



Books for Success...

# Sundaram Multi Pap Limited

CIN: L21098MH1995PLC086337



Digital Education

R.O.: 5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093, Maharashtra, India.  
Tel: 022 6760 2200, Fax: 022 6760 2244, Email: info@sundaramgroups.in, Web: www.sundaramgroups.in

Date: 06-09-2020

|   |  |
|---|--|
| To<br>BSE Limited<br>P. J. Towers, Dalal Street,<br>Mumbai: 400001.<br><b>Ref: Scrip Code: 533166</b> | To<br>National Stock Exchange of India Limited<br>Exchange Plaza, Plot No. C/1, G Block,<br>BKC, Bandra (E), Mumbai: 400051.<br><b>Ref: Symbol: SUNDARAM</b> |
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## **Sub: Intimation of Book Closure, Submission of Annual Report for Financial Year 2019-20 and E-Voting Instructions**

Pursuant to the Provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, we hereby wish to inform that for the purpose of 26<sup>th</sup> Annual General Meeting Register of Members and the Share Transfer Books of the Company will remain closed from September 24, 2020 to September 30, 2020 (both days inclusive).

Further we submit herewith the Annual Report of the Company for Financial Year 2019-20 along with Notice of 26<sup>th</sup> Annual General Meeting to be held on Wednesday, September 30, 2020 at 11:30 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") same is also available on the website of the Company at <https://www.sundaramgroups.in/26th-annual-general-meeting/>.

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with rule 20 of Companies (Management & Administration) Rules, 2014, Secretarial Standard 2 and regulation 44 of SEBI (LODR) Regulations 2015 the members of the Company holding shares either in physical form or dematerialized form as on the Wednesday, September 23, 2020 (the "Cut-off-Date"), are offered the facility to exercise their right to vote on the businesses set forth in notice of 26<sup>th</sup> AGM by electronic means through both remote e-voting and e-voting at AGM. The voting rights of the members shall be in proportion to the equity shares held by them as of Wednesday, September 23, 2020 (the "Cut-off-Date"). Remote e-voting period commences on Sunday, September 27, 2020 at 11.00 a.m. and ends on Tuesday, September 29, 2020 at 5.00 p.m.

Members are requested to attend the AGM through VC / OAVM through the NSDL e-Voting system. Detailed Instructions along with tutorial for E-voting and attending the AGM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") is given in the Notice of 26<sup>th</sup> AGM and same is also available on the website of the Company at <https://www.sundaramgroups.in/26th-annual-general-meeting/>.

Kindly take the above information on your records.

Thanking you,  
Yours faithfully,

For **Sundaram Multi Pap Limited**

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



Books for Success...



EDUCATION  
and INNOVATION

26th ANNUAL REPORT

2019-2020

Sundaram Multi Pap Limited

Paper Stationery, Digital Education

**BOARD OF DIRECTORS & MANAGEMENT**

| NAME                  | DESIGNATION                  | DIN/PAN    |
|-----------------------|------------------------------|------------|
| Mr. Amrut P. Shah     | Chairman & Managing Director | 00033120   |
| Mr. Shantilal P. Shah | Whole-time Director          | 00033182   |
| Mr. Krunal S. Shah    | Whole-time Director          | 07877986   |
| Ms. Minjal V. Kadakia | Women Independent Director   | 07135977   |
| Mr. Kalpesh B. Parekh | Independent Director         | 08010094   |
| Mr. Paresh Jain       | Independent Director         | 05159799   |
| Mr. Hardik A. Shah    | Chief Executive Officer      | AHXPC6352M |
| Mr. Rajesh Jain       | Chief Financial Officer      | AABPJ9814E |
| Mr. Bhavesh Chheda    | Company Secretary            | AWIPC8510B |
| Mr. Raichand P. Shah  | Plant Manager                | AAFPS4877E |
| Mr. Yash R. Shah      | Chief Operating Officer      | CMZPS1774G |

|                          |  |
|--------------------------|--|
| <b>REGISTERED OFFICE</b> | 5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093, Maharashtra, India.<br>Email: info@sundaramgroups.in;<br>Website: www.sundaramgroups.in |
|--------------------------|--|

|              |  |
|--------------|--|
| <b>PLANT</b> | Plot No. 33-37, Sundaram Industrial Zone, Palghar West, Palghar: 401404, Maharashtra, India. |
|--------------|--|

|                   |   |
|-------------------|---|
| <b>PAPER UNIT</b> | Village Sihora, P.O. Khandelwal Nagar, Kanhan: 441401, Tah. Parseoni, Dist. Nagpur, India |
|-------------------|---|

|                           |                      |
|---------------------------|----------------------|
| <b>STATUTORY AUDITORS</b> | M/s. R. I. JAIN & CO |
|---------------------------|----------------------|

|                             |                              |
|-----------------------------|------------------------------|
| <b>SECRETARIAL AUDITORS</b> | M/s. A. V. Shah & Associates |
|-----------------------------|------------------------------|

|                          |                                |
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| <b>INTERNAL AUDITORS</b> | M/s. F. A. Ansari & Associates |
|--------------------------|--------------------------------|

|   |   |
|---|---|
| <b>REGISTRAR &amp; SHARE TRANSFER AGENT</b> | <b>Link Intime India Private Limited</b><br>Unit: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083<br>Phone : +91 22 49186270 Fax : +91 22 49186060<br>E-mail : rnt.helpdesk@linkintime.co.in<br>Website : www.linkintime.co.in |
|---|---|

|                       |                                  |
|-----------------------|----------------------------------|
| <b>BANKER/LENDERS</b> | State Bank of India              |
|                       | Janakalyan Sahakari Bank Limited |
|                       | ECL Finance Limited              |

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## NOTICE

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting (AGM) of the Members of the Sundaram Multi Pap Limited (Company) will be held on Wednesday, September 30, 2020 at 11:30 a.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at 5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093, Maharashtra, India.

### ORDINARY BUSINESS:

- To receive, consider and adopt the annual audited financial statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon; and in this regard, pass the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** the annual audited financial statements of the company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon laid before the Meeting, be and are hereby considered and adopted."

- To appoint a Director in place of Mr. Krunal S. Shah (DIN: 07877986), who retires by rotation and being eligible has offered himself for re-appointment and in this regard, pass the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Krunal S. Shah (DIN: 07877986), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company."

### SPECIAL BUSINESS:

- To re-appoint Mr. Amrut P. Shah (DIN: 00033120) as the Managing Director and to consider and if thought it, to pass with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Articles of Association of the Company, the consent of the Shareholders of the Company, be and is hereby accorded to the re-appointment of Mr. Amrut P. Shah (DIN: 00033120) as the Managing Director of the Company with effect from April 01, 2021 for a period of three years, not liable to retire by rotation, on a remuneration not exceeding ₹168 lakhs p.a. and on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors at their meeting held on August 28, 2020:

- **Designation:** Managing Director
- **Tenure:** April 01, 2021 for a period of three years, not liable to retire by rotation.
- **Remuneration:**

**Basic Pay:** Not Exceeding ₹168 lakhs p.a. (will be paid exclusive of the perquisites, as mentioned below, which shall not be included in the computation of ceiling stated herein.)

### Allowance & Perquisite:

- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- Gratuity payable at the rate not exceeding half a month's salary for each completed year of service, and is not taxable under the Income-tax Act, 1961.
- Encashment of leave at the end the tenure.

**Increments:** Increments may be given subject to the overall limits specified under Section 197 read with Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the remuneration payable to the Managing Director of the Company shall be subject to the limits mentioned in Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Board of Directors be and are hereby authorised to do all such acts, deeds, matters, and things as it may in its absolute discretion, deem necessary, desirable and expedient to give effect to this resolution."

- To re-appoint Mr. Shantilal P. Shah (DIN: 00033182) as the Whole-time Director and to consider and if thought it, to pass with or without modifications, the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Articles of Association of the Company, the consent of the Shareholders of the Company, be and is hereby accorded to the re-appointment of Mr. Shantilal P. Shah (DIN: 00033182) Whole-time Director of the Company with effect from April 01, 2021 for a period of three years, liable to retire by rotation, on a remuneration not exceeding ₹168 lakhs p.a. and on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors at their meeting held on August 28, 2020:

- **Designation:** Whole-time Director
- **Tenure:** April 01, 2021 for a period of three years, liable to retire by rotation.
- **Remuneration:**

**Basic Pay:** Not Exceeding ₹168 lakhs p.a. (will be paid exclusive of the perquisites, as mentioned below, which shall not be included in the computation of ceiling stated herein.)

**Allowance & Perquisite:**

1. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
2. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service, and is not taxable under the Income-tax Act, 1961.
3. Encashment of leave at the end the tenure.

**Increments:** Increments may be given subject to the overall limits specified under Section 197 read with Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the remuneration payable to the Whole-time Director of the Company shall be subject to the limits mentioned in Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Board of Directors be and are hereby authorised to do all such acts, deeds, matters, and things as it may in its absolute discretion, deem necessary, desirable and expedient to give effect to this resolution."

5. To re-appoint Mr. Krunal S. Shah (DIN: 07877986) as the Whole-time Director and to consider and if thought it, to pass with or without modifications, the following resolution as a **SPECIAL RESOLUTION:**

**"RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the Articles of Association of the Company, the consent of the Shareholders of the Company, be and is hereby accorded to the re-appointment of Mr. Krunal S. Shah (DIN: 07877986) Whole-time Director of the Company with effect from April 01, 2021 for a period of three years, liable to retire by rotation, on a remuneration not exceeding ₹168 lakhs p.a. and on the following terms and conditions as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors at their meeting held on August 28, 2020:

- **Designation:** Whole-time Director
- **Tenure:** April 01, 2021 for a period of three years, liable to retire by rotation.
- **Remuneration:**

**Basic Pay:** Not Exceeding ₹168 lakhs p.a. (will be paid exclusive of the perquisites, as mentioned below, which shall not be included in the computation of ceiling stated herein.)

**Allowance & Perquisite:**

1. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
2. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service, and is not taxable under the Income-tax Act, 1961.

3. Encashment of leave at the end the tenure.

**Increments:** Increments may be given subject to the overall limits specified under Section 197 read with Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the remuneration payable to the Whole-time Director of the Company shall be subject to the limits mentioned in Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Board of Directors be and are hereby authorised to do all such acts, deeds, matters, and things as it may in its absolute discretion, deem necessary, desirable and expedient to give effect to this resolution."

**By Order of the Board of Directors  
For Sundaram Multi Pap Limited**

Sd/-  
**Bhavesh Chheda**  
Company Secretary

Place: Mumbai  
Date: August 28, 2020

**Notes:**

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), in respect of the Special Businesses set above and the details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Secretarial Standard on General Meeting (SS-2) in respect of the Directors seeking appointment/re-appointment at this Annual General Meeting is annexed hereto.
2. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8<sup>th</sup> April 2020, 13<sup>th</sup> April 2020 and 5<sup>th</sup> May 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 26<sup>th</sup> AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The Notice and the Annual Report 2019-20 are being sent only by electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant(s). Members may also note that the Notice and the Annual Report 2019-20 will also be available on the Company's website, [www.sundaramgroups.in](http://www.sundaramgroups.in) and website of the NSDL <https://www.evoting.nsdl.com> and the websites of the Stock Exchanges i.e. BSE Limited, and National Stock Exchange of India Limited, at <https://www.bseindia.com> and <https://www.nseindia.com> respectively.

