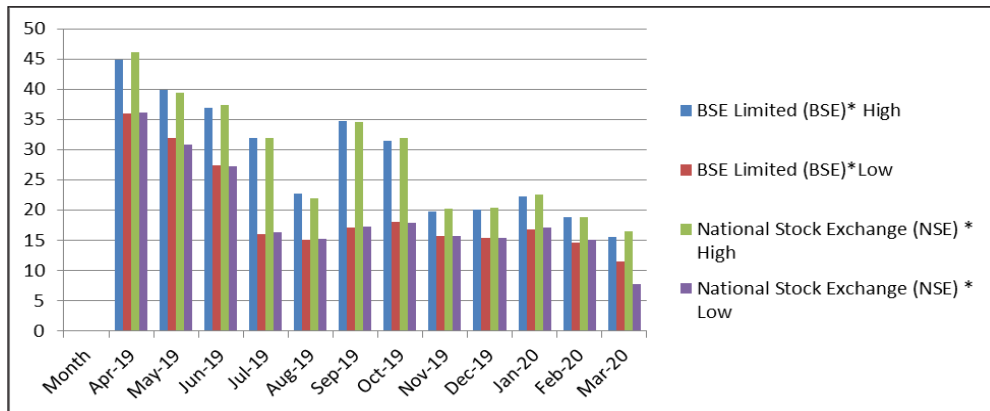
1.	<b>Annual General Meeting :</b> Day/ Date: Time : Venue:	<b>Friday, 04.09.2020</b> <b>3.00 p.m.</b> <b>Through Video Conferencing/Other Audio Visual means.</b>
2.	<b>Financial Calendar (Tentative)</b>	
	Financial Year of the Company	1 <sup>st</sup> April, 2020 to 31 <sup>st</sup> March, 2021.
	Results for the Quarter ending: June 30, 2020 September 30, 2020 December 31, 2020 March 31, 2021	On or before 14 <sup>th</sup> August, 2020. On or before 14 <sup>th</sup> November, 2020 On or before 14 <sup>th</sup> February, 2021 On or before 15 <sup>th</sup> May, 2021 (Unaudited) Or on or before 30 <sup>th</sup> May, 2021 (Audited).
3.	<b>Date of Book Closure:</b>	<b>29.08.2020 to 04.09.2020 (both days inclusive).</b>
4.	<b>Dividend</b>	The Board has not recommended the dividend for the year under review.
5.	<b>Listing of Equity Shares on the Stock Exchanges:</b>	1. BSE Limited. P. J. Towers, Dalal Street, Fort, Mumbai 400 001. 2. National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex Bandra (East), Mumbai 400 051. The Company has paid annual listing fee for the F.Y. 2020-21.

**6. Stock Code/Symbol:**

(a) Stock Exchange	Stock Code/ Symbol
1. Bombay Stock Exchange Ltd. 2. National Stock Exchange of India Ltd.	539251 BALKRISHNA
(b) Demat ISIN Number in NSDL & CDSL for Equity Shares	INE875R01011

**7. Stock Market Price Data:**

Month	BSE Limited (BSE)		National Stock Exchange (NSE)	
	High ₹	Low ₹	High ₹	Low ₹
April-2019	44.80	36.00	46.10	36.15
May-2019	39.80	31.85	39.40	30.75
June-2019	36.90	27.45	37.45	27.25
July-2019	31.90	16.00	31.90	16.25
Aug-2019	22.65	15.05	21.90	15.15
Sep-2019	34.65	17.15	34.55	17.25
Oct-2019	31.45	18.05	31.85	17.80
Nov-2019	19.70	15.75	20.25	15.75
Dec-2019	20.00	15.40	20.35	15.40
Jan-2020	22.25	16.75	22.50	17.10
Feb-2020	18.75	14.55	18.85	15.00
Mar-2020	15.48	11.40	16.40	7.75

**8. Chart**

**9. Registrar and Transfer Agents:**

<b>Name &amp; Address:</b> Sharex Dynamic (India) Pvt. Ltd. C-101,247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083.	Tel : 022- 2851 5606/ 2851 5644 Fax: 022- 2851 2885, Email : <a href="mailto:support@sharexindia.com">support@sharexindia.com</a> Website : <a href="http://www.sharexindia.com">www.sharexindia.com</a>
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**10. Share Transfer System:**

The shares received for transfers duly completed in all respect in physical form are registered and dispatched normally within three weeks. Demat confirmations are normally sent within two weeks. All transfer requests received are processed and approved by the Share Transfer Committee.

**11. Distribution of Shareholding as on 31<sup>st</sup> March, 2020.**

Sr. No.	No. of shares	Holding	Amount (₹)	% to Capital	No. of Holders	%to Total Holders
1	UPTO TO 100	187256	1872560	1.744	8327	70.844
2	101 TO 200	154721	1547210	1.441	958	8.150
3	201 TO 500	419927	4199270	3.910	1154	9.818
4	501 TO 1000	488460	4884600	4.548	600	5.105
5	1001 TO 5000	1278295	12782950	11.902	574	4.883
6	5001 TO 10000	542456	5424560	5.051	76	0.647

7	10001 TO 100000	1191368	11913680	11.093	52	0.442
8	100001 TO BOVE	6477361	64773610	60.311	13	0.111
	<b>TOTAL</b>	<b>10739844</b>	<b>107398440</b>	<b>100.000</b>	<b>11754</b>	<b>100.000</b>

**12. Shareholding pattern as on 31st March, 2020.**

Sr.No.	Category	No. of shares held	Percentage of Shareholding
1	Promoters	6304874	58.705
2	Banks/Financial Institutions	27	0.000
3	FII/OCBs/Foreign Companies	0	0.000
4	Private Corporate Bodies	515145	4.797
5	Mutual Funds/UTI/Insurance Cos	866	0.008
6	Non Residents Individuals	61271	0.571
7	Indian Public /Trusts	3857661	35.919
	<b>TOTAL</b>	<b>10739844</b>	<b>100.000</b>

**13. Dematerialization of shares and liquidity:**

98.63% of the Company's paid up Equity Share

Capital is held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) as on March 31, 2020.

**14. Outstanding GDRs / ADRs / Warrants or any Convertible instruments:**

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2020, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

**15. Commodity price risk or foreign exchange risk and hedging activities.**

Risks are associated with various forex exposures like translation, transaction, economic etc. which the Company would have on risk on net import side. Import exposures include Trade Payables, Trade Buyer's Credit, Interest Payable, CAPEX Buyer's Credit etc. and Export Exposure Includes Trade Receivable etc.

There are various financial instruments for hedging which are available to mitigate these risks like Forward Contracts, Option Contracts and interest rate swap. Based on the risks involved in the hedging instrument, the Company is normally using Forward Cover as measure for mitigating the Forex Volatility.

The ECB Loan in Foreign Currency are fully hedged. Further, the Company has hedged the interest rate swap on the said ECB Loan also.

**16. Plant Locations:**

- 1. Ambivali Plant:** Unit-1 (Paper/Paper Board & Coating Plant), Village Ambivali P.O. Mohane, Taluka Kalyan, Dist Thane-421102.
- 2. Bhiwandi Plant:** Unit- 2 (Cutting & Packing Unit) Building No. F3 & F4 Bhiwandi Nashik Road, Village Dhamangoan, Taluka Bhiwandi, Dist. Thane-421302.

**17. Address for Correspondence:****BALKRISHNA PAPER MILLS LIMITED****Registered Office**

A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel (W), Mumbai- 400013.

Tel. No: 022- 6120 7900; Fax No.: 022-6120 7999

Website : [www.bpml.in](http://www.bpml.in); Email: [opsingh@bpml.in](mailto:opsingh@bpml.in)

**REGISTRAR & SHARE TRANSFER AGENT**

Sharex Dynamic (India) Pvt. Ltd.

C-101,247 Park, L.B.S. Marg, Vikhroli West , Mumbai 400 083.

Tel: 022-2851 5606/ 2851 5644; Fax: 022-2851 2885,

Email : [support@sharexindia.com](mailto:support@sharexindia.com)

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

**Anurag P. Poddar**  
Chairman & Managing Director  
DIN: 00599143

Place : Mumbai

Date : 17<sup>th</sup> July, 2020

**Annexure – A****Declaration**

In accordance with the Regulation 26(3) of the SEBI (LODR) Regulations 2015, I, hereby declare that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company laid down for them, for the financial year ended March 31, 2020.

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

**Anurag P. Poddar**  
Chairman & Managing Director  
DIN: 00599143

Place : Mumbai

Date : 17<sup>th</sup> July, 2020

**CERTIFICATION BY CHAIRMAN AND MANAGING DIRECTOR / CHIEF FINANCIAL OFFICER TO THE BOARD**

We, the undersigned, in our respective capacities as Chairman and Managing Director and Chief Financial Officer of the Company to the best of knowledge and belief certify that:

- We have reviewed financial statements for the year and that to the best of our knowledge and belief :
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements give a true and fair view of the state of affairs of Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- We accept overall responsibility for the Company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and report significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.

We indicate to the Auditors and to the Audit Committee:

- significant changes in internal control over financial reporting during the year;
- significant changes in accounting policies during the year;



- iii) instances of significant fraud of which we have become aware of and which involve management or other employees who have a significant role in the Company's internal control system over the financial reporting. However, during the year there were no such changes or instances.

**For BALKRISHNA PAPER MILLS LIMITED****Anurag P. Poddar**

Chairman & Managing Director  
DIN: 00599143

**Shrutisheel Jhanwar**

Whole Time Director & CFO  
DIN: 03582803

Place : Mumbai

Date : 17<sup>th</sup> July, 2020

**INDEPENDENT AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE****To the Members of BALKRISHNA PAPER MILLS LIMITED**

1. The Corporate Governance Report prepared by Balkrishna Paper Mills 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 31<sup>st</sup> March, 2020. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

**Management's Responsibility for compliance with the conditions of SEBI Listing Regulations**

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 in the form of an opinion whether the Company has complied with the condition of Corporate Governance, as stipulated in the Listing Regulation.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for

the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures includes 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.
8. 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 information or the financial statements of the Company taken as a whole.

**Opinion**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 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, 2020, referred to in paragraph 1 above.

**Other matters and restriction on use**

10. This Report 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.
11. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**FOR JAYANTILAL THAKKAR & CO**

Chartered Accountants  
(Firm Reg .No.104133W)

**VIRAL A. MERCHANT**

PARTNER

Membership No.116279

UDIN:20116279AAAAAW6472

Place : Mumbai

Date : 17<sup>th</sup> July, 2020

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF  
**BALKRISHNA PAPER MILLS LIMITED**

### Report on the audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Balkrishna Paper Mills Limited ('the Company'), which comprise the balance sheet as at 31<sup>st</sup> March 2020, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2020, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Material Uncertainty Related to Going Concern

We draw attention to Note No. 43 with respect to the losses incurred by the company and erosion of its net worth and preparation of the financial statements on going concern assumption, based on the reasons and assumptions stated in the aforesaid note. The company's ability to continue as a going concern is dependent on generation of the expected cash flows to be able to meet its obligations as and when they arise.