3. In compliance with the aforesaid MCA Circulars and SEBI Circular, the Notice of the 26<sup>th</sup> AGM and other documents are being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Therefore, those Members, whose email address is not registered with the Company or with their respective Depository Participant/s, and who wish to receive the Notice of the AGM and the Annual Report for the year 2020 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
  - A. For Members holding shares in physical form, please send scan copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self- attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the Company at: [bhavesh@sundaramgroups.in](mailto:bhavesh@sundaramgroups.in)
  - B. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
4. As per the Act, a Member is entitled to attend and vote at the AGM or is entitled to appoint a proxy to attend and vote instead of himself / herself and such proxy need not be a Member of the Company. However, as this AGM is being conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
5. Participation of Members through VC / OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to email a certified copy of the Board resolution / authorization letter to the Company at [bhavesh@sundaramgroups.in](mailto:bhavesh@sundaramgroups.in) or upload on the VC portal / e-voting portal.
7. M/s. R. I. JAIN & CO, Chartered Accountants, (Firm Registration No. 103956W) were appointed as Statutory Auditors of the Company at the AGM held on September 30, 2019, to hold office until the conclusion of the 30<sup>th</sup> Annual General Meeting of the Company. In terms of Section 139 of the Act, as amended by the Companies (Amendment) Act, 2017 notified on May 7, 2018, appointment of Statutory Auditors need not be ratified at every AGM. Accordingly, this Notice does not carry Resolution for ratification of appointment of Statutory Auditors. The Auditors have confirmed that they continue to fulfill the criteria for appointment as Auditor of the Company as prescribed under the Act and the Rules framed thereunder.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Register of Members and the Share Transfer Books of the Company will remain closed from September 24, 2020 to September 30, 2020 (both days inclusive).
10. Profile of Directors forms part of Corporate Governance Report. Details of Directors are also attached to this Notice, as required under the Listing Regulations.
11. **Green Initiative:** To support the Green Initiative, members who have not registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
12. **Nomination:** Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/ demat form, the Members may please contact their respective depository participant.
13. **Submission of PAN:** Shareholders are requested to note that furnishing of Permanent Account Number (PAN) is now mandatory in the following cases:-
  - a) Transferees and Transferors PAN Cards for transfer of shares,
  - b) Legal Heirs'/Nominees' PAN Card for transmission of shares,
  - c) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder; and d) Joint Holders' PAN Cards for transposition of shares.
14. **Bank Account Details:** Regulation 12 and Schedule I of SEBI Listing Regulation requires all companies to use the facilities of electronic clearing services for payment of dividend. In compliance with these regulations, payment of dividend will be made only by electronic mode directly into the bank account of Members and no dividend warrants or demand drafts will be issued without bank particulars.
15. **Share Transfer permitted only in Demat:** As per Regulation 40 of the Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from 1<sup>st</sup> April, 2019. In view of the above and to avail the benefits of dematerialisation and ease portfolio management, Members are requested to consider dematerialize shares held by them in physical form.
16. **Shareholders' Communication:** Members are requested to send all communications relating to shares and unclaimed dividends, change of address, bank details, email address etc. to the Registrar and Share Transfer Agents at the following address:  
**Link Intime India Private Limited** Unit: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 (Hereinafter referred as 'the RTA'). If the shares are held in electronic form, then change of address and change in the Bank Accounts etc. should be furnished to their respective Depository Participants (DPs).
17. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of

- the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members on the website of the Company at [www.sundaramgroups.in](http://www.sundaramgroups.in). All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 30, 2020. Members seeking to inspect such documents can send an email to Company's Email-ID: [bhavesh@sundaramgroups.in](mailto:bhavesh@sundaramgroups.in).
18. Additional information, pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard 2 in respect of the Directors seeking appointment / re-appointment at this Meeting is furnished as annexure to the Notice of this Meeting. The Directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules made thereunder.
  19. The Company has transferred the unpaid or unclaimed dividends declared up to Financial Years 2011-12, from time to time on due dates, to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on the date of last Annual General Meeting on the website of the Company ([www.sundaramgroups.in](http://www.sundaramgroups.in)), as also on the website of the Ministry of Corporate Affairs. The unclaimed dividend amount pertaining to Dividend for the year 2012-13 will be due for transfer to the Investor Education and Protection Fund of the Central Government on October 31, 2020.
  20. The Ministry of Corporate Affairs had notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules, dividends which are not claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer such shares of Members of whom dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company requests all the Members to claim their respective dividend. The Members whose shares are transferred to the IEPF Authority can now claim their shares from the Authority by making request to Company or Registrar and Share Transfer Agents.
  21. Information and other instructions relating to e-voting are as under:
    - 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 MCA Circulars 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 engaged NSDL for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.
    - II. Cut-off-Date for the purpose of ascertaining Members who are eligible to receive this Notice is Friday, August 28, 2020. The cut-off-date for the purpose of determining the eligibility to vote by electronic means and at the AGM is Wednesday, September 23, 2020 (the "Cut-off-Date"). Only the Members 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 shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
    - III. Remote e-voting period commences on Sunday, September 27, 2020 at 11.00 a.m. and ends on Tuesday, September 29, 2020 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialised form, as on Cut-off-Date i.e. as on Wednesday, September 23, 2020 may cast their vote by remote e-voting. Thereafter remote e-voting module shall be disabled by NSDL for voting. Once the vote on a Resolution is cast by the Member, the shareholder will not be allowed to change it subsequently or cast the vote again.
    - IV. A person who is not a Member as on the Cut-off-Date should treat this Notice for information purpose only.
    - V. The Board of Directors of the Company has appointed Ms. Amisha V. Shah, proprietor of M/s. A. V. Shah & Associates, Practicing Company Secretary, Mumbai as the Scrutinizer to act as Scrutinizer to scrutinize entire voting process in a fair and transparent manner and she has communicated her willingness to be appointed and will be available for same purpose.
    - VI. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on website of NSDL [https:// www.evoting.nsdl.com](https://www.evoting.nsdl.com) within 48 hours of the conclusion of the Meeting and will also be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- The process and manner for remote e-voting are as under:**
- In case a Member receives an email from NSDL [for Members whose email IDs are registered with the Company/Depository Participant(s)]:
- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: [https:// www.evoting.nsdl.com/](https://www.evoting.nsdl.com/)
  - (iii) Click on Shareholder – Login

- (iv) Put user ID and password as initial password/ PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of Sundaram Multi Pap Limited.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to bhavesh@sundaramgroups.in with a copy marked to evoting@nsdl.co.in
- VII. 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.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. 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 of September 23, 2020.
- X. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., September 23, 2020, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [bhavesh@sundaramgroups.in](mailto:bhavesh@sundaramgroups.in)
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

**Process for those shareholders whose email ids are not registered with the Depositories / Company for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of the shareholder, scanned copy of the share

certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [bhavesh@sundaramgroups.in](mailto:bhavesh@sundaramgroups.in)

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**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 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.

**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 / Member's 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. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800-222-990 or contact Ms. Pallavi Mhatre, Manager – NSDL at +91 22 24994545.



6. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number / folio number, e-mail id, mobile number at bhavesh@sundaramgroups.in on or before September 23, 2020.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
8. Members can join the AGM in the VC / OAVM mode 30 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 1,000 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.
- XI. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those Members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility.
- XII. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XIII. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.sundaramgroups.in immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchange - BSE Ltd, where the shares of the Company are listed.

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

**ITEM NO. 3**

Mr. Amrut P. Shah (DIN: 00033120) was re-appointed as the Managing Director of the Company in the AGM held on September 15, 2017 for period of three years w.e.f. April 01, 2018. Thus, his tenure as Managing Director of the Company is effective till March 31, 2021. Pursuant to the provisions of Section 196 of the Companies Act 2013, Managing Director can be reappointed prior to expiry of his term provided such reappointment shall not be made prior to one year before the expiry of his term. Subject to the necessary approvals, and on recommendation of the Nomination and Remuneration Committee, the Board of Directors in their

meeting held on August 28, 2020 has re-appointed Mr. Amrut P. Shah as Managing Director of the Company with effect from April 01, 2021 for period of three years i.e. till March 31, 2024 on such terms and conditions including remuneration as set out in the agreement entered into on August 28, 2020 between the Company and Mr. Amrut P. Shah which are as follows:

1. This agreement will be effective from April 01, 2021.
2. Mr. Amrut P. Shah agrees to serve the Company as its Managing Director.
3. The Managing Director shall exercise and perform such powers and duties as the Board of directors of the company (hereinafter called "the Board") shall, from time to time, determine, and subject to any directions and restrictions, from time to time, given and imposed by the Board and subject to the restrictions contained hereinafter, he shall have the general control, management and superintendence of the business of the company with power to appoint and dismiss employees and to enter into contracts on behalf of the company in the ordinary course of business and to do and perform all other acts and things, which in the ordinary course of business he may consider necessary or proper or in the interest of the company.
4. Managing Director is entrusted with substantial powers of management of the affairs of the Company except the powers which the Act or the Articles require to be exercised by the Board.
5. Without prejudice to the generality of the powers vested in the Managing Director under the preceding clause hereof, the Managing Director shall be entitled to exercise the following powers:-
  - (a) With Board's approval singly or together with other authorised officer(s) of the company, to open and operate on any banking or other account and to draw, make, accept, execute, endorse, discount, negotiate, retire, pay, satisfy and assign cheques, drafts, bills of exchange, promissory notes, hundis, interest and dividend warrants and other negotiable or transferable instruments or securities;
  - (b) To increase the salary or the remuneration of any employee or servant of the company;
  - (c) Together with other authorised officer(s) of the company, to enter into contracts for the purchase of goods and hiring of services for the company;
  - (d) To institute, defend, prosecute, conduct, compound refer to arbitration and abandon and to compromise legal or other proceedings, claims and disputes by or against the Company or in which the Company may be concerned or interested;
  - (e) To manage, conduct and transact all the business, affairs and operations of the Company including power to enter into contracts and to vary and rescind them;
  - (f) To enter into and become party to and to sign and execute all deeds, instruments, contracts, receipts, and all other documents or writings on behalf of the Company not required to be executed under its common seal or not

otherwise provided for in the Articles of Association of the Company;

- (g) To become party to and to present for registration and admit execution of and to do every act, matter or thing necessary or proper to enable registration on behalf of the Company of all deeds, instruments, Contracts, Agreements, receipts and all other documents whatsoever;
- (h) To receive and to give effectual receipts and discharges of moneys, funds, goods or property payable to or to be received by the Company;
- (i) To convene meetings of the Board of Directors, Committees, Sub-Committees of Directors, if any, and the Ordinary or Extra-Ordinary General Meetings of the Shareholders;
- (j) Subject to the provisions of Section 179 and 180 of the Act, within such limits of price which the Board may from time-to-time prescribe, to purchase, pay for, acquire, sell, repurchase, import and export all machinery and plant;
- (k) To purchase, pay for, acquire, sell, resell, repurchase and import raw materials, articles, stores, appliances, apparatus and all other materials and things necessary or expedient for the day-to-day working of the Company either for cash or credit and either for present or future delivery as also to export the products of the Company;
- (l) To build, construct, erect and maintain, pull down, demolish and reconstruct warehouses, factories, offices, workshops and all other buildings for manufacturing, storing and otherwise dealing with the Company's properties, articles or things or for the purpose of the trade or business of the Company;
- (m) To make advances upon or for the purchase of goods and all other articles required for the purposes of the Company upon such terms as the Managing Director think fit;
- (n) Subject to the provisions of the Act and subject to the provisions of any agreement at the time in force between the Company and any person, to appoint agents, sub-agents, distributors, at such place or places as the Managing Director think fit or necessary, to sell or otherwise dispose of the Company's properties, articles or things or products and on such terms and conditions as the Managing director think fit;
- (o) To raise or borrow (otherwise than by debentures) from time-to-time in the name or otherwise on behalf of the Company by not exceeding the total amount specified by the Board from time to time, such sum or sums of money as the Managing Director may think expedient;
- (p) To acquire with the approval of the Directors and within such limits of price as they may from time-to-time prescribe on lease, by purchase, exchange or otherwise howsoever for the purposes of the Company, properties, buildings, lands, premises, etc. for factories, workshops, offices, showrooms, stores, machinery, etc. of the Company;
- (q) To insure and keep insured Company's properties, buildings, machinery, moveable or immoveable either lying in the godowns, showrooms, or offices, or in the workshops or factories or elsewhere or in transit for import against loss or damage by fire or other risks to such amount and for such period as the Managing director may deem proper and to sell, assign, surrender or dis-continue any of the insurances effected in pursuance of this power;
- (r) Subject to the provisions of Section 179 and 186 of the Act and when so authorized by the Board and within the limits from time-to-time fixed by the Board, to invest and deal with the monies of the Company not immediately required, upon such investments of such nature as may be specified by the Board from time-to-time or to deposit the same with banks, shroffs or persons and from time-to-time to realize and vary such investments;
- (s) Subject to the provisions of Section 179 and 186 of the Act and when so authorized by the Board and within the limits from time-to-time fixed by the Board to make loans for such purposes as may be specified by the Board from time-to-time;
- (t) To operate upon and open accounts current, fixed or otherwise with any bank or bankers, merchant or merchants or with any Company or Companies, firm or firms, individual or individuals and to pay monies into and to draw monies from any such account or accounts from time-to time as the Managing Director may think fit;
- (u) To attend and vote at all meetings in all bankruptcy, insolvency and liquidation or other proceedings in which the Company may be interested or concerned;
- (v) To appoint or employ for the Company's transactions and management of affairs and from time-to-time to discharge or remove or suspend or re-appoint and re-employ or replace managers, officers, clerks, workmen, employees and other members of the staff of the Company, bankers, all kinds of agents, brokers, advocates, barristers, solicitors, pleaders, lawyers, mechanics, engineers, merchants, retail and wholesale commission dealers, muccadams, technicians and experts with such powers and duties and upon such terms as to duration of employment, remuneration or otherwise as the Managing Director may deem fit;
- (w) To incur from time-to-time subject nevertheless to the provisions of the Act, such expenses and to lay out such sum or sums of money as the Managing Director may deem expedient for the offices or the establishments of the Company and for the purpose of maintaining and carrying on the works and business of the Company as he may think fit;
- (x) From time-to-time, provide by the appointment of any attorney or attorneys, or officer or officers for management and transaction of the affairs of the Company generally or in specified locality or district or province or state;

- (y) To make all such arrangements and to do all acts, deeds, matters and things on behalf of the Company as may be usual, necessary or expedient in the conduct and management of business and as are not by the Act or by the Memorandum and Articles of Association expressly require to be done by the Company in general meeting by the Board.
6. The Managing Director shall, throughout the said term, devote the whole of his time, attention and abilities to the business of the company, and shall obey the orders, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall faithfully serve the company and use his utmost endeavour to promote the interest thereof.
7. The company shall pay remuneration to the Managing Director during the continuance of this agreement in consideration of the performance of his duties, as under:-
- **Remuneration:**
- Basic Pay:** Not Exceeding ₹168 lakhs p.a. (will be paid exclusive of the perquisites, as mentioned below, which shall not be included in the computation of ceiling stated herein.)
- Allowance & Perquisite:**
1. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
  2. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service, and is not taxable under the Income-tax Act, 1961.
  3. Encashment of leave at the end the tenure.
- Increments:** Increments may be given subject to the overall limits specified under Section 197 read with Schedule V of the Companies Act, 2013.
8. The Company or Mr. Amrut P. Shah may bring to an end this Agreement before his term is over by giving a notice of the intention to terminate it at least 3 Months before the date on which the termination is come into effect. If such notice is given, the agreement will come to an end when 3 months' notice period is over.
9. The Managing Director shall not during the period of his employment, and without the previous consent in writing of the Board, engage or interest himself either directly or indirectly in the business or affairs of any other person, firm, company, body corporate or concern or in any undertaking or business of a nature similar to or competing with the company's business and further shall not, in any manner, whether directly or indirectly, use, apply or utilise his knowledge or experience for or in the interest of any such person, firm, company, body corporate or concern as aforesaid or any such competing undertaking or business as aforesaid.
10. The Managing Director shall not, during the continuance of his employment or any time thereafter, divulge or disclose to any person, firm, company, body corporate or concern, whatsoever or make any use whatever for his own or for whatever purpose of any confidential information or knowledge obtained by him during his employment of the business or affairs of the company or of any trade secrets or secret processes of the company and the Managing Director shall, during the continuance of his employment hereunder, also use his best endeavours to prevent any other person, firm, company, body corporate or concern from doing so.
11. Any property of the company or relating to the business of the company, including memoranda, notes, records, reports, plates, sketches, plans, or other documents which may be in the possession or under the control of the Managing Director or to which the Managing Director has at any time access, shall at the time of the termination of his employment be delivered by the Managing Director to the company or as it shall direct and the Managing Director shall not be entitled to the copyright in any such document which he hereby acknowledge to be vested in the company or its. assigns and binds himself not to retain copies of any of them. The Managing Director shall, from time to time, during his employment hereunder, fully disclose to the company the progress of his investigation and any discoveries he may make himself or in conjunction with others and if at any time hereafter he shall make himself or in conjunction with others any improvement, invention or discovery arising out of or in connection with the said employment he shall forthwith disclose to the Company or any patent agent appointed by it a full and complete description of the nature of the said improvement, invention or discovery and the mode of performing the same.
12. Managing Director will not engage himself in any business which will directly compete with the business of the Company while he holds the office of the Managing Director or at any, thereafter for 3 (three) years.
13. Where any controversy, dispute or disagreement arises between the Managing Director and the Company as to the interpretation or application of any of the terms, conditions, requirements or obligation under this Agreement or the performance hereof which the Parties are unable to resolve by agreement, the Parties hereby agree to refer the controversy, dispute or disagreement to arbitration in accordance with Arbitration and Conciliation Act, 1996. All arbitration proceedings shall be conducted in English and the venue for conducting such proceedings shall be at Mumbai.
14. The whole interest of the Managing Director in the said improvement, invention or discovery and in all future improvements thereon at any time discovered or invented by the Managing Director alone or in conjunction as aforesaid, shall be the sole and absolute property of the Company and the Managing Director, if and whenever required by the Company during the period of employment or after the termination thereof shall at the expense of the Company, join with the Company in applying for letters patent, design registration or other forms of protection in India and in such other countries as the Company may direct for the said improvement, invention or discovery or any such improvement thereon and shall, on the request by, and at the expense of the Company, execute, sign and do all applications, assignments, instruments and things necessary to vest the whole of his interest in the said improvements, invention or discovery or improvement thereon and any letters patent or other protection that may

be obtained in respect thereof, in the Company or person or persons appointed by it.

15. If the Managing Director shall at any time be prevented by ill-health or accident from performing his duties hereunder, he shall inform the Company and if he shall be unable by reason of ill-health or accident for a period of sixty days in any period of twelve consecutive calendar months to perform his duties hereunder, the Company may terminate his employment.
16. The Company shall be entitled to terminate this agreement in the event of the Managing Director being guilty of misconduct or such inattention to or negligence in the discharge of his duties or in the conduct of the Company's business or of any other act of omission or commission inconsistent with his duties as the Managing Director or any breach of his agreement.
17. If before the expiration of this agreement the tenure of office of the Managing Director shall be determined by reason of a reconstruction or amalgamation whether by the winding up of the Company or otherwise, the Managing Director shall have no claim against the Company for damages.

**ITEM NO. 4:**

Mr. Shantilal P. Shah (DIN: 00033182) was re-appointed as the Whole-time Director of the Company in the AGM held on September 15, 2017 for period of three years w.e.f. April 01, 2018. Thus, his tenure as Whole-time Director of the Company is effective till March 31, 2021. Pursuant to the provisions of Section 196 of the Companies Act 2013, Whole-time Director can be reappointed prior to expiry of his term provided such reappointment shall not be made prior to one year before the expiry of his term. Subject to the necessary approvals and on recommendation of the Nomination and Remuneration Committee, the Board of Directors, in their meeting held on August 28, 2020 has re-appointed Mr. Shantilal P. Shah as Whole time Director of the Company with effect from April 01, 2021 for period of three years i.e. till March 31, 2024 on such terms and conditions including remuneration as set out in the Letter of Appointment dated August 28, 2020 which are as follows in brief:

**Duration of Appointment:**

The re-appointment is for Three years commencing from April 01, 2021 till March 31, 2024 (liable to retire by rotation).

**Designation:**

He will be designated as Whole-Time Director as well as Key Managerial Personnel of the Company.

**Role on the Board:**

He is re-appointed as Whole Time Director to:

1. To handle the Marketing and Public Relation with the clients of the Company and Media.
2. To effectively represent, and promote the interests of, shareholders with a view to adding long-term value to the Company's shares.
3. To ensure that the Company's goals are clearly established, and that strategies are in place for achieving them.

4. To establish in consultation with the board and its committee, policies for strengthening the performance of the Company including ensuring that management is proactively seeking to build the business through innovation, initiative, technology, new products, designs and the development of its business capital;
5. To ensure that the Company adheres to high standards of ethics and corporate behaviour;

**Remuneration:**

- Remuneration of not exceeding ₹168 lakhs p.a. (will be paid exclusive of the perquisites, as mentioned below, which shall not be included in the computation of ceiling stated herein.)
- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- Gratuity payable at the rate not exceeding half a month's salary for each completed year of service, and is not taxable under the Income-tax Act, 1961.
- Encashment of leave at the end the tenure.
- Where in any financial year, during the currency of tenure of the Whole Time Director, the Company has adequate profits the Whole Time Director will be paid remuneration subject to the limits of 5% of the net profits, as the case may be, and the overall limits of 11% of the net profits as laid down in sub-section (1) of Section 197 of the Companies Act, 2013 and in case of no profit or inadequacy of profit the remuneration shall be within the limit specified in the Schedule V of the Companies Act, 2013.
- The Whole Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or committee thereof from the date of his appointment.
- The term and conditions of the appointment may be altered and varied from time to time by the Board in consultation with the Nomination & Remuneration Committee, in its discretion and deem fit in accordance with the limit specified in Schedule V to the Companies Act, 2013 or any amendment made thereafter in this regard.

**Termination:**

The appointment may be terminated by either party by giving one month notice or the Company paying one month salary in lieu of the notice. If at any time the Whole Time Director ceases to be a Director of the Company for any cause whatsoever he shall cease to be the Whole Time Director of the Company.

**ITEM NO. 5:**

Mr. Krunal S. Shah (DIN: 07877986) was appointed as the Whole time Director of the Company in the AGM held on September 15, 2017 up to the period of March 31, 2021. Pursuant to the provisions of Section 196 of the Companies Act 2013, Whole-time Director can be reappointed prior to expiry of his term provided such reappointment shall not be made prior to one year before the expiry of his term. Subject to the necessary approvals and on recommendation of the Nomination and Remuneration Committee, the Board of Directors, in their meeting held on August 28, 2020 has re-appointed Mr. Krunal S. Shah as Whole time Director of the

Company with effect from April 01, 2021 for period of three years i.e. till March 31, 2024 on such terms and conditions including remuneration as set out in the Letter of Appointment dated August 28, 2020 which are as follows in brief:

#### Duration of Appointment:

The re-appointment is for Three years commencing from April 01, 2021 till March 31, 2024 (liable to retire by rotation).

#### Designation:

He will be designated as Whole-Time Director as well as Key Managerial Personnel of the Company.

#### Role on the Board:

He is re-appointed as Whole Time Director to:

- To handle the Digital Marketing, Designing, and Public Relation with the clients of the Company and Media.
- To ensure that the Company's goals are clearly established, and that strategies are in place for achieving them.
- To establish in consultation with the board and its committee, policies for strengthening the performance of the Company including ensuring that management is proactively seeking to build the business through innovation, initiative, technology, new products, designs and the development of its business capital;
- To ensure that the Company adheres to high standards of ethics and corporate behaviour;

#### Remuneration:

- Remuneration of not exceeding ₹168 lakhs p.a. (will be paid exclusive of the perquisites, as mentioned below, which shall not be included in the computation of ceiling stated herein.)
- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- Gratuity payable at the rate not exceeding half a month's salary for each completed year of service, and is not taxable under the Income-tax Act, 1961.
- Encashment of leave at the end the tenure.
- Where in any financial year, during the currency of tenure of the Whole Time Director, the Company has adequate profits the Whole Time Director will be paid remuneration subject to the limits of 5% of the net profits, as the case may be, and the overall limits of 11% of the net profits as laid down in sub-section (1) of Section 197 of the Companies Act, 2013 and in case of no profit or inadequacy of profit the remuneration shall be within the limit specified in the Schedule V of the Companies Act, 2013.
- The Whole Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or committee thereof from the date of his appointment.
- The term and conditions of the appointment may be altered and varied from time to time by the Board in consultation with the Nomination & Remuneration Committee, in its discretion and deem fit in accordance with the limit specified

in Schedule V to the Companies Act, 2013 or any amendment made thereafter in this regard.

#### Termination:

The appointment may be terminated by either party by giving one month notice or the Company paying one month salary in lieu of the notice. If at any time the Whole Time Director ceases to be a Director of the Company for any cause whatsoever he shall cease to be the Whole Time Director of the Company.

The Company has inadequate profits in the Financial Year 2019-20. As a result the proposed remuneration to Managing Director and Whole-time Directors is calculated in the manner provided as per Section 197 (3) and Section II of Part II of Schedule V of the Companies Act, 2013 ("the Act") as mentioned in agenda no. 3 to 5 above. The following additional information as required under further proviso of Section II of Part II of Schedule V of the Act is given below for agenda no. 3 to 5 above:

#### I. GENERAL INFORMATION:

- Nature of Industry: **Paper and Stationery**
- Date of Commencement of commercial production: **March 13, 1995**
- In case of new Company, expected date of Commencement of activities as per project approved by Financial Institutions appearing in the Prospectus: **Not Applicable**
- Financial Performance based on given indicators:

As per published audited financial results of the Company following are the details of financial performance of the Company during last two years:

| (₹ In Lakhs)                           |                 |                 |
|--|-----------------|-----------------|
| PARTICULARS                            | 2019-20         | 2018-19         |
| Revenue from Operations                | 9698.73         | 9958.85         |
| Other Income                           | 470.64          | 210.19          |
| <b>Total Income</b>                    | <b>10169.37</b> | <b>10169.04</b> |
| Less: Depreciation                     | 411.27          | 357.28          |
| Less: Finance Costs                    | 989.23          | 739.55          |
| Add/(less): Exceptional items          | -               | -               |
| <b>Profit / (Loss) before tax</b>      | <b>(269.85)</b> | <b>586.26</b>   |
| Less: Tax Expense (Current & Deferred) | -               | -               |
| <b>Profit /loss for the year</b>       | <b>(269.85)</b> | <b>586.26</b>   |
| <b>EPS (Basic &amp; Diluted)</b>       | <b>(0.06)</b>   | <b>0.13</b>     |

Currently, the performance of the Company is stable. However, in the event of unforeseen circumstances and conditions beyond the control of the Company, the profitability of the Company may be affected. Barring unforeseen circumstances, it is expected that the Company will perform well in future.

- Foreign Investments or Collaborations, if any:

The total holding of Foreign Portfolio Investors as on March 31, 2020 is NIL. Further there is no foreign collaboration.

#### II. INFORMATION ABOUT THE APPOINTEE:

**1. Background details:****Amrut P. Shah, Chairman & Managing Director (DIN: 00033120):**

Mr. Amrut P. Shah, Age 59, Promoter, is the CMD of the Company. He brings with him more than 35 years' experience in the business of paper stationery manufacturing. Though he is SSC qualified he started his career at a tender age of 20 years in the notebook manufacturing and marketing. He is associated with the Company since incorporation i.e. from March 13, 1995 to till date.

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

Mr. Shantilal P. Shah, Age 49, is the Whole-time Director of the Company. Though he is SSC qualified he is a great marketing brain in the paper and stationery industry. He has evolved and developed a unique dealer/retailer network in the form of retails shops in Maharashtra, Gujarat and Goa. He constantly strives to expand the dealer/retail network through personal relationships and innovative schemes of rewarding the dealer achievers. He has put in place the system to gather from this network great deal of market intelligence in terms of customer preference for Sundaram's products vis-à-vis the competitors' products.