Our opinion is not modified in respect of the same.

#### Emphasis of Matter

We draw attention to Note No.44 of the accompanying financial results, which describes the management's evaluation of impact of uncertainties related to COVID-19 and its consequential effects on the operations of the Company.

Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended 31<sup>st</sup> March, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Revenue recognition

In view of continued losses, the Company's performance is dependent on proper accounting of Revenue and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.

#### Auditor's response

Our audit procedures with regard to revenue recognition included testing controls, automated and manual, dispatches/deliveries, inventory reconciliations and assessing the recoverability of trade receivable balances, substantive testing for cut-offs and analytical review procedures.

#### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and

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

In preparing the financial statements, management and Board of Directors are 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.

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

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 control 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 with reference to financial statements 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 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 auditors' 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  - (A) 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), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) In our opinion, the managerial remuneration for the year ended 31<sup>st</sup> March, 2020 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March, 2020 on its financial position in its financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR JAYANTILAL THAKKAR & CO**  
Chartered Accountants  
(Firm Reg .No.104133W)

**VIRAL A. MERCHANT**  
PARTNER

Membership No.116279  
UDIN: 20116279AAAAAV3270

Place : Mumbai  
Date : 17<sup>th</sup> July, 2020



**ANNEXURE - A TO AUDITORS' REPORT**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2020, we report that:

- (i) (a) In our opinion, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of these fixed assets has been conducted by the management at intervals during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and 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) As explained to us physical verification of inventory has been conducted at reasonable intervals by the management and discrepancies noticed on such physical verification between physical stocks and book records were not material considering the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties as covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to loans, investments and guarantees made.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government, the maintenance of cost records have been prescribed under Section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the records of the Company and the information and explanations given to us,

the Company has been generally regularly depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales-Tax, Service tax, Duty of Customs, Duty of Excise, Value added Tax, Goods and Service Tax, Cess and any other statutory dues applicable to it. There are no material undisputed statutory dues as referred to above as at 31<sup>st</sup> March, 2020 outstanding for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us, the dues in respect of Sales Tax, Cess and Excise Duty that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below :-

Name of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the Amount Relates	Forum where dispute is pending
Sales Tax Act	Sales Tax (Including Interest and Penalty)	34.81 228.22	1991-1992 2002-2003	Jt. Commissioner of Sales Tax (Appeals) Assessing Authority
Water Cess	Cess	277.97	1992-2020	Court of Civil Judge, Senior Division, Thane
Central Excise Act	Excise Duty (Including Interest and Penalty)	1.22	2008-2015	Assessing Authority

- (viii) Based on our audit procedures and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans from bank. Further as per the records of the Company, during the year there were no loans or borrowings from any financial institution, government or debenture holders.
- (ix) In our opinion and according to the information and the explanations given to us, the term loans have been applied for the purposes for which they were obtained. Further as per the records, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments).
- (x) Based upon the audit procedures performed and to the best of our knowledge and belief and according to the information and explanations given to us no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration 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, paragraph 3(xii) of the Order is not applicable.
- (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 give 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 not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR JAYANTILAL THAKKAR & CO**

Chartered Accountants  
(Firm Reg .No.104133W)

**VIRAL A. MERCHANT**

PARTNER

Membership No.116279

UDIN: 20116279AAAAAV3270

Place : Mumbai

Date : 17<sup>th</sup> July, 2020

**ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT  
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 Balkrishna Paper Mills Limited ("the Company") as of 31<sup>st</sup> March 2020 in conjunction with our audit of the 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 Companies Act, 2013.

**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 Companies Act, 2013, 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For JAYANTILAL THAKKAR & CO.**

Chartered Accountants  
(Firm Reg. No. 104133W)

**VIRAL A. MERCHANT**

Partner  
Membership No. 116279

UDIN: 20116279AAAAAV3270

Place : Mumbai  
Date : 17th July, 2020

**BALANCE SHEET AS AT 31ST MARCH, 2020**

(₹ in Lakhs)

PARTICULARS	Note No.	As at 31st March, 2020	As at 31st March, 2019
<b>I. ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Property, plant and equipment	2	14,534.13	14,929.15
(b) Capital work-in-progress		83.05	301.72
(c) Intangible assets	3	4.22	9.82
(d) Right of use assets	4	28.08	-
(e) Financial Assets			
-Other financial assets	5	150.83	348.26
(f) Income tax assets (Net)	6	5.25	89.16
(g) Other non-current assets	7	11.52	12.26
<b>Total Non-current assets</b>		<b>14,817.08</b>	<b>15,690.37</b>
<b>2 Current assets</b>			
(a) Inventories	8	2,614.68	2,817.84
(b) Financial assets			
(i) Trade receivables	9	1,137.41	1,573.53
(ii) Cash and cash equivalents	10	11.00	12.49
(iii) Bank balance other than (iii) above	11	10.00	10.00
(iv) Other financial assets	12	474.87	45.89
(c) Other current assets	13	534.44	618.57
<b>Total current Assets</b>		<b>4,782.40</b>	<b>5,078.32</b>
<b>Total Assets</b>		<b>19,599.48</b>	<b>20,768.69</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	14	1,073.98	1,073.98
(b) Other equity	15	(7,868.30)	(4,399.26)
<b>Total Equity</b>		<b>(6,794.32)</b>	<b>(3,325.28)</b>
<b>2 Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	14,453.57	9,718.48
(ii) Lease Liability	4	23.18	-
(iii) Other financial liabilities	17	624.53	726.13
(b) Deferred tax liabilities (Net)	18	2,078.23	1,885.37
(c) Provisions	19	58.44	46.79
<b>Total Non-current liabilities</b>		<b>17,237.95</b>	<b>12,376.77</b>
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	1,739.56	3,727.94
(ii) Lease Liability	4	6.11	-
(iii) Trade payables	21		
(a) Total outstanding dues of micro enterprises and small enterprises		62.68	128.77
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,224.81	6,215.29
(iv) Other financial liabilities	22	1,967.85	1,442.67
(b) Other current liabilities	23	84.26	139.23
(c) Provisions	24	70.58	63.30
Total Current liabilities		<b>9,155.85</b>	<b>11,717.20</b>
<b>Total Equity and liabilities</b>		<b>19,599.48</b>	<b>20,768.69</b>

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 1 to 45**

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

**For JAYANTILAL THAKKAR & CO.**
**Chartered Accountants**

(Firm Reg. No. 104133W)

**VIRAL A. MERCHANT**

Partner

Membership No. 116279

**For and on behalf of the Board of Directors**
**Anurag P Poddar**  
 Chairman & Managing Director

**Shrutisheel Jhanwar**  
 Whole-time Director & CFO

**Omprakash Singh**  
 Company Secretary

Place : Mumbai,

Dated : 17th July, 2020

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020**

(₹ in Lakhs)

PARTICULARS	Note No.	Current Year	Previous Year
I Revenue from operations	25	<b>19,610.59</b>	21,434.62
II Other Income	26	<b>22.09</b>	10.73
III <b>Total income (I+II)</b>		<b>19,632.68</b>	21,445.35
IV <b>Expenses :</b>			
Cost of materials consumed	27	<b>11,767.98</b>	14,067.09
Changes in inventories of finished goods and work-in-progress	28	<b>(4.95)</b>	4.68
Employee benefits expense	29	<b>1,225.41</b>	1,348.78
Finance cost	30	<b>1,286.29</b>	1,435.45
Depreciation and other amortisation expense	31	<b>662.11</b>	660.89
Other expenses	32	<b>7,966.03</b>	8,292.37
<b>Total expenses (IV)</b>		<b>22,902.87</b>	25,809.26
V Loss before tax (III-IV)		<b>(3,270.19)</b>	(4,363.91)
VI Tax expense:			
- Current tax- MAT		-	-
- Tax Adjustment For Earliar years		<b>(11.59)</b>	-
- Deferred tax		<b>197.43</b>	(140.01)
VII Loss for the period (V-VI)		<b>(3,456.03)</b>	(4,223.90)
VIII <b>Other comprehensive Income (OCI)</b>			
Items that will not be reclassified to Profit and Loss (Net of tax)		<b>(17.58)</b>	12.73
Income Tax		<b>4.57</b>	(2.73)
Total comprehensive income for the period (VII + VIII)		<b>(3,469.04)</b>	(4,213.90)
IX Earnings per equity share:	36		
Basic and Diluted		<b>(32.18)</b>	(39.33)

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS 1 to 45**

The Notes referred to above form an integral part of the Financial Statements.

As per our report of even date attached

**For JAYANTILAL THAKKAR & CO.**  
**Chartered Accountants**  
 (Firm Reg. No. 104133W)

**For and on behalf of the Board of Directors**
**VIRAL A. MERCHANT**  
 Partner  
 Membership No. 116279

**Anurag P Poddar**  
 Chairman & Managing Director

**Shrutisheel Jhanwar**  
 Whole-time Director &  
 CFO

**Omprakash Singh**  
 Company Secretary

 Place : Mumbai,  
 Dated : 17th July, 2020



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

(₹ in Lakhs)

Particulars	Current Year	Previous Year
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Loss before Tax	(3270.19)	(4363.91)
Adjustment for :		
Depreciation and Amortisation	662.11	660.89
Finance Cost	1,286.29	1,435.45
Interest Income	(20.60)	(0.93)
Profit on Sale of Current Investment	(0.81)	(9.30)
Profit on Sale of Fixed Assets (Net)	(0.68)	-
Unrealised Foreign Exchange differences (Gain) / Loss	469.94	163.47
Retiring Gratuities	16.42	15.48
Leave Encashment	9.48	1.45
	<b>2422.15</b>	<b>2266.51</b>
Operating (loss) before working capital changes	<b>(848.04)</b>	<b>(2097.40)</b>
Adjustment for:		
Trade and other receivables	313.52	1544.00
Inventories	203.16	(236.01)
Trade payables	(1,156.25)	445.83
	<b>(639.57)</b>	<b>1753.82</b>
Cash generated from operations	<b>(1487.61)</b>	<b>(343.58)</b>
Direct taxes refund received/ (paid)	95.50	3.42
Gratuity paid	(14.68)	0.00
Leave Encashment paid	(9.89)	(8.33)
Net cash from Operating Activities	<b>(1416.68)</b>	<b>(348.49)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Profit on Sale of Current Investment	0.81	9.30
Purchase of Property, plant and equipment	(40.36)	(249.00)
Sale of Property, plant and equipment	0.68	-
Interest received	19.95	-
Net cash used in Investing Activities	<b>(18.92)</b>	<b>(239.70)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
(Repayment)/ Proceeds of Short Term Borrowings (Net)	(1988.38)	274.36
(Repayment) of Long Term Borrowings	(1964.76)	(433.00)
Proceeds of Long Term Borrowings	6600.00	1,800.00
Lease Liability Paid	(8.04)	-
Finance Cost Paid	(1204.71)	(1,050.19)
Net Cash from Financing Activities	<b>1434.11</b>	<b>591.17</b>
Net Decrease in cash and cash equivalent	<b>(1.49)</b>	<b>2.98</b>
Cash and cash equivalent as at the beginning of the year	<b>12.49</b>	<b>9.51</b>
Cash and cash equivalent as at the end of the year	<b>11.00</b>	<b>12.49</b>

**Note :**

Direct Taxes paid on income are treated as arising from Operating Activities and are not bifurcated between Investing and Financing Activities.