**Krunal S. Shah, Whole-time Director (DIN: 07877986):**

Mr. Krunal S. Shah, age 26, is the Director of the Company. He has completed qualification of Masters of Management Studies and Bachelor of Business Administration. He is having good Marketing Brain and Management & Business Administration Skills. His technological expertise helps the Company to conduct its affairs in efficient and cost effective manner.

**2. Past Remuneration:**

| Financial Year | Salary (p.a.) |                   |                |
|----------------|---------------|-------------------|----------------|
|                | Amrut P. Shah | Shantilal P. Shah | Krunal S. Shah |
| 2017-18        | 42,00,000     | 42,00,000         | 24,50,000      |
| 2018-19        | 42,00,000     | 42,00,000         | 42,00,000      |
| 2019-20        | 42,00,000     | 42,00,000         | 42,00,000      |

**3. Recognition/Awards:**

The Sundaram Multi Pap Limited under the Stewardship of Mr. Amrut P. Shah obtained the following recognition/Awards:

| Sr. No. | Awards/ Recognition               | Issuing Authority   | Year      |
|---------|-----------------------------------|---|-----------|
| 1       | Certificate of Merit              | CAPEXIL   | 1997-1998 |
| 2       | Certificate of Merit              | CAPEXIL   | 1999-2000 |
| 3       | Certificate of Export Recognition | Ministry of Industries, Trade & Commerce, Government of Maharashtra | 1999-2000 |
| 4       | Special Export Award              | CAPEXIL   | 2000-2001 |

| Sr. No. | Awards/ Recognition   | Issuing Authority   | Year      |
|---------|---|---|-----------|
| 5       | Award for Best Export Performance. Category: Regional Award (Konkan Region) | Ministry of Industries, Trade & Commerce, Government of Maharashtra | 2000-2001 |
| 6       | Special Export Award  | CAPEXIL   | 2001-2002 |
| 7       | Special Export Award  | CAPEXIL   | 2002-2003 |
| 8       | Special Export Award  | CAPEXIL   | 2003-2004 |
| 9       | Special Export Award  | CAPEXIL   | 2004-2005 |
| 10      | Award for Best Export Performance. Category: Regional Award (Konkan Region) | Ministry of Industries, Trade & Commerce, Government of Maharashtra | 2006-2007 |
| 11      | Special Export Award  | CAPEXIL   | 2009-2010 |

**4. Job Profile and Suitability:****Amrut P. Shah:**

Mr. Amrut P. Shah is the Managing Director of our Company having more than 3 decades of experience in the industry. Apart from the day to day management of the Company, the Board of Directors has entrusted to him the responsibility of successful and timely execution of the Company's expansion projects from time to time.

**Shantilal P. Shah:**

Mr. Shantilal P. Shah is the Whole-time Director of our Company. He has profound knowledge of customer taste and market for the products of the Company. He looks over the overall marketing and distribution network of the Company and makes and executes strategic marketing plans. He is playing major role in planning, financing, administrating, organizing and controlling.

**Krunal S. Shah:**

Mr. Krunal S. Shah is appointed as Whole-time Director of the Company. He has expertise in Marketing, Management & Business Administration and Technology up-gradations. He looks over Business Management & Administration and Technological advancements in the Company.

**5. Remuneration proposed:**

Proposed remuneration of not exceeding ₹168 lakhs p.a. each from FY 2021-22 to 2023-24 payable to Mr. Amrut P. Shah, Mr. Shantilal P. Shah & Mr. Krunal S. Shah shall be exclusive of perquisites. Other details pertaining to remuneration is given above in resolution and explanatory statement.

## 6. Comparative Remuneration Profile with respect to Industry, size of the Company, Profile of the position and person:

### Amrut P. Shah:

Mr. Amrut P. Shah brings with him almost 3 decades of experience in the business of paper stationery manufacturing. He started his career at a tender age of 20 years in the notebook manufacturing and marketing that provided him the opportunity to understand complete intricacies of this business like sourcing raw materials, complete manufacturing processes like printing, ruling, cutting, folding, pinning, pasting and packing and selling to various retail outlets in and around vicinity. He launched himself as an independent manufacturer in the year 1985 with his brother Mr. Shantilal P. Shah and in very second year of operation achieved three important milestones viz. pioneered the concept of long books, drawing book with laminated cover and the soft cover laminated notebooks. He also has in-depth knowledge of the paper industry that helps the business greatly, paper being the principal raw material. He has built an uncanny relationship with the paper manufacturers over last 30 years which has ensured consistent supplies of the required paper for manufacturing various paper stationery. His all-encompassing knowledge of paper stationery manufacturing business and his successful track record have made him the most respectable figure in the Industry.

Sundaram is strong Brand in Education stationary market in western India for more than 3 decades. In Maharashtra it is one of the top two brands. Mr. Amrut P. Shah & Mr. Shantilal P. Shah strived hard to place our Company in a prominent position and his role since 1995 in turning our Company to one of the reputed and branded paper stationery manufacturing companies in the State of Maharashtra.

The turnover of our Company, as per the audited accounts, for the year ended 31.03.2020 was ₹9698.73 lakhs. There are 162 employees on the payroll as on March 31, 2020. Considering the size of the Company, turnover, growth in the Company's business and the profile of the Managing Director, the proposed remuneration is comparable, if not; lower than the levels prevailing in the industry.

### Shantilal P. Shah:

Mr. Shantilal P. Shah brings with him more than 25 years' experience of marketing in paper and stationery industry. He is being associated with the Company since incorporation, However he was inducted on the Board from August 1, 1999. He has made in depth studies of the market for paper and paper stationery products. He has created strong whole seller and retailer channels for the products of the Company.

Sundaram is strong Brand in Education stationary market in western India for the last 26 years. In Maharashtra it is one of the top two brands. Mr. Shantilal P. Shah strived hard to create the brand 'SUNDARAM' in the market.

The turnover of our Company, as per the audited accounts, for the year ended 31.03.2020 was ₹9698.73 lakhs. There are 162 employees on the payroll as on March 31, 2020. Considering the size of the Company, turnover, growth in the Company's

business and the profile of the Whole-time Director, the proposed remuneration is comparable, if not; lower than the levels prevailing in the industry.

### Krunal S. Shah:

Mr. Krunal S. Shah has good brain in Marketing, Management & Business Administration and Technology up-gradations. He is associated with the business of the Company since long however he is inducted on the Board w.e.f. August 08, 2017.

The turnover of our Company, as per the audited accounts, for the year ended 31.03.2020 was ₹9698.73 lakhs. There are 162 employees on the payroll as on March 31, 2020. Considering the size of the Company, turnover, growth in the Company's business and the profile of the Whole-time Director, the proposed remuneration is comparable, if not; lower than the levels prevailing in the industry.

## 7. Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any:

Mr. Amrut P. Shah & Mr. Shantilal P. Shah are Brothers and Mr. Krunal S. Shah is son of Mr. Shantilal P. Shah. Mr. Amrut P. Shah is father of Mr. Hardik A. Shah. They do not have any other pecuniary relationship, directly or indirectly with the Company or managerial personnel except to the extent of his shareholdings in the equity share capital of the Company and the salary drawn by him as Managing Director and Whole-time Director respectively.

### Nature of interest of Directors/KMP/or their relatives are as under:

| Sr. No. | Name              | Designation & Nature of Relationship  | Shareholding in Company as on June 30, 2020 |
|---------|-------------------|---|---|
| 1.      | Amrut P. Shah     | Managing Director (Brother of Mr. Shantilal P. Shah & Mr. Raichand P. Shah; Father of Mr. Hardik A. Shah) | 3,46,08,925 (7.30%)                         |
| 2.      | Shantilal P. Shah | Whole-time Director (Brother of Mr. Amrut P. Shah & Mr. Raichand P. Shah; Father of Mr. Krunal S. Shah)   | 4,62,64,357 (9.76%)                         |
| 3.      | Raichand P. Shah  | Plant Manager (Brother of Mr. Amrut P. Shah & Mr. Shantilal P. Shah; Father of Mr. Yash R. Shah)          | 4,67,39,303 (9.86%)                         |
| 4.      | Krunal S. Shah    | Whole-time Director (Son of Mr. Shantilal P. Shah)  | 43,000 (0.01%)                              |
| 5.      | Hardik A. Shah    | CEO (Son of Mr. Amrut P. Shah)  | 1,34,56,000 (2.84%)                         |
| 6.      | Yash R. Shah      | Chief Operating Officer (Son of Mr. Raichand P. Shah)   | 3,59,000 (0.08%)                            |

## III. OTHER INFORMATION:

### (1) Reasons for loss or inadequate profits:

The turnover of the Company for the year 2019-20 is ₹9698.73 Lakhs as against ₹9958.85 Lakhs in the year 2018-19. Company has incurred net loss of ₹269.85 lakhs for the year 2019-20 as against net profit of ₹586.26 lakhs in the year 2018-19. Finance cost of the Company has increased during the year and also with the growing market players and tough competition in the market the Company had maintained the competitive prices of its products which in turn reduced the sales income. Thus, the Company has inadequate profits for the computation of the ceilings of the remuneration to the managerial personnel.

**(2) Steps taken or proposed to be taken for improvement:**

Rate of interest on the Borrowing has been reduced during the end of financial year. Further Company has launched various new products in order to improve the sales. Also company is continuously striving to reduce its manufacturing and other operating expenses. The Company has already installed a fully automatic production line for the exercise books which become fully operational and has started giving global quality products at a reduced cost of production. The Company has already trimmed its manpower across units and imparting multitasking skills for its workers has been top priority. The Company is also on the lookout for further growth opportunities that may be available in the market.

**(3) Expected increase in productivity and profits in measurable terms:**

With the steps taken by the Company on operations front in improving the production and operating parameters by reducing the operating expenses and also increasing focus on sales, it is expected that the production level as well sales will increase and cost of production will come down resulting in increase in the profitability of the Company.

**IV DISCLOSURES:**

**(1) Details of remuneration payable to the Directors:**

(₹ In lakhs)

| Name & Position  | Salary* (p.a) |
|--|---------------|
| Mr. Amrut P. Shah (DIN 00033120), Chairman and Managing Director | 168.00        |
| Mr. Shantilal P. Shah (DIN 00033182), Whole-time Director        | 168.00        |
| Mr. Krunal S. Shah (DIN: 07877986), Whole-time Director          | 168.00        |

\* Subject to necessary approvals and shall be adjusted depending upon the tenure of office of Director.

There are no stock options available / issued to any Executive Directors of the Company. No sitting fees were paid to the Non-Executive Directors for the Financial Year 2019-20.

The remuneration package includes only Salary. The salary is the fixed component. There are no performance linked incentives. As per the agreement entered or letter of appointment issued between the Company and the Directors as mentioned above, term of appointment of Mr. Amrut P. Shah & Mr. Shantilal P. Shah & Mr. Krunal S. Shah is 3 years from April 01, 2021 to March 31, 2024.

The notice period is of 3 months / 1 month before the date on which the termination shall come into effect. Severance fees are not applicable. No stock options have been issued.

Your Board recommends the Special resolution as set out in Item No. 3 to 5 for the approval of Members.

The Details pertaining to the number of Board meetings attended, Committee meetings attended, Directorships in other Companies, Membership/ Chairmanship of Committees of other Boards, for Mr. Amrut P. Shah, Mr. Shantilal P. Shah and Mr. Krunal S. Shah, are disclosed in Corporate Governance Report and in the additional information given pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard 2 regarding re-appointment of Directors, forming part of this report.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. Amrut P. Shah (DIN: 00033120), Mr. Shantilal P. Shah (DIN: 00033182), Mr. Krunal S. Shah (DIN: 07877986) whose re-appointment is proposed in these resolutions are in any way concerned or interested in the resolution.