As per our report of even date attached  
**For JAYANTILAL THAKKAR & CO.**  
**Chartered Accountants**  
(Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

**VIRAL A. MERCHANT**  
Partner  
Membership No. 116279

**Anurag P. Poddar**  
Chairman & Managing Director

**Shrutisheel Jhanwar**  
Whole-time Director & CFO

**Omprakash Singh**  
Company Secretary

Place : Mumbai,  
Dated : 17th July, 2020



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH , 2020**
**(a) Equity share capital**

(₹ in Lakhs)

Particulars	No. of Shares	Amount
Balance as at 1st April 2018	1,07,39,844	1,073.98
Changes in equity share capital	-	-
Balance as at 31st March 2019	1,07,39,844	1,073.98
Changes in equity share capital	-	-
<b>Balance as at 31st March 2020</b>	<b>1,07,39,844</b>	<b>1,073.98</b>

**(b) Other Equity**

Particulars	Reserves and Surplus		Statement of other comprehensive income	
	Capital reserve	Retained earnings	Remeasurements of the net defined benefit Plans	Total Other Equity
<b>Balance as at 1st April 2018</b>	<b>5,092.25</b>	<b>(5,268.14)</b>	<b>(9.47)</b>	<b>(185.36)</b>
<b>Total Comprehensive</b>				
Loss for the year	-	(4,223.90)		(4,223.90)
Other comprehensive income for the year	-	-	10.00	10.00
<b>Balance as at 31st March 2019</b>	<b>5,092.25</b>	<b>(9,492.04)</b>	<b>0.53</b>	<b>(4,399.26)</b>
<b>Total Comprehensive</b>				
Loss for the year	-	(3,456.03)		(3,456.03)
Other comprehensive income for the year	-	-	(13.01)	(13.01)
<b>Balance as at 31st March 2020</b>	<b>5,092.25</b>	<b>(12,948.07)</b>	<b>(12.48)</b>	<b>(7,868.30)</b>

As per our report of even date attached  
**For JAYANTILAL THAKKAR & CO.**  
 Chartered Accountants  
 (Firm Reg. No. 104133W)

For and on behalf of the Board of Directors

**VIRAL A. MERCHANT**  
 Partner  
 Membership No. 116279

**Anurag P. Poddar**  
 Chairman & Managing Director

**Shrutisheel Jhanwar**  
 Whole-time Director & CFO

**Omprakash Singh**  
 Company Secretary

Place : Mumbai,  
 Dated : 17th July, 2020

**NOTE 5 FORMING PART OF THE FINANCIAL STATEMENT**
**Note No. 1**
**(A) General information**

Balkrishna Paper Mills Limited ('the Company') is engaged in the business of manufacturing and selling of "Paper and Paper Boards" which are used mainly for packaging industry, catering to the needs of Pharmaceuticals, Cosmetics, Health Care products, readymade garments, Food Products, Match boxes and mainly for FMCG Segments.

The company is a public limited company incorporated and domiciled in India and has its registered office at A/7, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel(West), Mumbai, Maharashtra, India.

**1(B) Significant Accounting policies**
**(a) Basis of preparation**

- (i) The financial statements have been prepared in compliance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements up to year ended 31<sup>st</sup> March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provision of that. These financial statement are the first financial statement of the Company under Ind AS. The date of transition to Ind AS is 1<sup>st</sup> April, 2016. Refer note no. 34 for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position and its net loss.
- (ii) The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:
  1. Financial instruments measured at fair value through profit and loss
  2. Defined benefit plans – plan assets measured at fair value

**(b) Foreign currency translation**

- (i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the company's functional and presentation currency.

- (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

**(c) Revenue recognition**

The Company has adopted Ind AS 115, Revenue from Contract with Customers with effect from 1st April 2018.

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods is recognised; when the significant risks and rewards in respect of ownership of products are transferred by the Company, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and no significant uncertainty exist regarding the amount of consideration that will be derived from the sale of goods as well as regarding its ultimate collection. Amounts disclosed as revenue are net of variable consideration on account of various Discounts, Rebates, incentives offered by the Company as a part of the contract.

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.

**Sale of goods**

Revenue is measured at the fair value of the consideration received or receivable. Revenue from sale of goods is recognised when the significant risks and rewards in respect of ownership of products are transferred by the Company, the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold and no significant uncertainty exist regarding the amount of consideration that will be derived from the sale of goods as well as regarding its ultimate collection. Amounts disclosed as revenue

are inclusive of excise duty (up to 30<sup>th</sup> June, 2017) and net of returns, Trade Discounts, Rebates, incentives, Value added taxes/Central Sales Tax/Goods and Services Tax, and amounts collected on behalf of third parties.

The Company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity.

#### **Export Benefits**

Export Incentive under Duty Drawback Scheme and MEIS- Merchandise Exporters from India Scheme under the EXIM Policy is accounted for in the year of Export.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit and loss on a systematic basis as and when export obligation are fulfilled.

#### **(d) Property, Plant and Equipment (PPE)**

##### **i. Recognition and measurement**

Freehold land is carried at historical cost. All other items of PPE are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of PPE comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in statement of profit and loss.

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

Any gain or loss on disposal of an item of PPE is recognised in statement of profit and loss.

##### **ii. Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

##### **iii. Depreciation**

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

Depreciation on PPE (other than leasehold land) has been provided based on useful life of the assets in accordance with Schedule II to the Companies Act, 2013, on Straight Line Method except in respect of Plant and Equipment where the useful life is considered differently based on an independent technical evaluation as 9 to 30 years.

Leasehold land are amortised over the lease period.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Profit and loss on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

#### **(e) Intangible assets**

Intangible assets comprise application software purchased, which are not an integral part of the related hardware, and are amortized on a straight line basis over a period of 6 years, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific to which it relates.

The Company has elected to continue with the carrying value of all its intangible assets as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as the deemed cost as at the transition date pursuant to the exemption under Ind AS 101.

#### **(f) Impairment of non-financial assets**

Assets that have a definite useful life are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management periodically assesses using, external and internal sources,

whether there is an indication that an asset may be impaired.

The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

**(g) Borrowing cost**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**(h) Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**(i) Income Tax**

Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act, 1961. Deferred tax is recognised for timing differences between the carrying amount of assets and liabilities based on tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets, subject to the consideration of prudence, are recognised only if there is reasonable certainty that sufficient future taxable income will be available, against which they can be realised. At Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure its realisation.

**(j) Inventories**

Inventories are valued at lower of the cost and net realizable value. Cost of inventories is computed on first in first out (FIFO) basis. Cost comprises of all costs of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

**(k) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency forward contracts, interest rate swaps and currency options; and embedded derivatives in the host contract.

**i. Financial assets**

**Classification**

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL) on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**De-recognition**

- A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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 pass-through 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 assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- b) Trade receivables - 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.

#### **ii. Financial liabilities**

##### **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit and loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

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

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives

designated as hedging instruments in an effective hedge, as appropriate.

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, and derivative financial instruments.

#### **Financial liabilities at fair value through profit and loss**

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

#### **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost. Gains and losses are recognised in profit and loss when the liabilities are derecognized.

This category generally applies to interest-bearing loans and borrowings.

#### **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 and loss.

#### **Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.



### Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. For contracts where hedge accounting is not followed, such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

#### (l) Employee benefits

##### i. Short term employee benefits

Short term employee benefits consisting of wages, salaries, social security contributions, ex-gratia and accrued leave, are benefits payable and recognised in 12 months. Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the year as the related service are rendered by the employee.

##### ii. Defined contribution plans

Company's contribution for the year paid/payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss

The Company's contribution towards provident fund, superannuation fund and employee state insurance scheme for certain eligible employees are considered to be defined contribution plan for which the Company made contribution on monthly basis.

##### iii. Defined benefit plans

Company's liabilities towards defined benefit plans and other long term benefits viz. gratuity and compensated absences expected to occur after twelve months, are determined using the Projected Unit Credit Method. Actuarial valuations under the Projected Unit Credit Method are carried out at the balance sheet date. Actuarial gains and losses are recognised in the Statement of other comprehensive income in the period of occurrence of such gains and losses. The retirement benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, and as reduced by the fair value of scheme assets, if any.

#### (m) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure

required to settle the present obligation at the balance sheet date. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

#### (n) Earnings per share (EPS)

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti-dilutive.

#### (o) Key estimates and assumptions

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the balance sheet and statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

- Determination of the estimated useful lives of tangible assets and intangible assets and the assessment as to which components of the cost may be capitalized.

Useful lives of tangible assets and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on management estimate, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalized and which components of the cost of the asset may be capitalised.

- Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and

life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

- Provisions and contingent liabilities

The Company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

- Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

**(p) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs (up to two decimal) as per the requirement of Schedule III, unless otherwise stated.

**(q) Recent Indian Accounting Standards (Ind AS)**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

**NOTE NO.2**  
**Property Plant & Equipment as on 31st March 2020**

Particulars	GROSS BLOCK (AT COST)			Depreciation (Including Amortisation)			Net Block		
	Balance As at 01.04.2019	Additions During the year	Deductions During the year	Balance As at 01.04.2019	For the Year	Deductions During the year	Total upto 31.03.2020	As At 31.03.2020	As At 31.03.2019
<b>Tangible assets</b>									
(a) Land	37.43	-	-	-	-	-	-	37.43	37.43
-Free Hold	32.00	-	-	1.28	0.53	-	1.81	30.19	30.72
-Lease Hold	1916.84	30.55	-	228.48	53.98	-	282.46	1664.93	1688.36
(b) Buildings	14530.99	212.70	-	1523.28	554.72	-	2078.00	12665.69	13007.71
(c) Plant and Equipment	100.94	-	-	35.30	8.83	-	44.13	56.81	65.64
(d) Factory Equipment	30.59	-	-	11.50	3.84	-	15.34	15.25	19.09
(d) Furniture and Fixtures	63.67	-	7.57	34.53	9.85	7.57	36.81	19.29	29.14
(e) Vehicles	10.30	-	-	8.84	1.12	-	9.96	0.34	1.46
(f) Office Equipment									
(g) Others									
-Electric Installations	59.11	9.17	-	27.84	6.82	-	34.66	33.62	31.27
-Air Conditioners	6.77	-	-	4.16	1.11	-	5.27	1.50	2.61
-Computer	38.10	2.77	-	22.38	9.41	-	31.79	9.08	15.72
<b>TOTAL TANGIBLE - CURRENT YEAR</b>	<b>16826.74</b>	<b>255.19</b>	<b>7.57</b>	<b>1897.59</b>	<b>650.21</b>	<b>7.57</b>	<b>2540.23</b>	<b>14534.13</b>	<b>14929.15</b>
<b>CAPITAL WORK IN PROGRESS</b>								<b>83.05</b>	<b>301.72</b>

**Property Plant & Equipment as on 31st March 2019**

Particulars	GROSS BLOCK (AT COST)			Depreciation (Including Amortisation)			Net Block		
	Balance As at 01.04.2018	Additions During the year	Deductions During the year	Balance As at 01.04.2018	For the Year	Deductions During the year	Total upto 31.03.2019	As At 31.03.2019	As At 31.03.2018
<b>Tangible assets</b>									
(a) Land	37.43	-	-	-	-	-	-	37.43	37.43
-Free Hold	32.00	-	-	0.76	0.52	-	1.28	30.72	31.24
-Lease Hold	1903.96	12.88	-	164.48	64.00	-	228.48	1688.36	1739.48
(b) Buildings	14503.29	27.70	-	972.37	550.91	-	1,523.28	13007.71	13530.92
(c) Plant and Equipment	80.63	20.31	-	25.89	9.41	-	35.30	65.64	54.74
(d) Factory Equipment	29.50	1.09	-	7.65	3.85	-	11.50	19.09	21.85
(d) Furniture and Fixtures	63.67	-	-	28.11	6.42	-	34.53	29.14	35.56
(e) Vehicles	10.30	-	-	7.25	1.59	-	8.84	1.46	3.05
(f) Office Equipment									
(g) Others									
-Electric Installations	59.11	-	-	20.40	7.44	-	27.84	31.27	38.71
-Air Conditioners	6.77	-	-	2.81	1.35	-	4.16	2.61	3.96
-Computer	24.29	13.81	-	13.71	8.67	-	22.38	15.72	10.58
<b>TOTAL TANGIBLE - CURRENT YEAR</b>	<b>16750.95</b>	<b>75.79</b>	<b>-</b>	<b>1243.43</b>	<b>654.16</b>	<b>-</b>	<b>1897.59</b>	<b>14929.15</b>	<b>15507.52</b>
<b>CAPITAL WORK IN PROGRESS</b>								<b>301.72</b>	<b>113.40</b>

**NOTE NO. 3**
**Intangible assets As on 31st March 2020**

(Rs. in Lakhs)

Particulars	GROSS BLOCK (AT COST)			Depreciation (Including Amortisation)			Net Block		
	Balance As at 01.04.2019	Additions During the year	Deductions During the year	Balance As at 01.04.2019	For the Year	Deductions During the year	Total upto 31.03.2020	As At 31.03.2020	As At 31.03.2019
(a) Computer software	30.66	-	-	20.84	5.60	-	26.44	4.22	9.82
<b>TOTAL INTANGIBLE - CURRENT YEAR</b>	<b>30.66</b>	<b>-</b>	<b>-</b>	<b>20.84</b>	<b>5.60</b>	<b>-</b>	<b>26.44</b>	<b>4.22</b>	<b>9.82</b>

**Intangible assets As on 31st March 2019**

(Rs. in Lakhs)

Particulars	GROSS BLOCK (AT COST)			Depreciation (Including Amortisation)			Net Block		
	Balance As at 01.04.2018	Additions During the year	Deductions During the year	Balance As at 01.04.2018	For the Year	Deductions During the year	Total upto 31.03.2019	As At 31.03.2019	As At 31.03.2018
(a) Computer software	22.44	8.22	-	14.11	6.73	-	20.84	9.82	8.33
<b>TOTAL INTANGIBLE - CURRENT YEAR</b>	<b>22.44</b>	<b>8.22</b>	<b>-</b>	<b>14.11</b>	<b>6.73</b>	<b>-</b>	<b>20.84</b>	<b>9.82</b>	<b>8.33</b>

**NOTE NO. 4 - RIGHT OF USE ASSETS**

The Company has lease contract of building in its operation. The said Lease period is for 5 years. The Companies obligation under it leases are secured by the lessor title to the lease assets. Generally the Company is restricted from assigning and sub leasing the lease assets. There are no major lease contracts that include extension and termination options and variable lease payments. The effective rate of interest for lease liabilities is 10%.

Set out below are the carrying amounts of rights-of-use assets recognised and the movement during the period:

(₹ in Lakhs)

Particulars	As at 31st March,2020
As at 1st April,2019	34.38
Addition during the year	-
Less: Depreciation Expenses	6.30
<b>As at 31st March,2020</b>	<b>28.08</b>

Set out below are the carrying amounts of lease liabilities (included under interest bearing loans and borrowings) and movements during the period :

(₹ in Lakhs)

Particulars	As at 31st March,2020
As at 1st April,2019	34.38
Addition during the year	-
Accretion of interest	2.95
Less: Payments	8.04
<b>As at 31st March,2020</b>	<b>29.29</b>
Current	6.11
Non Current	23.18

The Following are the amounts recognised in profit and loss:

(₹ in Lakhs)

Particulars	Year ended 31st March,2020
Depreciation expenses of right of use assets	6.30
Interest expenses on lease liabilities	2.95
Expenses relating to short term lease and low value leased (included in other expenses)	11.50
<b>Total amount recognised in profit and loss</b>	<b>20.75</b>

The company had total cash outflow for lease of INR 19.54 Lakhs during the year ended 31st March, 2020.



PARTICULARS	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
<b>NOTE NO. 5</b>		
<b>Other financial assets</b>		
(a) Security Deposits	23.26	50.93
(b) Derivative Assets	127.57	297.33
(c) Trade Receivables		
-Trade Receivables Considerd Good -Secured	-	-
-Trade Receivables Considerd Good -Unsecured	-	-
-Trade Receivables which have significant increase in credit risk	40.80	40.80
-Trade Receivables -Credit impaired	-	-
	<u>191.63</u>	<u>389.06</u>
Less:- Provision for Doubtful Debts	<u>(40.80)</u>	<u>(40.80)</u>
	<u>150.83</u>	<u>348.26</u>
<b>NOTE NO. 6</b>		
<b>Income tax assets (Net)</b>		
- Advance Payments of Taxes and Tax deducted at source (Net of Provisions)	5.25	89.16
	<u>5.25</u>	<u>89.16</u>
<b>NOTE NO. 7</b>		
<b>Other non-current assets</b>		
(a) Capital Advances	5.22	2.81
(b) Prepaid Expenses	6.30	9.45
	<u>11.52</u>	<u>12.26</u>
<b>NOTE NO. 8</b>		
<b>Inventories</b>		
(At lower of Cost and Net Realisable Value)		
(a) Raw materials	611.11	665.53
(b) Work-in-Progress	124.40	90.91
(c ) Finished Goods	886.51	915.05
(d) Stores and Spares	598.08	641.98
(e) Others - Packing Material & Fuel	394.58	504.37
	<u>2,614.68</u>	<u>2,817.84</u>
<b>NOTE NO. 9</b>		
<b>Trade receivables</b>		
- Trade Receivables Considerd Good -Secured	-	-
- Trade Receivables Considerd Good -Unsecured	1,137.41	1,573.53
- Trade Receivables which have significant increase in credit risk	-	-
- Trade Receivables -credit impaired	-	-
	<u>1,137.41</u>	<u>1,573.53</u>
<b>NOTE NO. 10</b>		
<b>Cash and cash equivalents</b>		
-Cash on hand	8.52	9.27
-Balances with banks	2.48	3.22
	<u>11.00</u>	<u>12.49</u>
<b>NOTE NO. 11</b>		
<b>Other Bank balance</b>		
Fixed Deposit (Held against guarantee)	10.00	10.00
	<u>10.00</u>	<u>10.00</u>

PARTICULARS	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
<b>NOTE NO. 12</b>		
<b>Other financial assets</b>		
-Interest Accrued on others	1.55	0.90
-Loans and advances to employees	14.39	14.46
-Derivative Assets	458.93	30.53
	474.87	45.89
<b>NOTE NO. 13</b>		
<b>Other current assets</b>		
-Export Incentive Receivables	38.78	34.35
-Advance payment to suppliers	90.40	94.97
-Prepaid Expenses	53.70	48.59
-Excise/Sales Tax/Service Tax/Custom Duty/ GST etc. and other receivables	351.56	440.66
	534.44	618.57
<b>NOTE NO. 14</b>		
<b>Equity share capital</b>		
Authorised :		
3,30,00,000 (Previous Year 1,10,00,000) Equity Shares of ₹ 10 each	3,300.00	1,100.00
Issued Subscribed and fully paid up:		
1,07,39,844 (Previous Year 1,07,39,844) Equity Shares of ₹10 each, fully paid up	1,073.98	1,073.98
	1,073.98	1,073.98
All the above shares are allotted as fully paid up pursuant to scheme of Arrangement, without payment being received in cash		
Terms/rights attached to equity shares:		
All the Equity Shares have equal rights in respect of distribution of dividends and the repayment of capital		
Shareholder's holding more than 5% Shares in the Company		
<b>Name of Shareholders</b>		
<b>AKP Enterprises LLP</b>	-	2,666,493
% holding	-	24.83
<b>RAP Enterprises LLP</b>	-	2,663,110
% holding	-	24.80
<b>Vibhadevi Shrikishan Poddar</b>	795,929	-
% holding	7.41	-
<b>Ashadevi Rameshkumar Poddar</b>	795,940	-
% holding	7.41	-
<b>Rameshkumar Dharaprasad Poddar</b>	795,939	-
% holding	7.41	-
<b>Shrikishan Dhrapasad Poddar</b>	795,929	-
% holding	7.41	-
<b>NOTE NO. 15</b>		
<b>Other equity</b>		
<b>a. Capital Reserves</b>		
Opening Balance	5,092.25	5,092.25
Add: Addition during the year	-	-
Closing Balance	5,092.25	5,092.25