**By Order of the Board of Directors  
For Sundaram Multi Pap Limited**

Sd/-  
**Bhaves Chheda**  
Company Secretary

Place: Mumbai

Date: August 28, 2020

**Additional Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 regarding appointment of a new Director or re-appointment of Directors and as required under applicable Secretarial Standard:**

**Mr. Amrut P. Shah, Managing Director (DIN: 00033120):**

| Age & Date of Birth  | 30-08-1961 (59 Years)   |
|--|---|
| Qualifications & Experience (including expertise in specific functional area) / Brief Resume | Mr. Amrut P. Shah, Age 59, Promoter, is the CMD of the Company. He brings with him more than 35 years' experience in the business of paper stationery manufacturing. Though he is SSC qualified he started his career at a tender age of 20 years in the notebook manufacturing and marketing. He is associated with the Company since incorporation i.e. from March 13, 1995 to till date. |
| Terms and Conditions of Re-appointment   | Terms & Conditions of Reappointment will remain same as given in the resolutions given in the notice.   |
| Remuneration last drawn  | ₹42.00 Lakh p.a.  |
| Remuneration proposed to be paid   | As mentioned in the Resolution & Explanatory Statement thereto.   |



|   |   |
|---|---|
| Date of first appointment on the Board                                      | 13-03-1995  |
| Shareholding in the Company as on June 30, 2020                             | 3,46,08,925 (7.30 %)  |
| Relationship with other Directors / Key Managerial Personnel                | Brother of Mr. Shantilal P. Shah & Mr. Raichand P. Shah; Father of Mr. Hardik A. Shah                               |
| Directorships as on June 30, 2020   | Sundaram Multi Pap Limited;<br>E-Class Education System Limited (Amalgamated);<br>Sundaram Bio-Tech Private Limited |
| Membership / Chairmanship of Committees of other Boards as on June 30, 2020 | NIL   |

**Mr. Shantilal P. Shah, Whole-time Director (DIN: 00033182):**

|  |  |
|--|--|
| Age & Date of Birth  | 07-11-1970 (49 Years)  |
| Qualifications & Experience (including expertise in specific functional area) / Brief Resume | Mr. Shantilal P. Shah, Age 49, is the Whole-time Director of the Company. Though he is SSC qualified he is a great marketing brain in the paper and stationery industry. He has evolved and developed a unique dealer/retailer network in the form of retail shops in Maharashtra, Gujarat and Goa. He constantly strives to expand the dealer/retail network through personal relationships and innovative schemes of rewarding the dealer achievers. He has put in place the system to gather from this network great deal of market intelligence in terms of customer preference for Sundaram's products vis-à-vis the competitors' products. |
| Terms and Conditions of Re-appointment   | Terms & Conditions of Reappointment will remain same as given in the resolutions given in the notice.  |
| Remuneration last drawn  | ₹42.00 Lakh p.a.   |
| Remuneration proposed to be paid   | As mentioned in the Resolution & Explanatory Statement thereto.  |
| Date of first appointment on the Board   | 01-08-1999   |
| Shareholding in the Company as on June 30, 2020  | 4,62,64,357 Equity Shares (9.76%)  |
| Relationship with other Directors / Key Managerial Personnel                                 | Brother of Mr. Amrut P. Shah & Mr. Raichand P. Shah; Father of Mr. Krunal S. Shah  |

|   |   |
|---|---|
| Directorships as on June 30, 2020   | Sundaram Multi Pap Limited;<br>E-Class Education System Limited (Amalgamated);<br>Sundaram Bio-Tech Private Limited |
| Membership / Chairmanship of Committees of other Boards as on June 30, 2020 | NIL   |

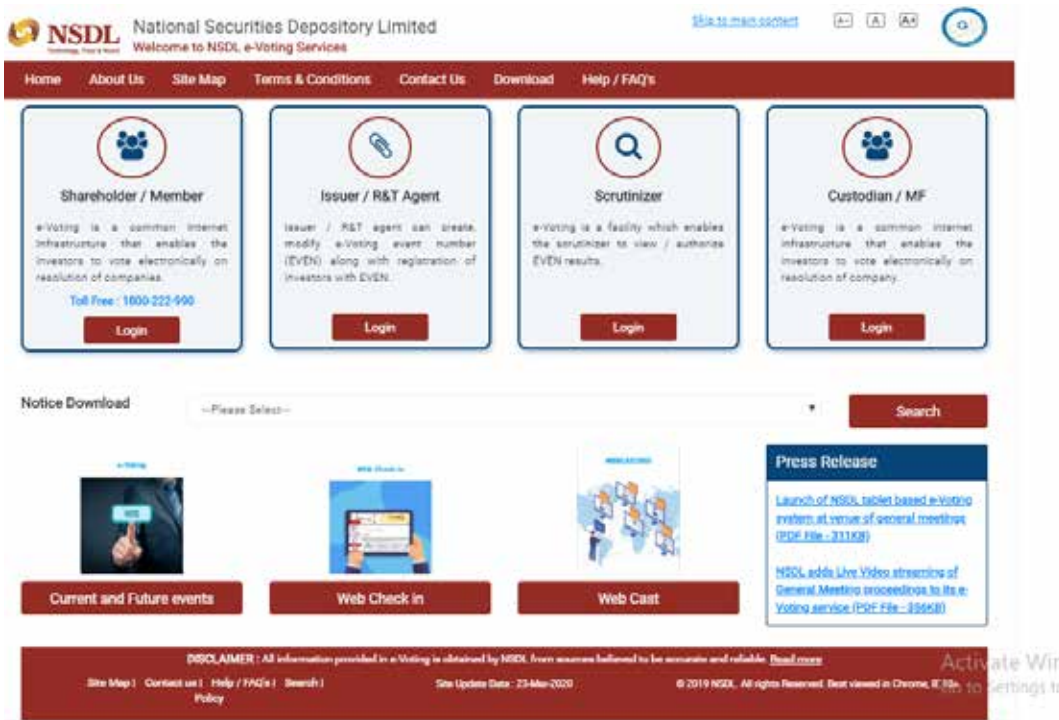
**Mr. Krunal S. Shah, Whole-time Director (DIN: 07877986):**

|  |  |
|--|--|
| Age & Date of Birth  | 07-07-1994 (26 Years)  |
| Qualifications & Experience (including expertise in specific functional area) / Brief Resume | Mr. Krunal S. Shah, age 26, is the Director of the Company. He has completed qualification of Masters of Management Studies and Bachelor of Business Administration. He is having good Marketing Brain and Management & Business Administration Skills. His technological expertise helps the Company to conduct its affairs in efficient and cost effective manner. |
| Terms and Conditions of Re-appointment   | Terms & Conditions of Reappointment will remain same as given in the resolutions given in the notice.  |
| Remuneration last drawn  | ₹42.00 Lakh p.a.   |
| Remuneration proposed to be paid   | As mentioned in the Resolution & Explanatory Statement thereto.  |
| Date of first appointment on the Board   | 08-08-2017   |
| Shareholding in the Company as on June 30, 2020  | 43000 (0.01%)  |
| Relationship with other Directors / Key Managerial Personnel                                 | Son of Mr. Shantilal P. Shah   |
| Directorships as on June 30, 2020  | NIL  |
| Membership / Chairmanship of Committees of other Boards as on June 30, 2020                  | NIL  |

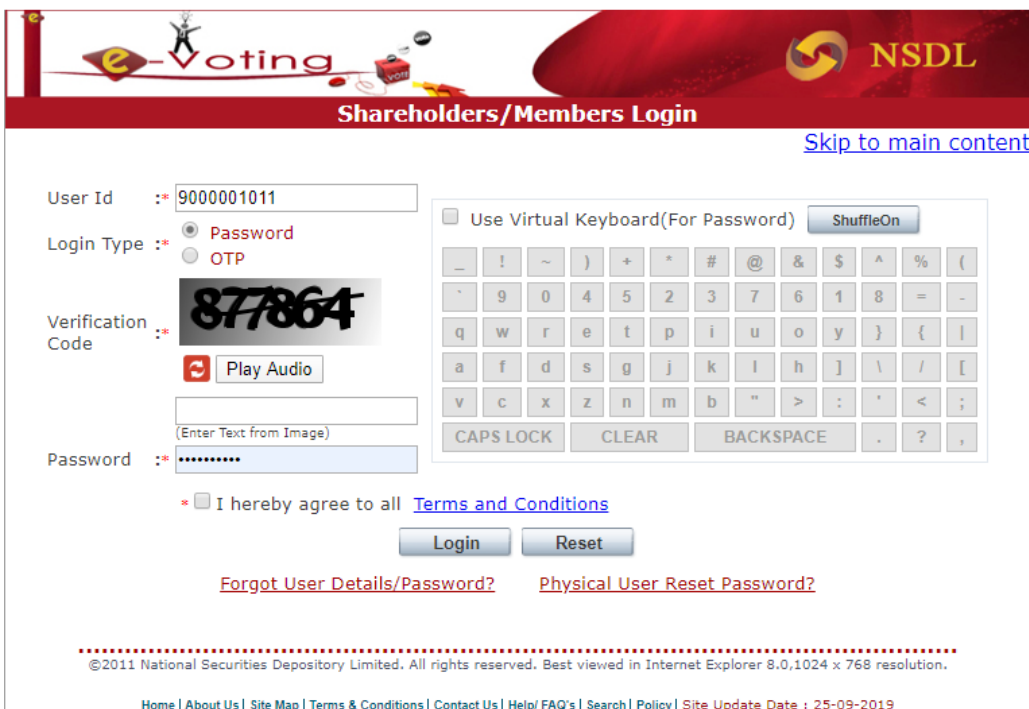
**PICTORIAL INSTRUCTIONS FOR E-VOTING & VIDEO CONFERENCING FOR AGM**

In case the shareholder wants to join the AGM and also like to vote.

- 1) Shareholder visits NSDL evoting site <https://evoting.nsdl.com/> and clicks on “Shareholder/Member” login button.



- 2) Shareholder will get below page where he has to enter his remote e-Voting login credentials.



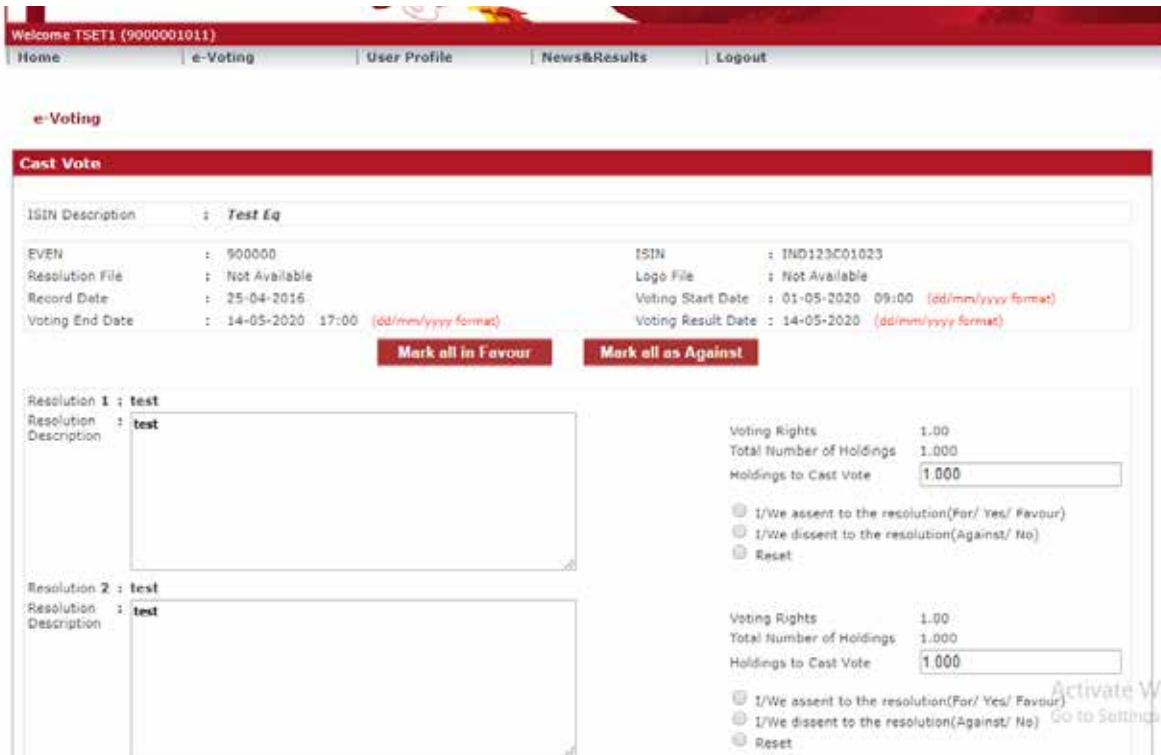
- 3) After successful login shareholder will be able to see the home page of NSDL e-Voting system. Shareholder has to click on “Active Evoting Cycles/ VC/OAVM” as shown below.