PARTICULARS	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
<b>b. Retained Earnings</b>		
Opening Balance	(9,492.04)	(5,268.14)
Loss for the year	(3,456.03)	(4,223.90)
	<u>(12,948.07)</u>	<u>(9,492.04)</u>
<b>c. OCI Actuarial Gain/Loss</b>		
Opening Balance	0.53	(9.47)
Add:OCI during the year	(13.01)	10.00
	<u>(12.48)</u>	<u>0.53</u>
<b>Closing Balance</b>	<u>(7,868.30)</u>	<u>(4,399.26)</u>
<b>NOTE NO. 16</b>		
<b>Borrowings</b>		
<b>(a) Secured</b>		
Term loans from Bank		
- External Commercial Borrowings	824.54	1,188.88
- Working Capital Term Loan	3,885.39	5,599.06
<b>(b) Unsecured</b>		
- 25,00,000 9% Cumulative redeemable preference shares of ₹ 100/- each	2,480.69	2,478.06
- 60,00,000 6.5% Non Cumulative redeemable preference shares of ₹ 100/- each	5,919.25	-
- Loan From Related Party @ 6.5%	600.00	-
- Distributors/Dealers Deposit	743.70	452.48
	<u>14,453.57</u>	<u>9,718.48</u>
<b>NOTE NO. 17</b>		
<b>Other financial liabilities</b>		
- Security Deposits	11.90	37.95
- Dividend accrued but not due	594.86	369.86
- Derivative Liabilities	17.77	318.32
	<u>624.53</u>	<u>726.13</u>
<b>NOTE NO. 18</b>		
<b>Deferred tax liabilities (Net)</b>		
Deferred Tax Liability on account of :		
Property, plant and equipment	2,040.75	1,915.67
Mark to market on derivative transaction	74.01	1.30
Deferred Tax Assets on account of :		
Employee benefits	25.92	21.00
Other items	10.61	10.61
Net Deferred Tax Liability	<u>2,078.23</u>	<u>1,885.37</u>
<b>NOTE NO. 19</b>		
<b>Provisions</b>		
- Provision for employee benefits - Leave	2.16	9.84
- Provision for employee benefits - Gratuity	56.28	36.95
	<u>58.44</u>	<u>46.79</u>
<b>NOTE NO. 20</b>		
<b>Borrowings</b>		
<b>Secured Loan From Banks</b>		
- Loans repayable on demand (Cash Credit)	1,309.88	1,501.14
- Other Loans	389.68	646.80
<b>Unsecured</b>		
- Loans repayable on demand		
- from Related Party	40.00	1,580.00
	<u>1,739.56</u>	<u>3,727.94</u>

PARTICULARS	(₹ in Lakhs)	
	As at 31st March, 2020	As at 31st March, 2019
<b>NOTE NO. 21</b>		
<b>Trade payables</b>		
Sundry Creditors (including Acceptances)		
(a) Total outstanding dues of micro enterprises and small enterprises	<b>62.68</b>	128.77
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	<b>5,224.81</b>	6,215.29
	<b>5,287.49</b>	6,344.06
# Includes Payables to related parties (Refer Note No. 37)	-	230.57
As at 31st March, 2020, the Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:		
a) The principal amount remaining unpaid to any supplier at the end of the year	<b>62.68</b>	128.77
b) Interest due remaining unpaid to any supplier at the end of the year	<b>8.69</b>	3.14
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
<b>NOTE NO. 22</b>		
<b>Other financial liabilities</b>		
-Current Maturity of Long Term Debt	<b>1,458.27</b>	1,067.18
- Interest accrued but not due on borrowings	<b>11.56</b>	209.43
- Interest accrued and due	<b>54.62</b>	3.14
- Others - Payable towards Capital Goods	<b>13.22</b>	14.65
- Security Deposits	<b>3.12</b>	2.31
- Derivative Liabilities	<b>284.08</b>	4.53
- Other Liabilities	<b>142.98</b>	141.43
	<b>1,967.85</b>	1,442.67
<b>NOTE NO. 23</b>		
<b>Other current liabilities</b>		
- Income received in advance	-	47.92
- Statutory dues towards TDS/VAT/GST etc.	<b>33.90</b>	40.95
- Deffered Income (EPCG)	<b>50.36</b>	50.36
	<b>84.26</b>	139.23
<b>NOTE NO. 24</b>		
<b>Provisions</b>		
Provision for employee benefits		
- Leave encashment	<b>70.58</b>	63.30
	<b>70.58</b>	63.30

(₹ in Lakhs)		
PARTICULARS	Current Year	Previous Year
<b>NOTE NO. 25</b>		
<b>Revenue from operations</b>		
- Sale of Products	19,223.03	20,975.72
<b>Other Operating Revenue:</b>		
- Export Incentives	320.44	370.91
- Scrap Sales	33.01	48.87
- Others	34.11	39.12
	<u>387.56</u>	<u>458.90</u>
	<u>19,610.59</u>	<u>21,434.62</u>
Disaggregation of revenue		
Revenue based on Geograpy		
Domestic #	12,198.39	12,947.83
Export	7,412.20	8,486.79
	<u>19,610.59</u>	<u>21,434.62</u>
# (Including export incentives on account of MEIS Licence)		
Contract Price	20,705.10	22,649.48
Less:		
Sales Returns	4.50	4.66
Incentives	-	15.17
Prompt payment discount	135.10	150.80
Others	954.91	1,044.23
Total Revenue from operations	<u>19,610.59</u>	<u>21,434.62</u>
The amounts receivable from customers become due after expiry of credit period which on an average is less than 60 days. There is no significant financing component in any transaction with the customers.		
<b>NOTE NO. 26</b>		
<b>Other Income</b>		
Interest Income from:		
Deposits, Customers and Income tax	20.60	0.93
Profit on sale of Current Investments	0.81	9.30
Profit on sale of Property, plant and equipment	0.68	-
Miscellaneous Income	-	0.50
	<u>22.09</u>	<u>10.73</u>
<b>NOTE NO. 27</b>		
<b>Cost of materials consumed</b>		
- Raw Material Consumed	<u>11,767.98</u>	<u>14,067.09</u>
<b>NOTE NO. 28</b>		
<b>Changes in inventories of finished goods and work-in-progress</b>		
Opening Stock :		
Work-in-Progress	90.91	48.71
Finished Goods	915.05	961.93
	<u>1,005.96</u>	<u>1,010.64</u>
Less : Closing Stock		
Work-in-Progress	124.40	90.91
Finished Goods	886.51	915.05
	<u>1,010.91</u>	<u>1,005.96</u>
Net (Increase)/Decrease in Inventories	<u>(4.95)</u>	<u>4.68</u>



(₹ in Lakhs)

PARTICULARS	Current Year	Previous Year
<b>NOTE NO. 29</b>		
<b>Employee benefits expense</b>		
- Salaries and wages	1,111.45	1,227.11
- Contribution to provident and other funds	88.98	93.89
- Staff welfare expenses	24.98	27.78
	<b>1,225.41</b>	<b>1,348.78</b>
<b>NOTE NO. 30</b>		
<b>Finance cost</b>		
(a) Interest expenses	756.27	1,010.36
(b) Other borrowing costs	302.07	200.09
(c) Interest on Lease Liability	2.95	-
(d) Dividend on Redeemable Preference share	225.00	225.00
	<b>1,286.29</b>	<b>1,435.45</b>
<b>NOTE NO. 31</b>		
<b>Depreciation and other amortisation expense</b>		
Depreciation and amortisation	655.81	660.89
Depreciation on Right of use assets	6.30	-
	<b>662.11</b>	<b>660.89</b>
<b>NOTE NO. 32</b>		
<b>Other expenses</b>		
- Consumption of stores and spare parts	729.46	769.87
- Packing expenses	413.25	465.85
- Power and fuel	3,812.45	3,678.40
- Freight and forwarding	713.29	817.74
- Labour/Job Charges	851.09	926.00
- Water charges	17.96	17.16
- Repairs and Maintenance to Buildings	21.03	46.58
- Repairs and Maintenance to Machinery	144.36	96.13
- Repairs and Maintenance to Others	44.11	36.27
- Insurance Charges	18.52	20.47
- Rates and Taxes excluding taxes on income	54.98	57.76
- Rent	11.50	104.11
- Legal and Professional charges	132.23	202.02
- Commission	189.92	205.85
- Travelling Expenses	50.25	55.87
- Directors Meeting Fees	2.83	2.70
- Net Foreign Exchange Loss	59.18	88.12
- Interest Others	10.48	9.65
- Miscellaneous expenses	689.14	691.82
	<b>7,966.03</b>	<b>8,292.37</b>

**NOTE NO.33**
**i) Tax Reconciliation**
**(a) The Income tax expense consists of the following:**

(₹ in Lakhs)

PARTICULARS	Year ended	Year ended
	31st March, 2020	31st March, 2019
Tax Adjustment for Earliar years	(11.59)	-
Deferred tax expense	197.43	(140.01)
<b>Tax expense for the year</b>	<b>185.84</b>	<b>(140.01)</b>

**(b) Amounts recognised in other comprehensive income**

(₹ in Lakhs)

PARTICULARS	Year ended 31st March, 2020			Year ended 31st March, 2019		
	Before tax	Tax (expense)/ benefit	Net of tax	Before tax	Tax (expense)/ benefit	Net of tax
Items that will not be reclassified to profit or loss						
- Remeasurement of post employment benefit obligations	(17.58)	4.57	(13.01)	12.73	(2.73)	10.00
	(17.58)	4.57	(13.01)	12.73	(2.73)	10.00

**ii) Deferred Tax Disclosure**
**(a) Movement in deferred tax balances**

(₹ in Lakhs)

PARTICULARS	Net balance as at 1st April, 2019	Recognised in profit or loss	Recognised in OCI	Net balance as at 31st March, 2020
Deferred tax assets/ (liabilites)				
Property, plant and equipment	(1,915.68)	(125.08)	-	(2,040.76)
Derivatives	(1.30)	(72.70)	-	(74.00)
Employee benefits	21.00	0.35	4.57	25.92
Other items	10.61	-	-	10.61
<b>Tax assets/ (liabilities)</b>	<b>(1,885.37)</b>	<b>(197.43)</b>	<b>4.57</b>	<b>(2,078.23)</b>

**(b) Movement in deferred tax balances**

(₹ in Lakhs)

PARTICULARS	Net balance as at 1st April, 2018	As at 31st March, 2019		
		Recognised in profit or loss	Recognised in OCI	Net balance as at 31st March, 2019
Deferred tax assets/ (liabilites)				
Property, plant and equipment	(2,090.15)	174.47	-	(1,915.68)
Derivatives	29.82	(31.12)	-	(1.30)
Employee benefits	25.07	(1.34)	(2.73)	21.00
Other items	12.61	(2.00)	-	10.61
<b>Tax assets/ (liabilities)</b>	<b>(2,022.65)</b>	<b>140.01</b>	<b>(2.73)</b>	<b>(1,885.37)</b>

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets

is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

**NOTE NO. 34**
**Financial instruments – Fair values and risk management**
**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. 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.