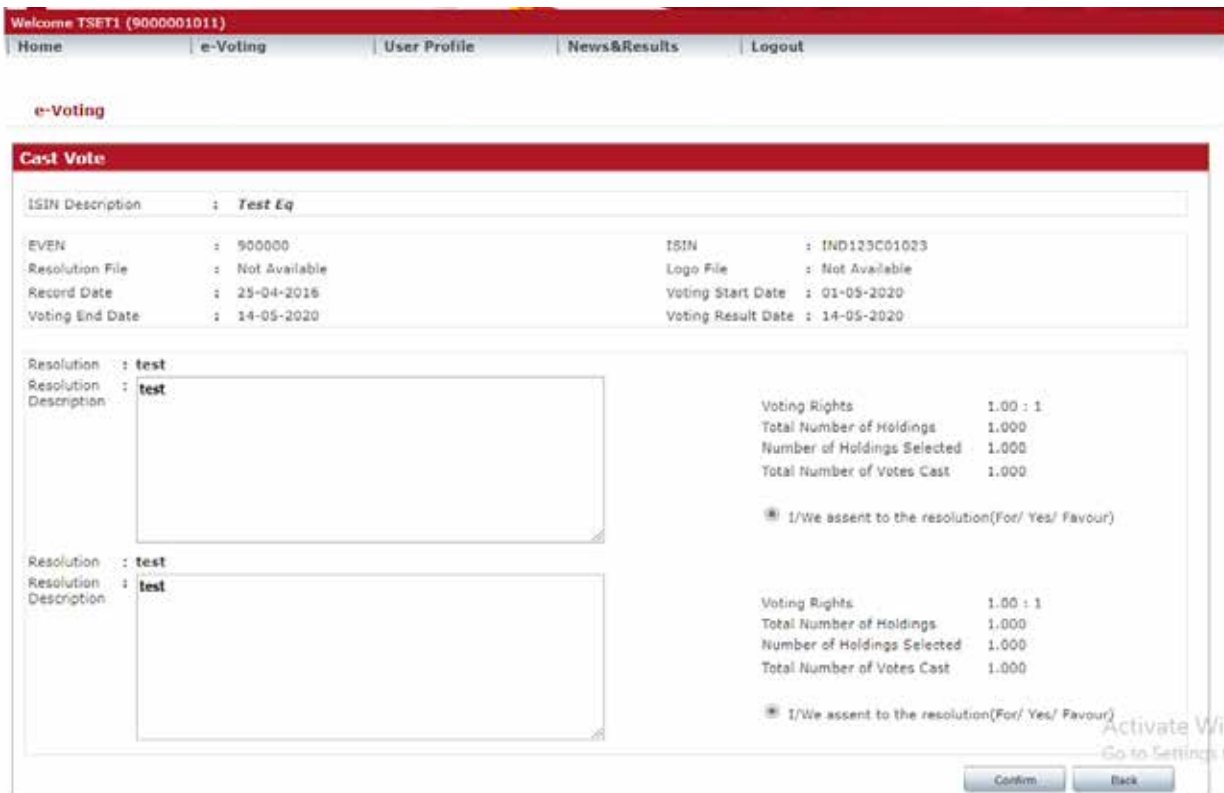
- 4) Shareholder will be able to see all active evens for which voting is live as well as AGM is scheduled to be held. He has to click on the “VC/OAVM” option under the Join General Meeting to view the AGM



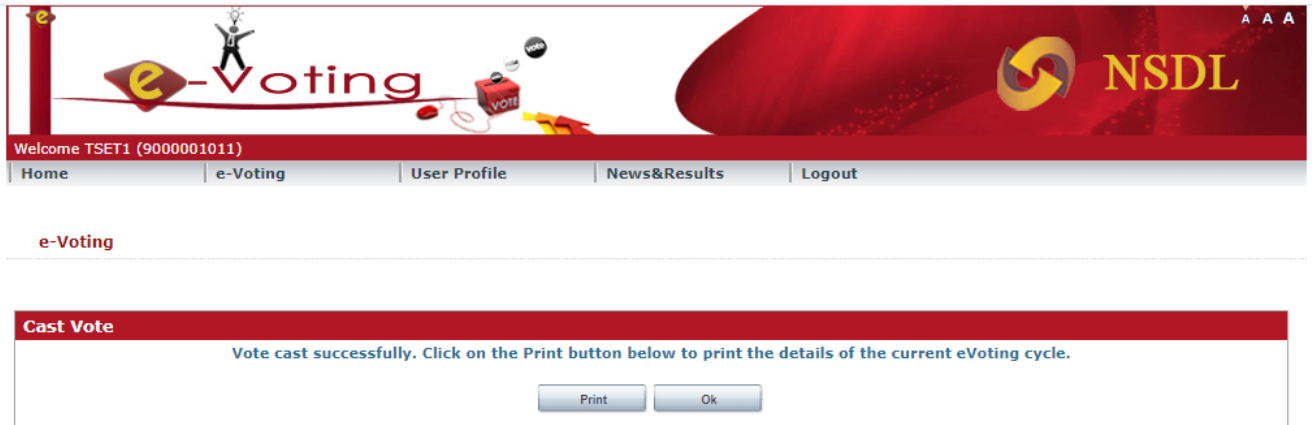
- 5) Further, during the meeting shareholder can click on respective EVEN of company. He has to choose his option of voting per resolution or can choose for "Mark all in favour"/"Mark all as against". This facility will be available to only those shareholders who have not casted their votes through Remote Voting.



- 6) Shareholder will confirm the options that he has selected to cast the vote.



7) On clicking on Confirm button he will get voting confirmation as below. Thus shareholder will complete voting process.



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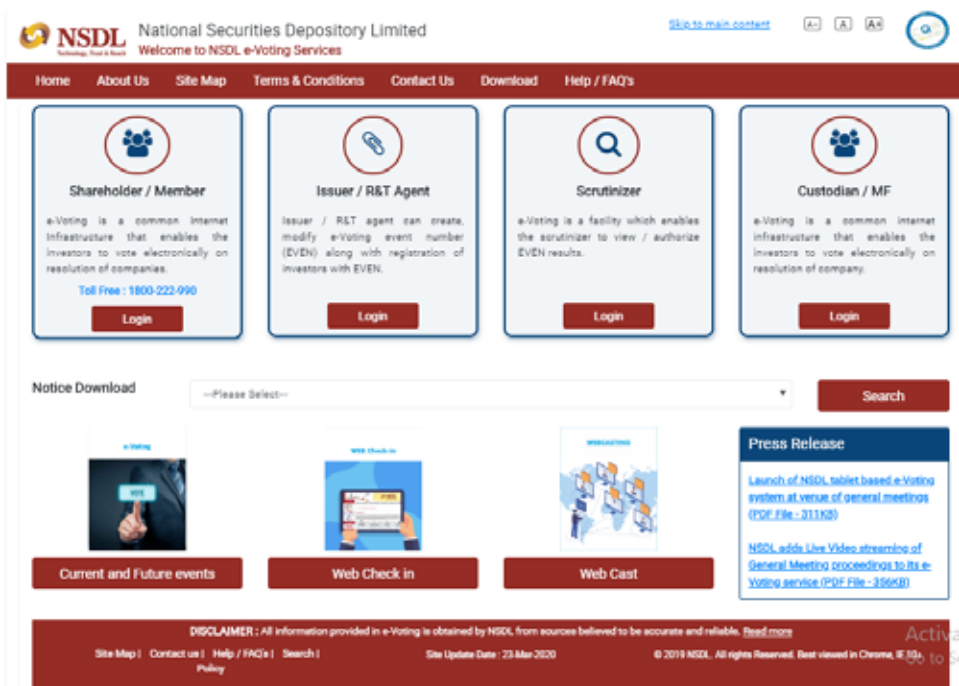
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Site Update Date : 25-09-2019

Activate Windows  
Go to Settings to activate Windows.

**If shareholder wants to only view AGM**

1) Shareholder visits NSDL evoting site <https://evoting.nsdl.com/> and clicks on “Shareholder/Member” login button.



Activate Windows  
Go to Settings to activate Windows.

2) Shareholder will get below page where he has to enter his remote e-Voting login credentials.

Shareholders/Members Login [Skip to main content](#)

User Id : \* 9000001011

Login Type : \*  Password  OTP

Verification Code : \* 877864  
  
 (Enter Text from Image)

Use Virtual Keyboard(For Password)

I hereby agree to all [Terms and Conditions](#)

[Forgot User Details/Password?](#) [Physical User Reset Password?](#)

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3) After successful login shareholder will be able to see the home page of NSDL e-Voting system.



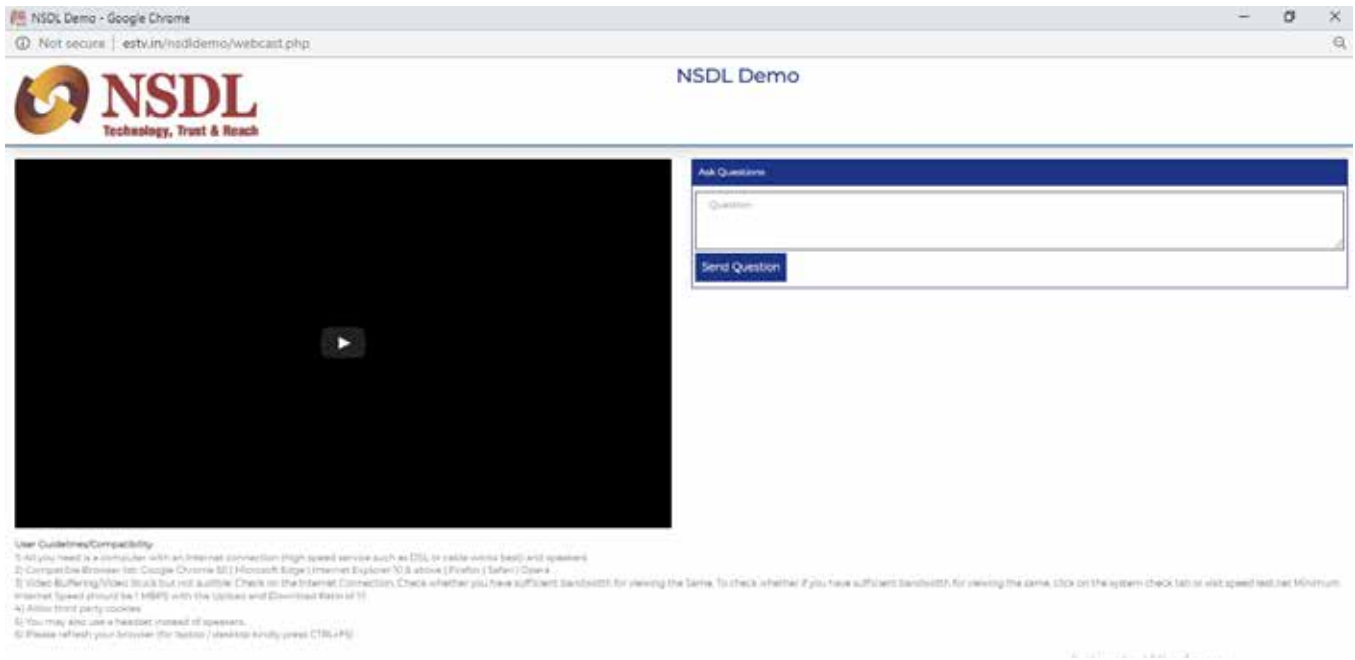
4) Shareholder has to click on “Active Evoting Cycles” as shown below.



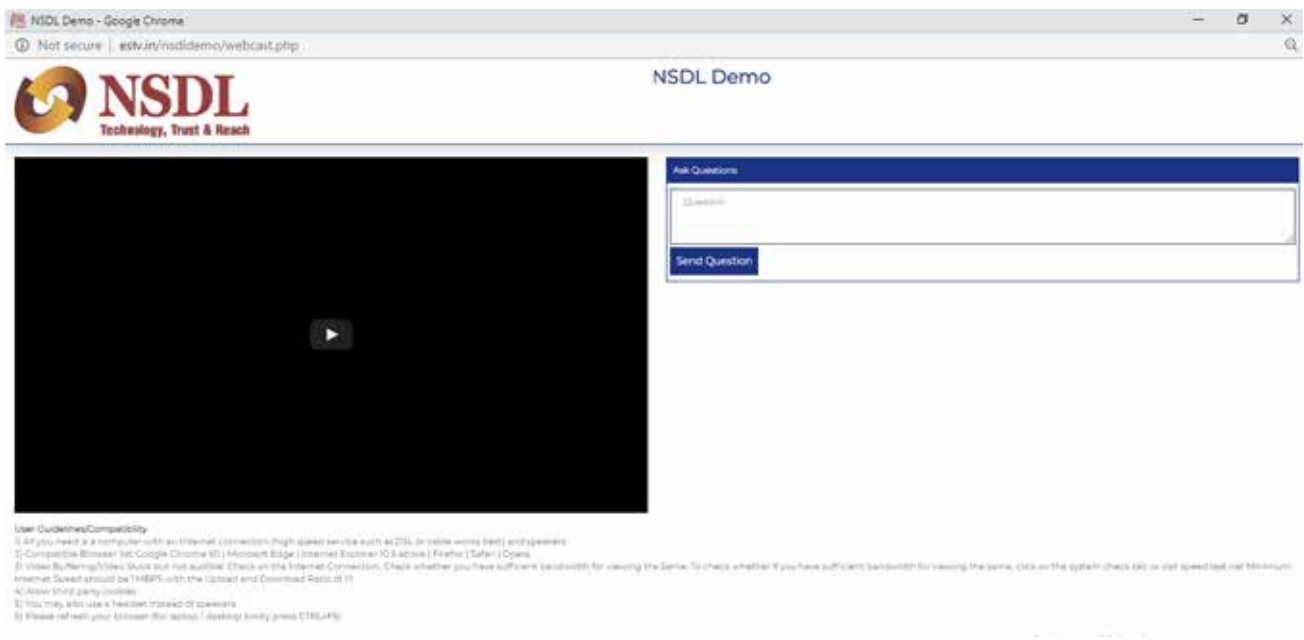
5) Shareholder will be able see all active evens for which voting is live as well as AGM is scheduled to be held. He has to click on the respective EVEN (VC Link) for which he wants to vote. After successfully joining the meeting, the shareholder will be allowed to vote.

| EVEN                   | ISIN         | Company Name | Start Date          | End Date            | Result Date | Record Date | Holdings On Record Date | Votes Allowed | Status         | Live Streaming Link                      |
|------------------------|--------------|--------------|---------------------|---------------------|-------------|-------------|-------------------------|---------------|----------------|--|
| <a href="#">900000</a> | IND123C01023 | Test Eq      | 01-05-2020<br>09:00 | 14-05-2020<br>17:00 | 14-05-2020  | 25-04-2016  | 1,000                   | 1,000         | Pending Voting | <a href="#">Video Streaming Facility</a> |

- 6) Shareholder will be able to join the meeting and pose questions if he wishes to do so. After registration he can view AGM by playing the video.