(₹ in Lakhs)

Financial assets	As at 31 March 2020							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents (Including other bank balances)	-	-	21.00	21.00	-	-	-	-
Trade receivables	-	-	1,137.41	1,137.41	-	-	-	-
Other financial assets	-	-	15.94	15.94	-	-	-	-
Derivative Assets	586.50	-	-	586.50	-	586.50	-	586.50
Security deposit	-	-	23.26	23.26	-	-	-	-
<b>TOTAL</b>	<b>586.50</b>	<b>-</b>	<b>1,197.61</b>	<b>1,784.11</b>	<b>-</b>	<b>586.50</b>	<b>-</b>	<b>586.50</b>
<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)	-	-	15,911.84	15,911.84	-	-	-	-
Other financial liabilities	-	-	846.56	846.56	-	-	-	-
Derivative Liabilities	301.85	-	-	301.85	-	301.85	-	301.85
Short term borrowings	-	-	1,739.56	1,739.56	-	-	-	-
Trade payables	-	-	5,287.49	5,287.49	-	-	-	-
Security deposit	-	-	15.02	15.02	-	-	-	-
<b>TOTAL</b>	<b>301.85</b>	<b>-</b>	<b>23,800.46</b>	<b>24,102.32</b>	<b>-</b>	<b>301.85</b>	<b>-</b>	<b>301.85</b>

(₹ in Lakhs)

Financial assets	As at 31 March 2019							
	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amotised Cost	Total	Level 1	Level 2	Level 3	Total
Cash and cash equivalents (Including other bank balances)	-	-	22.49	22.49	-	-	-	-
Trade receivables	-	-	1,573.53	1,573.53	-	-	-	-
Other financial assets	-	-	15.36	15.36	-	-	-	-
Derivative Assets	327.86	-	-	327.86	-	327.86	-	327.86
Security deposit	-	-	50.93	50.93	-	-	-	-
<b>TOTAL</b>	<b>327.86</b>	<b>-</b>	<b>1,662.31</b>	<b>1,990.17</b>	<b>-</b>	<b>327.86</b>	<b>-</b>	<b>327.86</b>

<b>Financial liabilities</b>								
Long term borrowings (Including current maturity of Long term borrowings)		-	10,785.66	10,785.66	-	-	-	-
Other financial liabilities	-	-	738.51	738.51	-	-	-	-
Derivative Liabilities	322.85	-	-	322.85	-	322.85	-	322.85
Short term borrowings	-	-	3,727.94	3,727.94	-	-	-	-
Trade payables	-	-	6,344.06	6,344.06	-	-	-	-
Security deposit	-	-	40.26	40.26	-	-	-	-
<b>TOTAL</b>	<b>322.85</b>	<b>-</b>	<b>21,636.43</b>	<b>21,959.28</b>	<b>-</b>	<b>322.85</b>	<b>-</b>	<b>322.85</b>

Fair values for financial instruments carried at amortised cost approximates the carrying amount, accordingly the fair values of such financial assets and financial liabilities have not been disclosed separately.

#### B. Measurement of fair values

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). Fair value of derivative financial assets and liabilities are estimated by discounting expected future contractual cash flows using prevailing market interest rate curves. The three levels of the fair-value-hierarchy under Ind AS 107 are described below:

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

Level 2: The fair value of financial instruments that are not traded in an active market are 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 are not based on observable market data, the instrument is included in level 3.

##### Transfers between Levels

There have been no transfers between Levels during the reporting periods

The following tables show the valuation techniques used in measuring Level 2 fair values, as well as the significant unobservable inputs used.

##### Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
<b>Level 2:</b>			
Forward contracts	Market valuation techniques The Company has used mark to market of forward contracts using current forward rates for remaining tenure of the forward contract as provided by respective banks.	Not applicable	Not applicable

There are no transfers between the levels

**C. Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

**i. Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The board of directors is responsible for developing and monitoring the Company risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

**ii. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, cash and cash equivalents, mutual funds, bonds etc.

The carrying amount of financial assets represents the maximum credit exposure.

**Trade receivables**

Around 25% of the sales are export sales. For major part of the sales, customer credit risk is managed by requiring domestic and export customers to pay advances before transfer of ownership, therefore substantially eliminating the Company's credit risk in this respect.

**Impairment**

Management believes that the unimpaired amounts that are past due by more than 6 months are still collectible in full, based on historical payment behaviour.

<b>Provision for doubtful debts movement</b>	<b>(₹ in Lakhs)</b>
Balance as at April 1, 2018	40.80
Impairment loss recognised	-
Amounts written off	-
Balance as at March 31, 2019	40.80
Impairment loss recognised	-
Amounts written off	-
<b>Balance as at March 31, 2020</b>	<b>40.80</b>

Other than trade receivables, the Company has no other financial assets that are past due but not impaired.

**Concentration of credit risk**

At 31 March 2020, the carrying amount of the Company's most significant customer is INR 1456.17 lakhs (31st March, 2019 : INR 1580.39 lakhs;)

**Investment in mutual funds**

The investment in mutual funds are entered into with credit worthy fund houses. The credit worthiness of these counter parties are evaluated by the management on an ongoing basis and is considered to be good. The Company does not expect any losses from non-performance by these counter-parties.



### Derivatives

The derivatives are entered into with banks with good credit ratings.

### Cash and cash equivalents

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the company's policy.

### iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

As at 31st March, 2020, the Company had working capital of INR (4373.45) lakhs, including cash and cash equivalents of INR 11.00 lakhs. As at 31st March, 2019, the Company had working capital of INR (6638.88) lakhs, including cash and cash equivalents of INR 12.49 lakhs

### Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

- \* all non derivative financial liabilities
- \* net and gross settled derivative financial instruments for which the contractual maturities are essential for the understanding of the timing of the cash flows.

### Contractual cash flows

(₹ in Lakhs)

As at 31st March 2020	Carrying amount	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
<b>Non Current</b>					
Secured Long term loans and borrowings	6168.20	1,458.27	1459.15	3217.17	33.61
Unsecured Long term loans and borrowings	9743.64	-	-	-	9843.70
Other financial liabilities	606.76	-	-	-	606.76
<b>Current</b>					
Secured Short term loans and borrowings	1699.56	1699.56	-	-	-
Unsecured Short term loans and borrowings	40.00	40.00	-	-	-
Trade payables	5287.49	5287.49	-	-	-
Other financial liabilities	159.32	159.32	-	-	-
Interest accrued but not due	11.56	11.56	-	-	-
Interest accrued and due	54.62	54.62	-	-	-
<b>Derivative financial liabilities</b>					
<b>Non Current</b>					
Foreign currency forward contract	17.77	-	-	17.77	-
<b>Current</b>					
Foreign currency forward contract	284.08	284.08	-	-	-

**Contractual cash flows**

(₹ in Lakhs)

As at 31st March 2019	Carrying amount	1 year or less	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>					
<b>Non Current</b>					
Secured Long term loans and borrowings	7855.12	1,067.18	1916.73	3970.46	900.75
Unsecured Long term loans and borrowings	2930.54	-	-	-	2952.48
Other financial liabilities	407.81	-	-	-	407.81
<b>Current</b>					
Secured Short term loans and borrowings	2147.94	2147.94	-	-	-
Unsecured Short term loans and borrowings	1580.00	1580.00	-	-	-
Trade payables	6344.06	6344.06	-	-	-
Other financial liabilities	158.39	158.39	-	-	-
Interest accrued but not due	209.43	209.43	-	-	-
Interest accrued and due	3.14	3.14	-	-	-
<b>Derivative financial liabilities</b>					
<b>Non Current</b>					
<b>Foreign currency forward contract</b>	318.32	-	298.57	19.75	-
<b>Current</b>					
<b>Foreign currency forward contract</b>	4.53	4.53	-	-	-

**iv. Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates ) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

**a) Currency risk**

The company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchase, other expenses and borrowings are denominated and the functional currency of the company. The functional currency of the company is Indian Rupees (INR). The currencies in which these transactions are primarily denominated is USD.

The Company generally hedges its estimated foreign currency exposure in respect of its forecast sales over the following 12 months and borrowings (ECB). The Company uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

Further the company hedge its interest rate on External Commercial Borrowings by way of interest rate swap.

The Company, as per its risk management policy, uses foreign currency forward contract primarily to hedge foreign exchange. The Company does not use derivative financial instruments for trading or speculative purposes.

Following is the derivative financial instruments to hedge the foreign exchange rate risk as at 31st March, 2020.

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	USD 4.05 Mio	Sell
Hedges of ECB & FCNR	Forward contract	USD	INR	USD 8.17 Mio	Buy

Following is the derivative financial instruments to hedge the foreign exchange rate risk as at 31st March , 2019

Category	Instrument	Currency	Cross Currency	Amounts	Buy/Sell
Hedges of highly probable forecasted sales transactions	Forward contract	USD	INR	USD 1.78 Mio	Sell
Hedges of External Commercial Borrowings	Forward contract	USD	INR	USD 8.80 Mio	Buy

#### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows: (₹ in Lakhs)

Amounts in INR	As at 31st March 2020		As at 31st March 2019	
	USD	Others	USD	Others
<b>Financial assets (A)</b>				
Trade receivables	904.18	-	931.96	-
Cash and cash Equivalents	-	0.42	-	0.15
	904.18	0.42	931.96	0.15
<b>Financial liabilities(B)</b>				
Secured Loans	6,557.87		6,218.09	
Interest on loans	13.67		13.67	
Trade payables	52.28		82.47	
	6623.82	-	6314.23	-
<b>Net statement of financial position exposure (A-B)</b>	<b>(5719.64)</b>	<b>0.42</b>	<b>(5382.27)</b>	<b>0.15</b>

#### Sensitivity analysis

The strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant. The following analysis has been worked out based on the exposures as of the date of statements of financial position. (₹ in Lakhs)

Effect in INR	Profit / (loss)		
	Strengthening / Weakening %	Strengthening	Weakening
<b>As at 31st March, 2020</b>			
USD	3%	(171.59)	171.59
Others	10%	0.04	(0.04)

(₹ in Lakhs)

Effect in INR	Profit / (loss)		
	Strengthening / Weakening %	Strengthening	Weakening
<b>As at 31st March, 2019</b>			
USD	3%	(161.47)	161.47
Others	10%	0.02	(0.02)

(Note: The impact is indicated on the profit/(loss) before tax basis)

**b) 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 interest rates.

For details of the Company's short-term and long term loans and borrowings, including interest rate profiles, refer to Note 42 of these financial statements.

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Fixed-rate instruments</b>		
Financial assets	10.00	10.00
Financial liabilities	(10997.86)	(6346.22)
	(10987.86)	(6336.22)
<b>Variable-rate instruments</b>		
Financial assets	-	-
Financial liabilities	(5,195.27)	(7,100.20)
	(5195.27)	(7100.20)

**Interest rate sensitivity - fixed rate instruments**

The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

**Interest rate sensitivity - variable rate instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in Lakhs)

	Profit or loss	
	100 bps increase	100 bps decrease
<b>As at 31/03/2020</b>		
Variable-rate instruments	(51.95)	51.95
<b>sensitivity (net)</b>	(51.95)	51.95
<b>As at 31/03/2019</b>		
Variable-rate instruments	(71.00)	71.00
<b>sensitivity (net)</b>	(71.00)	71.00

(Note: The impact is indicated on the profit/loss before tax basis)

**Offsetting financial assets and financial liabilities**

The following table presents the recognised financial instruments that are offset, or subject to enforceable master netting arrangements and other similar agreements but not offset, as at 31 March 2020 and 31 March 2019. The column 'net amount' shows the impact on the company's balance sheet if all set-off rights were exercised.