- 7) He can pose questions in chat box and send his questions to moderator. He will get success message as shown below after successfully posting (Optional).



**User Guidelines/Compatibility for viewing of AGM**

- 1) All you need is a computer with an Internet connection (high speed service such as DSL or cable works best) and speakers
- 2) Compatible Browser list: Google Chrome 50 | Microsoft Edge | Internet Explorer 10 & above | Firefox | Safari | Opera
- 3) Video Buffering/Video Stuck but not audible: Check on the Internet Connection, Check whether you have sufficient bandwidth for viewing the Same, To check whether if you have sufficient bandwidth for viewing the same, click on the system check tab or visit speed test.net Minimum Internet Speed should be 10 MBPS with the Upload and Download Ratio of 1:1
- 4) Allow third party cookies
- 5) You may also use a headset instead of speakers.
- 6) Please refresh your browser (for laptop / desktop kindly press CTRL+F5)



## BOARD OF DIRECTOR'S REPORT

Dear Shareholders,

On behalf of the Board of Directors, it is our pleasure to present the 26<sup>th</sup> Annual Report together with the Annual Audited Statement of Accounts of **Sundaram Multi Pap Limited** ("the Company") for the year ended March 31, 2020.

### 1. FINANCIAL PERFORMANCE:

The financial performance of Company for the year ended March 31, 2020 is summarized below:

₹ In Lakhs)

| Particulars                            | STANDALONE      |                 |
|--|-----------------|-----------------|
|  | 2019-20         | 2018-19#        |
| Revenue from Operations                | 9698.73         | 9958.85         |
| Other Income                           | 470.64          | 210.19          |
| <b>Total Income</b>                    | <b>10169.37</b> | <b>10169.04</b> |
| Less: Depreciation                     | 411.27          | 357.28          |
| Less: Finance Costs                    | 989.23          | 739.55          |
| Add/(less): Exceptional items          | -               | -               |
| <b>Profit / (Loss) before tax</b>      | <b>(269.85)</b> | <b>586.26</b>   |
| Less: Tax Expense (Current & Deferred) | -               | -               |
| <b>Profit /loss for the year</b>       | <b>(269.85)</b> | <b>586.26</b>   |
| <b>EPS (Basic &amp; Diluted)</b>       | <b>(0.06)</b>   | <b>0.13</b>     |

# Restated due to merger of subsidiary.

### 2. SUMMARY OF OPERATIONS:

During the year under review other income of the Company has increased to ₹470.64/- lakhs as compared to ₹210.19/- lakhs in previous year. During the year Company has incurred net loss of ₹269.85/- Lakhs as compared to net profit of ₹586.26/- lakhs in previous year. Pursuant to scheme of amalgamation which taken effect from June 15, 2020, Company has taken the effect of subsidiary while preparing the Financial Statement.

### 3. TRANSFER TO RESERVE:

In view of losses the Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review

### 4. DIVIDEND:

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

### 5. STATE OF THE COMPANY'S AFFAIRS:

On September 27, 2019 M/s. ECL Finance Limited has disbursed Loan of ₹25/- Crores to the Company and further Company has repaid the entire outstanding of Term Loan & Cash Credit facilities of State Bank of India & Cash Credit facilities of IDBI Bank Limited (including Right of Recompense of State Bank of India & IDBI Bank Limited) and hence company is successfully released from the Restructuring of Banking limits.

Further on March 06, 2020 M/s. Janakalyan Sahakari Bank Limited has disbursed Working Capital Term Loan of ₹3/- Crores (Rupees Three Crores) and Mortgage Overdraft Facility of ₹12/- Crores (Rupees Twelve Crores) to the Company and further Company has repaid the existing Inter-Corporate Loan.

Pursuant to the order dated April 30, 2020 passed by Hon'ble NCLT Mumbai Bench, in the matter of scheme of Amalgamation of E-Class Education System Limited (Subsidiary of Sundaram Multi Pap Limited) with Sundaram Multi Pap Limited, E-Class Education System Limited (Subsidiary of Sundaram Multi Pap Limited) has been amalgamated with Sundaram Multi Pap Limited.

Scheme of Amalgamation of E-Class Education System Limited (Subsidiary of Sundaram Multi Pap Limited) with Sundaram Multi Pap Limited has become effective from June 15, 2020. Appointed date as per the scheme is April 01, 2018.

### 6. CHANGE IN THE NATURE OF BUSINESS:

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

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

The Company has received approval from the NCLT, Mumbai Bench on April 30, 2020 (Certified Copy of Order Received on May 28, 2020 and filed with Registrar of Companies on June 15, 2020) in respect of Scheme of Amalgamation of E-Class Education System Limited (Transferor Company) (51% Subsidiary of Sundaram Multi Pap Limited) with Sundaram Multi Pap Limited (Transferee Company), in accordance with the Section 230-232 of the Companies Act, 2013. Appointed date as per the Scheme is April 01, 2018 and accordingly, the Company has given the effect of the scheme in this financial statement in accordance with the Scheme. Further in accordance with the scheme Transferee Company has allotted 10.32 fully paid Equity Shares of face value of ₹1/- each of Sundaram Multi Pap Limited for every 1 fully paid Equity Share the face value of ₹10/- of E-Class Education System Limited, held by such shareholder in E-Class Education System Limited on June 18, 2020.

COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, etc. The impact assessment of COVID-19 is an ongoing process, and may be different from that estimated as at the date of approval of financial results, given the uncertainties associated with its nature and duration and the company will continue to monitor all material changes to the entity's business environment.

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

**8. CAPITAL/ FINANCE:**

As on March 31, 2020, the issued, subscribed and paid up share capital of your Company stood at ₹27,16,05,773/- (Rupees Twenty Seven Crores Sixteen Lakhs Five Thousand Seven Hundred and Seventy Three Only), comprising ₹27,16,05,773/- (Twenty Seven Crores Sixteen Lakhs Five Thousand Seven Hundred and Seventy Three) Equity shares of ₹1/- (Rupee One Only) each.

Pursuant to scheme of amalgamation, authorized share capital stood increased to ₹68,00,00,000/- (Rupees Sixty Eight Crores Only) Further on June 18, 2020 Company has allotted 20,22,72,000 Equity Shares of the face value of ₹1/- each. As on June 30, 2020, the issued, subscribed and paid up share capital of your Company stood at ₹47,38,77,773/- (Rupees Forty Seven Crores Thirty Eight Lakhs Seventy Seven Thousand Seven Hundred and Seventy Three Only), comprising 47,38,77,773/- (Forty Seven Crores Thirty Eight Lakhs Seventy Seven Thousand Seven Hundred and Seventy Three) Equity shares of ₹1/- (Rupee One Only) each.

**9. INVESTOR EDUCATION AND PROTECTION FUND:**

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules"), the Company had sent individual notices and also advertised in the newspapers seeking action from the shareholders who have not claimed their dividends for past seven consecutive years i.e for final dividend of the financial year ended 2011 - 2012, and thereafter, had transferred such unpaid or unclaimed dividends amounting to ₹91,556/- and corresponding 37,596 Equity Shares to Investor Education and Protection Fund Authority of Ministry of Corporate Affairs.

Shareholders /claimants whose shares, unclaimed dividend, have been transferred to the aforesaid IEPF Account or the Fund, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 (available on <http://www.iepf.gov.in>) along with requisite fee as decided by the IEPF Authority from time to time.

Further, the Company shall be transferring the unclaimed Dividend for the financial year 2012 - 2013 to the IEPF Account on or before October 31, 2020. The Company shall also be transferring the shares, on which the dividend has remained unclaimed for a period of seven consecutive years, to the IEPF Account simultaneously on the same date.

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

| Accounting Year | Amount unclaimed as on 31-03-2020 (in ₹) | Proposed date of Transfer to IEPF |
|-----------------|--|-----------------------------------|
| 2012-13         | ₹84,145/-                                | 31-10-2020                        |
| 2013-14         | ₹22,937/-                                | 29-10-2021                        |

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

**10. DIRECTORS AND KEY MANAGERIAL PERSONNEL INCLUDING CHANGES IF ANY:**

As per the provisions of the Companies Act 2013, Mr. Krunal S. Shah (DIN: 07877986), retires by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board recommends the re-appointment.

Further, Mr. Manikandan P. Kammenchery (DIN: 03323385) completed his term of five years as Independent Director and therefore retired upon completion of his term on September 29, 2019.

Ms. Minjal V. Kadakia, (DIN: 07135977) Independent Director of the Company was reappointed as Independent Director for a second term of 5 (five) consecutive years commencing with effect from March 30, 2020 up to March 29, 2025

Mr. Pares Jain (DIN: 05159799) was appointed as an Additional Independent Director w.e.f. August 12, 2019. Further his appointment was regularized as Independent Director in the last AGM held on September 30, 2019.

Board has appointed Mr. Hardik A. Shah (PAN: AHXPC6352M) as Chief Executive Officer of the Company w.e.f. June 30, 2020.

Subject to approval of Shareholders in ensuing AGM, Board in its meeting held on August 28, 2020 has reappointed Mr. Amrut P. Shah (DIN: 00033120) as Managing Director, Mr. Shantilal P. Shah (DIN: 00033182) as Whole-time Director & Mr. Krunal S. Shah (DIN: 07877986) as Whole-time Director respectively for the period of three years w.e.f. April 01, 2021.

**11. DECLARATION BY INDEPENDENT DIRECTORS:**

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

**12. MEETING OF THE BOARD OF DIRECTORS:**

The Board met Five (5) times during the Financial Year 2019-20 viz. on 23-05-2019, 26-06-2019, 12-08-2019, 08-11-2019 and 12-02-2020.

Detailed information on the meetings of the Board of Directors is included in the report on Corporate Governance, which forms part of this Annual Report. Maximum gap between two Board Meetings did not exceed stipulated time as per the provisions of Companies Act, 2013 or central government from time to time.

**13. EXTRA ORDINARY GENERAL MEETING & NCLT CONVENED MEETING:**

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

- Increase in borrowing limits of board of directors from ₹500 crores to ₹700 crores or the aggregate of the paid up capital and free reserves of the company, whichever is higher.

2. Authority to the board of directors or a committee thereof to sell, lease, mortgage or otherwise dispose-off the whole or substantially the whole of the undertaking(s), the movable and immovable properties of the company both present and future.
3. Conversion of loans into equity shares of the company.
4. To appoint M/s. R I Jain & Company, Chartered Accountants as Statutory Auditors of the company to fill up casual vacancy, caused due to resignation of M/s JMR & Associates LLP.

NCLT Convened Meeting of the members of the Company was held on November 12, 2019 in order to approve the Scheme of Amalgamation of E-Class Education System Limited (Transferor Company) (51% Subsidiary of Sundaram Multi Pap Limited) with Sundaram Multi Pap Limited (Transferee Company), in accordance with the Section 230-232 of the Companies Act, 2013.

#### 14. COMMITTEES OF BOARD:

As per the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on March 31, 2020 Company has four Committees namely Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and CSR Committee. The details of Composition of the said Committee and their Meeting held during the year along with terms of reference of the said Committees of Board of Directors of the company is given in Corporate Governance Report and is also placed on the Company's website at (<http://www.sundaramgroups.in/committees/>).

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

The Current policy is to have an appropriate proportion of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2020, the Board consists of six members, including one managing director, two whole-time directors and three are independent directors. The company has framed a Nomination, Remuneration and Evaluation Policy. The information with respect to the Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on Company's website on <http://www.sundaramgroups.in/wp-content/uploads/2015/02/NOMINATION-REMUNERATION-AND-EVALUATIONPOLICY.pdf>. There has been no change in the policy since last financial year.

#### 16. FORMAL ANNUAL EVALUATION MADE BY BOARD OF DIRECTORS:

The Board of Directors carried out an annual evaluation of its own performance and performance of the Chairman, Board committees and individual Directors pursuant to the provisions of the Section 134(3)(p), 149(8), 178 and Schedule IV Companies Act 2013 and the Corporate Governance

requirements under Regulation 25 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure) Regulations 2015.

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

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

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

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

#### 17. REMUNERATION OF DIRECTORS AND EMPLOYEES OF LISTED COMPANIES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the **Annexure-3** to this Report.

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

#### 18. DIRECTORS' RESPONSIBILITY STATEMENT:

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

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

- (d) The directors have prepared the annual accounts on a going concern basis;
- (e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively; and
- (f) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.

## 19. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The internal control systems, comprising of policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilization of resources, reliability of its financial information and compliance. Based on the report of Internal Audit function, corrective actions are undertaken in the respective areas and thereby strengthen the controls.

The statutory auditors of the Company has audited the financial statements included in this annual report and has issued a report on our internal financial controls over financial reporting as defined in Section 143 of the Act.

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

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

## 20. FRAUDS REPORTED BY THE AUDITOR:

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

## 21. DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:

As on March 31, 2020 your Company had only one Subsidiary viz. E-class Education System Limited. During the year under review your Company did not have any new subsidiary neither did it have an associate company nor did it enter in to a joint venture with any other company.