(₹ in Lakhs)

Particulars	Effects of offsetting on the balance sheet			Related amounts and offset		
	Gross Amounts	Gross amounts set off in the balance sheet	Net amounts presented in the balance sheet	Amounts subject to master netting arrangements	Financial instrument collateral	Net amount
<b>As at 31 March, 2020</b>						
Financial assets						
Derivative financial instruments	586.50	-	586.50	586.50	-	586.50
<b>Total</b>	<b>586.50</b>	<b>-</b>	<b>586.50</b>	<b>586.50</b>	<b>-</b>	<b>586.50</b>
Financial liabilities						
Derivative financial instruments	301.85	-	301.85	301.85	-	301.85
<b>Total</b>	<b>301.85</b>	<b>-</b>	<b>301.85</b>	<b>301.85</b>	<b>-</b>	<b>301.85</b>
<b>As at 31st March, 2019</b>						
Financial assets						
Derivative financial instruments	327.86	-	327.86	327.86	-	327.86
<b>Total</b>	<b>327.86</b>	<b>-</b>	<b>327.86</b>	<b>327.86</b>	<b>-</b>	<b>327.86</b>
Financial liabilities						
Derivative financial instruments	322.85	-	322.85	322.85	-	322.85
<b>Total</b>	<b>322.85</b>	<b>-</b>	<b>322.85</b>	<b>322.85</b>	<b>-</b>	<b>322.85</b>

**NOTE NO. 35**
**Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Company monitors capital using a ratio of 'net debt' to 'equity'. For this purpose, net debt is defined as total debt, comprising loans and borrowings less cash and cash equivalents and current investments.

The Company's net debt to equity ratio as at 31st March 2020 and 31st March 2019 was as follows.

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Current Borrowings	14,453.57	9,718.48
Current Borrowings	1,739.56	3,727.94
Current maturity of long term debt	1,458.27	1,067.18
<b>Gross Debt</b>	<b>17,651.40</b>	<b>14,513.60</b>
Less - Cash and Cash Equivalents	11.00	12.49
Less - Current Investments	-	-
<b>Net debt</b>	<b>17,640.40</b>	<b>14,501.11</b>
Total equity	(6,794.32)	(3,325.28)
Net debt to Equity ratio	(2.60)	(4.36)



**NOTE NO. 36**
**Earning Per Share (EPS):**

Basic EPS and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Profit attributable to equity holders (₹ in lakhs)	<b>(3,456.03)</b>	(4,223.90)
Weighted average number of shares outstanding during the year	<b>10739844</b>	10739844
Nominal Value of Equity Shares (in INR)	<b>10</b>	10
Earning Per Share Basic and Diluted (in INR)	<b>(32.18)</b>	(39.33)

**NOTE NO.37**
**Related Party Disclosures \***

(Where transactions have taken place)

**I Related Party Relationships :**

- Key Management Personnel (KMP) : Mr. Anurag P. Poddar- Chairman & Managing Director , Mr. Ankit P. Poddar - Executive Director, Mr. Shrutisheel Jhanwar - Whole-time Director & CFO., Mr. Omprakash Singh -Company Secretary
- Relatives of Key Management Personnel (KMP) : Ms. Ashadevi Poddar, Ms. Madhudevi Poddar, Ms. Sangeeta Poddar, Ms. Vibhadevi Poddar
- Other Related Parties : (Enterprises-KMP having significant influence/owned by major shareholders) Siyaram Silk Mills Ltd., S P Finance & Trading Ltd., Sanchana Trading & Finance Ltd., SPG Power Ltd. , SPG Infrastructure LLP, Vishal Furnishing Ltd., Wavelink Commercial Pvt Ltd.,DPP Trading Ltd, Santiago Textile Mills Ltd

**II Related Party Transactions \***

(₹ in Lakhs)

Transactions	Year ended 31st March 2020		Year ended 31st March 2019	
	Relative of KMP	Other related Party	Relative of KMP	Other related Party
Purchase of Goods/ Materials	-	<b>176.63</b>	-	317.14
Rent/Lease Rent Paid	-	<b>11.35</b>	-	42.79
Reimbursement of Expenses	-	<b>1.07</b>	-	9.04
Intercorporate Loan Received	-	<b>1228.00</b>	-	580.00
Intercorporate Loan Repayment	-	<b>2768.00</b>	-	-
Interest paid on Intercorporate Loan	-	<b>73.88</b>	-	11.12
Issue of 6.5% Non Cumulative redeemable Preference Shares of ₹ 100/- each	<b>1,600.00</b>	<b>4400.00</b>	-	-
Unsecured Loan Received	<b>600.00</b>	-	-	-

(₹ in Lakhs)

Outstanding Balances	As at 31st March 2020		As at 31st March 2019	
	Relative of KMP	Other related Party	Relative of KMP	Other related Party
Trade Payables	-	-	-	230.57
9% cummulative redeemable Preference share of ₹ 100 each	-	2500.00	-	2500.00
6.5% Non Cumulative redeemable Preference Shares of ₹ 100/- each	1,600.00	4400.00	-	-
Dividend accrued on 9% Cummlative Preference Shares	-	594.86	-	369.86
Unsecured Loan Payable	600.00	-	-	-
Paybles Intercorporate Loan	-	40.00	-	1580.00
Interest Payable on Unsecured Loan	9.81	-	-	-
Interest Payables on Intercorporate Loan	-	0.42	-	195.76

(₹ in Lakhs)

Transactions	2019-20		2018-19	
	Relative of KMP	Other related Party	Relative of KMP	Other related Party
<b>1 Purchase of Goods/Materials</b>				
Siyaram Silk Mills Ltd	-	1.61	-	2.80
Vishal Furnishing Ltd	-	157.16	-	314.34
DPP Trading P Limited	-	17.86	-	-
<b>2 Rent Paid</b>				
Siyaram Silk Mills Ltd	-	11.35	-	42.79
<b>3 Reimbursement of Expenses</b>				
Siyaram Silk Mills Ltd	-	1.07	-	9.04
<b>4 Inter Corporate Loan Received</b>				
S.P. Finance & Trading Ltd.	-	-	-	200.00
Sanchana Trading & Finance Ltd.	-	-	-	25.00
Vishal Furnishing Ltd	-	1042.50	-	25.00
Wavelink Commercial P Ltd	-	85.50	-	130.00
Beetee Textile Industries Ltd	-	100.00	-	200.00
<b>5 Inter Corporate Loan Repayment</b>				
S.P. Finance & Trading Ltd.	-	1200.00	-	-
Sanchana Trading & Finance Ltd.	-	25.00	-	-
Vishal Furnishing Ltd	-	1027.50	-	-
Wavelink Commercial P Ltd	-	215.50	-	-
Beetee Textile Industries Ltd	-	300.00	-	-
<b>6 Interest paid on Intercorporate Loan</b>				
S.P.Finance & Trading Ltd.	-	43.56	-	11.12
Sanchana Trading & Finance Ltd.	-	0.85	-	-
Vishal Furnishing Ltd	-	14.45	-	-
Wavelink Commercial P Ltd	-	4.61	-	-
Beetee Textile Industries Ltd	-	10.41	-	-
<b>7 Issue of 6.5% Non Cumulative redeemable preference shares of ₹ 100/- each</b>				
Beetee Textile Industries Ltd	-	1250.00	-	-
Sanchana Trading & Finance Ltd.	-	100.00	-	-
Vishal Furnishing Ltd	-	1325.00	-	-

Transactions		2019-20		2018-19	
		Relative of KMP	Other related Party	Relative of KMP	Other related Party
	Wavelink Commercial P Ltd	-	250.00	-	-
	S.P.Finance & Trading Ltd.	-	1400.00	-	-
	SPG Power Limited	-	25.00	-	-
	SPG Infrastructure LLP	-	50.00	-	-
	Ashadevi Poddar	400.00	-	-	-
	Madhudevi Poddar	400.00	-	-	-
	Sangeeta Poddar	400.00	-	-	-
	Vibhadevi Poddar	400.00	-	-	-
8	<b>Unsecured Loan Received</b>				
	Ashadevi Poddar	150.00	-	-	-
	Madhudevi Poddar	150.00	-	-	-
	Sangeeta Poddar	150.00	-	-	-
	Vibha Poddar	150.00	-	-	-
	<b>Payables</b>				
9	<b>Trade Payables</b>				
	Siyaram Silk Mills Ltd	-	-	-	4.97
	Vishal Furnishing Ltd	-	-	-	225.60
10	<b>9% cummulative redeemable Preference share of ₹ 100 each</b>				
	Siyaram Silk Mills Ltd	-	1700.00	-	1700.00
	Beetee Textile Industries Ltd	-	150.00	-	150.00
	Santigo Textile Mills Ltd	-	125.00	-	125.00
	S.P.Finance & Trading Ltd.	-	150.00	-	150.00
	Sanchana Trading & Finance Ltd.	-	175.00	-	175.00
	SPG Power Limited	-	200.00	-	200.00
11	<b>Issue of 6.5% Non Cumulative redeemable preference shares of ₹ 100/- each</b>				
	Beetee Textile Industries Ltd	-	1250.00	-	-
	S.P.Finance & Trading Ltd.	-	1400.00	-	-
	Sanchana Trading & Finance Ltd.	-	100.00	-	-
	Vishal Furnishing Ltd	-	1325.00	-	-
	Wavelink Commercial P Ltd	-	250.00	-	-
	SPG Infrastructure LLP	-	50.00	-	-
	SPG Power Limited	-	25.00	-	-
	Ashadevi Poddar	400.00	-	-	-
	Madhudevi Poddar	400.00	-	-	-
	Sangeeta Poddar	400.00	-	-	-
	Vibhadevi Poddar	400.00	-	-	-
12	<b>Dividend Accrued On Preference Shares (Provision)</b>				
	Siyaram Silk Mills Ltd	-	450.86	-	297.86
	Beetee Textile Industries Ltd	-	27.00	-	13.50
	Santigo Textile Mills Ltd	-	22.50	-	11.25
	S.P.Finance & Trading Ltd.	-	27.00	-	13.50
	Sanchana Trading & Finance Ltd.	-	31.50	-	15.75
	SPG Power Limited	-	36.00	-	18.00
13	<b>Unsecured Loan Payable</b>				
	Ashadevi Poddar	150.00	-	-	-
	Madhudevi Poddar	150.00	-	-	-
	Sangeeta Poddar	150.00	-	-	-

		(₹ in Lakhs)			
	Transactions	2019-20		2018-19	
		Relative of KMP	Other related Party	Relative of KMP	Other related Party
14	Vibhadevi Poddar	150.00	-	-	-
	<b>Payables Incorporate Loan</b>				
	S.P. Finance & Trading Ltd.	-	-	-	1200.00
	Sanchana Trading & Finance Ltd.	-	-	-	25.00
	Vishal Furnishing Ltd	-	40.00	-	25.00
	Wavelink Commercial P Ltd	-	-	-	130.00
	Beetee Textile Industries Ltd	-	-	-	200.00
15	<b>Interest Payable On Unsecured Loan Received</b>				
	Ashadevi Poddar	1.65	-	-	-
	Madhudevi Poddar	2.72	-	-	-
	Sangeeta Poddar	2.72	-	-	-
	Vibhadevi Poddar	2.72	-	-	-
16	<b>Interest Accrued And Due On Borrowings</b>				
	S.P.Finance & Trading Ltd.	-	-	-	181.76
	Sanchana Trading & Finance Ltd.	-	-	-	1.12
	Vishal Furnishing Ltd	-	0.42	-	1.12
	Wavelink Commercial P Ltd	-	-	-	6.13
	Beetee Textile Industries Ltd	-	-	-	5.63

### III Key Management Personnel Compensation

Key Management Personnel Compensation Comprised the following:

(₹ in Lakhs)

Particulars	Year ended 31st march,2020	Year ended 31st march,2019
Remunerations	61.67	147.52

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
<b>Outstanding Balances</b>		
Remuneration payable	-	12.00
Outstanding Personal Guarantee against Working Capital Term Loan	6168.19	7879.50

### TRANSACTIONS WITH KMP \*

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
1 <b>Remuneration</b>		
Anurag Poddar	0.00	44.21
Ankit Poddar	0.00	44.21
Shrutisheel Jhanwar	40.30	40.30
Omprakash Singh	21.37	18.80
2 <b>Remuneration Payable</b>		
Anurag Poddar	-	6.00
Ankit Poddar	-	6.00
3 <b>Outstanding Personal Guarantee against Working Capital Term Loan</b>		
Anurag P Podar / Ankit P Poddar	6168.19	7879.50

\* Excluding provision for Gratuity and Leave Encashment.

#### **Terms and conditions of transactions with related parties**

\* All the related party transactions were made on terms equivalent to those that prevail in an arm's length transactions.

\* Parties identified by the Management and relied upon by the auditors.

No amount in respect of related parties have been written off/back or are provided for.

**NOTE NO.38**

- a) As at 31st March, 2020, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
- b) The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**NOTE NO.39**
**Employee Benefit obligations**
**(A) Defined Contribution Plan**

The Company has various schemes for long-term benefits such as provident fund and superannuation. In case of funded schemes, the funds are recognised by the Income tax authorities and administered through trustees / appropriate authorities. The Company's defined contribution plans are superannuation and employees' pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the Company has no further obligation beyond making the contributions. The liability of the Company on the exempt Provident Fund managed by the trustees is restricted to the interest shortfall if any.

(₹ in Lakhs)

	Year ended 31st March 2020	Year ended 31st March 2019
<u>Charge to the Statement of Profit and Loss based on contributions:</u>		
Employees' Provident fund	56.00	54.44

**(B) Defined Benefit Plan**

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the LIC of India, a funded defined benefit plan for qualifying employees. Trustees administer the contributions made by the Company to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at 31st March, 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in Lakhs)

	As at 31 March 2020	As at 31 March 2019
	<b>Gratuity (Funded plan)</b>	<b>Gratuity (Funded plan)</b>
(i) <b>Change in Defined Benefit Obligation</b>		
Opening defined benefit obligation	143.83	167.81
Amount recognised in profit and loss :		
Current service cost	12.15	12.81
Interest cost	11.20	13.06
Amount recognised in other comprehensive income	-	-
Actuarial loss / (gain) arising from:		
Demographic assumptions	6.48	-
Financial assumptions	8.27	(0.09)
Experience adjustment	1.42	(13.77)
Other	-	-
Benefits paid	(37.52)	(35.99)
Closing defined benefit obligation	145.83	143.83

		(₹ in Lakhs)	
<b>(ii)</b>	<b><u>Change in Fair Value of Assets</u></b>		
	Opening fair value of plan assets	106.87	133.60
	Amount recognised in profit and loss		
	Interest income	8.33	10.39
	Amount recognised in other comprehensive income		
	Actuarial gain / (loss)	-	-
	Return on Plan Assets, Excluding Interest Income	(1.42)	(1.13)
	Other Contributions by employer	13.29	.
	Benefits paid	(37.52)	(35.99)
	Closing fair value of plan assets	89.55	106.87
	Actual return on Plan Assets		
<b>(iii)</b>	<b>Plan assets comprise the following</b>	<b>Unquoted</b>	<b>Unquoted</b>
	Insurance fund (100%)	89.55	106.87
<b>(iv)</b>	<b><u>Principal actuarial assumptions used</u></b>	%	%
	Discount rate	6.82	7.79
	Rate of employee turnover	<b>For service 4 years and below 15.00% p.a. For service 5 years and above 5.00% p.a.</b>	2.00
	Future Salary growth rate	4.50	4.50
<b>(v)</b>	<b><u>Amount recognised in the Balance Sheet</u></b>		
	Present value of obligations as at year end	145.83	143.83
	Fair value of plan assets as at year end	89.55	106.87
	Net (asset) / liability recognised as at year end	56.28	36.95
	Recognised under :		
	Long term provisions	56.28	36.95
		56.28	36.95

**(vi) Sensitivity analysis**

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in Lakhs)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement) - Gratuity	(8.51)	9.70	(8.19)	9.53
Employee turnover (1% movement) - Gratuity	1.65	(1.89)	2.78	(3.20)
Future salary growth (1% movement) - Gratuity	9.11	(8.46)	9.13	(8.13)

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.



**(vii) Expected future cash flows**

(₹ in Lakhs)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
<b>As at 31st March, 2020</b>					
Defined benefit obligations (Gratuity)	19.73	11.31	48.57	172.19	251.80
<b>Total</b>	<b>19.73</b>	<b>11.31</b>	<b>48.57</b>	<b>172.19</b>	<b>251.80</b>
<b>As at 31st March, 2019</b>					
Defined benefit obligations (Gratuity)	44.74	5.55	30.83	206.55	287.67
<b>Total</b>	<b>44.74</b>	<b>5.55</b>	<b>30.83</b>	<b>206.55</b>	<b>287.67</b>

**Other long-term employee benefits:**

Compensated absences are payable to employees at the rate of daily basic salary for each day of accumulated leave partially at the year end and partially on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31st March, 2020 based on actuarial valuation using the projected accrued benefit method is INR 2.16 lakhs (31st March 2019 : INR 9.84 lakhs).

**NOTE NO.40**
**Contingent Liabilities and Commitments**

(₹ in Lakhs)

Particulars	As at 31st March 2020	As at 31st March 2019
<b>(i) Contingent Liabilities</b>		
a) Claims against the Company not acknowledge as debts		
- Disputed claims for excise, sales tax, customs and service tax	264.25	264.25
- other	843.32	825.45
b) Guarantees given by the Company's bankers on behalf of the Company against the Company's Indemnity	111.17	111.17
<b>(ii) Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for	5.22	2.81

**NOTE NO.41**
**Legal and professional charges includes payment to auditors:**

(₹ in Lakhs)

Particulars	Year ended 31st March 2020	Year ended 31st March 2019
<b>Statutory Auditors</b>		
- Audit Fees	5.75	5.75
- For Tax Audit	1.50	1.50
- For Taxation Matters	1.25	0.25
- For Company Law matters	0.50	0.50
- For Other services - Certification, etc.	1.43	1.57
	<b>10.43</b>	<b>9.57</b>
<b>Cost Auditors</b>		
- Audit Fees	0.35	0.35
	<b>0.35</b>	<b>0.35</b>
<b>Total</b>	<b>10.78</b>	<b>9.92</b>

**NOTE NO.42 : Nature of Security in respect of secured Loan (Long Term/Short Term) (₹ in Lakhs)**

Particulars	As at 31st March, 2020	As at 31st March, 2019
I <b>Working Capital Loans from Banks Repayable on Demand:</b> Secured by first pari-passu charge by way of hypothecation of inventory, receivable and movable fixed assets of the Company.	1,699.56	2,147.94
II <b>Term Loan from Banks:</b>		
a) <b>ECB Loan USD 2.50 million</b> Exclusive mortgage charge over the immoveable Fixed Assets and hypothecation charge by way of pari-passu over the movable Fixed Assets of the Company Personal Guarantee given by the Promotor Directors (Repayment in 20 Quarterly Installments starting from January, 2018, Rate of Interest LIBOR + 350 bppa)	1,295.70	1,556.35
b) <b>Working Capital Term Loan 2500 Lakhs</b> To be secured by immovable and movable fixed Assets, Repayment Schedule from year 3- 5%, year 4- 20%, year 5 to year 7- 25%, rate of interest 12% or such other rate as may be specified by the bank from time to time. Personal Guarantee given by the Promotor Directors	-	1,790.42
c) <b>Working Capital Term Loan 4500 Lakhs</b> Secured by immovable and movable fixed Assets, Repayment in 60 monthly equal installments beginning from Feb 2020, rate of interest 10.60% or such other rate as may be specified by the bank from time to time. Personal Guarantee given by the Promotor Directors	4,872.50	4,532.72

**NOTE NO.43**

The Company has incurred loss after Tax of ₹ 3456.03 lakhs for the year ended 31st March, 2020 (31st March, 2019 ₹ 4223.90 lakhs) and other equity as on that date amounting to ₹ (-) 7868.30 lakhs for the year ended 31st March, 2020 (31st March, 2019 ₹ (-) 4399.26 Lakhs), has eroded the net worth of the company, due to under utilisation of capacity, slow down in economy and lower net realisation value of Products.

Company has undertaken various measures to improve its performance, such improvement in capacity utilization, improvement quality, reduction in cost, production of different product mix to get better value addition etc., all these will lead to improved profitability. Management is confident that with all these measures undertaken will result in improved future cash flows, thereby company will be in a position to fulfill its obligation without any difficulty. Accordingly financial statement has been prepared on going concern basis.

**NOTE NO.44**

Pursuant to outbreak of coronavirus disease (COVID-19) worldwide and its declaration as global pandemic, the Government of India declared lockdown on March 24, 2020, followed by several restrictions imposed by the Governments across the globe on the travel, goods movement and transportation considering public health and safety measures, which had some impact on the Company's supply chain during March, 2020. The Company is closely monitoring the impact of the pandemic on all aspects of its business, including how it will impact its customers, employees, vendors etc. The management has exercised due care, in concluding on significant accounting judgments and estimates, inter-alia, recoverability of receivables, inventory, based on the information available to date, both internal and external, while preparing the Company's financial results as of and for the year ended 31st March, 2020.

**NOTE NO.45**

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

As per our report of even date attached  
**For JAYANTILAL THAKKAR & CO.**  
**Chartered Accountants**  
 (Firm Reg. No. 104133W)

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

**VIRAL A. MERCHANT**  
 Partner  
 Membership No. 116279  
 Place : Mumbai,  
 Dated : 17th July, 2020

**Anurag P Poddar**  
 Chairman & Managing Director

**Shrutisheel Jhanwar**  
 Whole-time Director & CFO

**Omprakash Singh**  
 Company Secretary



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CIN : L21098MH2013PLC244963