Further, NCLT Mumbai Bench vide its order dated April 30, 2020 (Certified Copy of Order Received on May 28, 2020 and filed with Registrar of Companies on June 15, 2020) has approved the amalgamation of Subsidiary viz. E-class Education System Limited (Transferor Company) with Sundaram Multi Pap Limited (Transferee Company). Since

said scheme become effective from June 15, 2020 (i.e. date on which Certified Copy of Order along with the scheme was filled with Registrar of Companies) M/s. E-class Education System Limited ceased to be subsidiary of the Company.

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

Further since M/s. E-class Education System Limited has been amalgamated with Sundaram Multi Pap Limited and ceased to be subsidiary of the Company w.e.f. June 15, 2020, pursuant to sub-section (3) of Section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is not applicable to the Company as on the date of this report.

## 22. DETAILS OF DEPOSITS:

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

## 23. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

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

## 24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All transactions entered with Related Parties for the financial year under review were on arm's length basis and in the ordinary course of business. During the financial year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

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

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

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

## 25. CORPORATE SOCIAL RESPONSIBILITY (CSR):

In line with the provisions of Section 135 of the Companies Act, 2013 and the rules framed there under with respect to the Corporate Social Responsibility (CSR), your Company has constituted a CSR Committee to recommend and monitor expenditure on CSR and also approved the CSR Policy. The Company's policy on CSR is put up on the website of the

Company at the link <http://www.sundaramgroups.in/company-policies/>.

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

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

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

### • CONSERVATION OF ENERGY

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

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

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

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

#### The capital investment on energy conservation equipments:

Company had purchased new transport vehicles in order to improve the fuel and transportation efficiency and to save the environment. This will ease the transportation of goods and also will save the time. No other major capital investments were made on energy conservations equipment's during the year 2019-20.

### • TECHNOLOGY ABSORPTION

Since business and technologies are changing constantly, investment in research and development activities is of

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

### • FOREIGN EXCHANGE EARNINGS AND OUTGO

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

## 27. RISK MANAGEMENT:

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

In accordance with Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board members were regularly informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

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

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

## 28. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM:

As per the provision of Section 177 (9) of the Companies Act, 2013 and Listing Regulations applicable to the Company, the Company is required to establish an effective Vigil Mechanism for Directors and Employees to report genuine concerns. In line with this, the Company has framed a Vigil Mechanism Policy through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is placed on the website of the Company at <http://www.sundaramgroups.in/company-policies/>

## 29. MATERIAL ORDERS OF JUDICIAL BODIES / REGULATORS:

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

## 30. STATUTORY AUDITORS:

### • Appointment:

During the year under review, M/s. JMR & Associates LLP, Chartered Accountants (Firm Registration Number: 106921W/W100300) had resigned w.e.f June 26, 2019 as a statutory auditors of the company. Board of Directors in their meeting held on June 26, 2019 had appointed M/s. R. I. JAIN & CO, Chartered Accountants, (Firm Registration No. 103956W) to fill casual vacancy caused due to resignation of M/s. JMR & Associates LLP. Approval of the Shareholder was obtained for the same in the Extraordinary General Meeting held on July 22, 2019. Further in the last AGM held on September 30, 2019, M/s. R. I. JAIN & CO, Chartered Accountants, (Firm Registration No. 103956W) was appointed as Statutory Auditors of the Company until the conclusion of the Annual General Meeting of the Company to be held in the calendar year 2024.

### • Auditors Observations:

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

The balances of trade receivables, trade payables, loans and advances are subject to confirmations, reconciliation and consequential adjustments if any. Further, no provision has been made for trade receivables, which are outstanding since long and are to be provided for.

### • Management's Response for the Auditors Observations:

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

## 31. SECRETARIAL AUDITORS:

### • Appointment:

Pursuant to Section 204 of the Companies Act, 2013, your Company had appointed Ms. Amisha Shah Proprietor of M/s. A. V. Shah & Associates, Practicing Company Secretaries, Mumbai as its Secretarial Auditors to conduct the Secretarial Audit for FY 2019-20. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit in fair and transparent manner.

### • Secretarial Audit Report:

The Secretarial Audit report on the compliance of the applicable Acts, Laws, Rules, Regulations, Guidelines, Listing Agreement, Standards etc. as stipulated by the provisions of Section 204 of the Companies Act 2013, read with the Companies (Appointment and

Remuneration of Managerial Personnel) Rules 2014 forms part of this report as **Annexure-2**. The findings of the audit have been satisfactory.

## 32. INTERNAL AUDITOR:

The Company appointed M/s. F. A. Ansari & Associates, Chartered Accountants, Mumbai, as its Internal Auditor for Financial Year 2019-20 as well as 2020-21. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

## 33. COST AUDITOR:

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

## 34. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company hereby affirm that during the year under review it has complied with all the applicable secretarial standards (including any modifications or amendments thereto) issued by the Institute of Company Secretaries of India.

## 35. EXTRACT OF ANNUAL RETURN:

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

## 36. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

## 37. CORPORATE GOVERNANCE:

Your Company has complied with Regulation 34 of SEBI (LODR) Regulations, 2015. The Report on Corporate Governance as stipulated under Regulation 34 of SEBI (LODR) Regulations, 2015 along with Secretarial Auditor/PCS Certificate forms part of this report. A certificate of the Managing Director and CFO of the company in terms of Listing Regulations, inter alia, confirming the correctness of the financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee, is also annexed. Also a declaration signed by the Chairman and Managing Director stating that members of the board and senior management personnel have affirmed the compliance vide Code of Conduct of the board and senior management is attached to the report on corporate governance.

**38. DISCLOSURE UNDER SEXUAL HARRESMENT AT WORK-PLACE:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All women employees (permanent, contractual, temporary and trainee) are covered under this Policy. During the year 2019-20, no complaints on sexual harassment were received.

We hereby state and confirm that, the Company has constituted an internal complaints committee to redress complaints received regarding sexual harassment under provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**39. LISTING AND DEMATERIALISATION:**

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

**40. CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS:**

As required under the regulation 34 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a cash flow statement is part of the Annual Report 2019 - 2020. Further, the Consolidated Financial Statements of the Company for the financial year 2019 - 2020 are not applicable as there was only one subsidiary company which has been amalgamated with the Company on or before the signing of Annual Audited Financial Statements.

**41. OTHER DISCLOSURES/REPORTING:**

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

- A) Issue of equity shares with differential rights as to dividend, voting or otherwise,
- B) Issue of shares (including sweat equity shares) to employees of the Company under any scheme,
- C) Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)© of the Companies Act, 2013).

**42. CAUTIONARY STATEMENT:**

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

**43. ACKNOWLEDGEMENT:**

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

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

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

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

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

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

Date: August 28, 2020  
Place: Mumbai

**ANNEXURE-1**  
**EXTRACT OF ANNUAL RETURN**  
 As on financial year ended 31-03-2020

[Pursuant to Section 92(3) of the Companies act, 2013 read with [The Companies (Management and Administration) Rules, 2014]

**FORM NO. MGT-9**

**A. REGISTRATION DETAILS:**

|   |   |
|---|---|
| CIN:  | L21098MH1995PLC086337   |
| Registration Date:  | 13-03-1995  |
| Name of the Company:  | Sundaram Multi Pap Limited  |
| Category / Sub-Category of the Company:                                   | Company Limited by Shares / Indian Non-government Company   |
| Address of the Registered office and contact details:                     | 5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093, Maharashtra, India.<br>Tel. No.: 022 67602200; Email ID: info@sundaramgroups.in; Website: www.sundaramgroups.in  |
| Whether listed company:   | Yes   |
| Name, Address and Contact details of Registrar and Transfer Agent, if any | <b>Link Intime India Private Limited</b><br>Unit: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083<br>Phone : +91 22 49186270 Fax : +91 22 49186060<br>E-mail : rnt.helpdesk@linkintime.co.in<br>Website : www.linkintime.co.in |

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

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1.      | Exercise Books & Paper (Paper & Paper Products)  | 17099                            | 97%                                |
| 2       | DIGITAL EDUCATION                                | 80                               | 3%                                 |

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

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

\* The Company has received approval from the NCLT, Mumbai Bench on April 30, 2020 (Certified Copy of Order Received on May 28, 2020 and filed with Registrar of Companies on June 15, 2020) in respect of Scheme of Amalgamation of E-Class Education System Limited (Transferor Company) (51% Subsidiary of Sundaram Multi Pap Limited) with Sundaram Multi Pap Limited (Transferee Company), in accordance with the Section 230-232 of the Companies Act, 2013. Therefore w.e.f. June 15, 2020 E-Class Education System Limited ceased to be subsidiary.



**D. SHARE HOLDING PATTERN:**

**Category-wise Share Holding**

| Category of Shareholders                                   | No. of Shares held at the beginning of the year 31-03-2019 |          |                 |                   | 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. PROMOTER'S</b>                                       |  |          |                 |                   |  |          |                 |                   |                          |
| <b>1. INDIAN:</b>  |  |          |                 |                   |  |          |                 |                   |                          |
| (a). Individual  | 60451585   | 0        | 60451585        | 22.257            | 60451585   | 0        | 60451585        | 22.257            | 0                        |
| (b). Central Government                                    | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (c). State Government                                      | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (d). Bodies Corporate                                      | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (e). Financial Institution / Banks                         | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (f). Any Other   | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| <b>Sub-total (A) (1):-</b>                                 | <b>60451585</b>  | <b>0</b> | <b>60451585</b> | <b>22.257</b>     | <b>60451585</b>                                      | <b>0</b> | <b>60451585</b> | <b>22.257</b>     | <b>0</b>                 |
| <b>2. FOREIGN:</b>   |  |          |                 |                   |  |          |                 |                   |                          |
| (a). Individual NRI / Foreign Individual                   | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (b). Other Individual                                      | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (c). Bodies Corporates                                     | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (d). Banks / FII   | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (e). Qualified Foreign Investor                            | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (f). Any Other Specify                                     | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| <b>Sub-total (A) (2):-</b>                                 | <b>0</b>   | <b>0</b> | <b>0</b>        | <b>0</b>          | <b>0</b>   | <b>0</b> | <b>0</b>        | <b>0</b>          | <b>0</b>                 |
| <b>Total shareholding of Promoter (A) = (A) (1)+(A)(2)</b> | <b>60451585</b>  | <b>0</b> | <b>60451585</b> | <b>22.257</b>     | <b>60451585</b>                                      | <b>0</b> | <b>60451585</b> | <b>22.257</b>     | <b>0</b>                 |
| <b>B. PUBLIC SHAREHOLDING</b>                              |  |          |                 |                   |  |          |                 |                   |                          |
| <b>1. INSTITUTIONS:</b>                                    |  |          |                 |                   |  |          |                 |                   |                          |
| (a). Mutual Funds  | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (b). Financial Institution / Banks                         | 153620   | 0        | 153620          | 0.057             | 150000   | 0        | 150000          | 0.055             | -0.002                   |
| (c). Central Government                                    | 397367   | 0        | 397367          | 0.146             | 440115   | 0        | 440115          | 0.162             | 0.016                    |
| (d). State Government                                      | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (e). Venture Capital Funds                                 | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (f). Insurance Companies                                   | 9000000  | 0        | 9000000         | 3.314             | 9000000  | 0        | 9000000         | 3.314             | 0.000                    |
| (g). FIIs  | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (h). Foreign Venture Capital Funds                         | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| (i). Others (specify)                                      | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |
| <b>Sub-total (B)(1):-</b>                                  | <b>9550987</b>   | <b>0</b> | <b>9550987</b>  | <b>3.517</b>      | <b>9590115</b>                                       | <b>0</b> | <b>9590115</b>  | <b>3.531</b>      | <b>0.014</b>             |
| <b>2. NON-INSTITUTIONS:</b>                                |  |          |                 |                   |  |          |                 |                   |                          |
| <b>(a). Bodies Corporate</b>                               |  |          |                 |                   |  |          |                 |                   |                          |
| 1. Indian  | 26844360   | 0        | 26844360        | 9.884             | 24617447   | 0        | 24617447        | 9.064             | -0.820                   |
| 2. Overseas  | 0  | 0        | 0               | 0                 | 0  | 0        | 0               | 0                 | 0                        |

| Category of Shareholders   | No. of Shares held at the beginning of the year 31-03-2019 |               |                  |                   | 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>(b). Individuals</b>  |  |               |                  |                   |  |               |                  |                   |                          |
| Individual shareholders holding nominal share capital up to ₹1 lakh        | 104027318  | 725260        | 104752578        | 38.568            | 93751460   | 705867        | 94457327         | 34.777            | -3.791                   |
| Individual shareholders holding nominal share capital in excess of ₹1 lakh | 61561325   | 112527        | 61673852         | 22.707            | 76340465   | 112527        | 76452992         | 28.149            | 5.442                    |
| <b>(c). Other (specify)</b>  |  |               |                  |                   |  |               |                  |                   |                          |
| NRI  | 4246314  | 0             | 4246314          | 1.564             | 4050753  | 0             | 4050753          | 1.491             | -0.073                   |
| OCB  | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| Foreign Nationals  | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| Clearing Members   | 4066097  | 0             | 4066097          | 1.497             | 1907554  | 0             | 1907554          | 0.702             | -0.795                   |
| Trusts   | 20000  | 0             | 20000            | 0.007             | 78000  | 0             | 78000            | 0.029             | 0.022                    |
| Foreign Bodies - D R   | 0  | 0             | 0                | 0                 | 0  | 0             | 0                | 0                 | 0                        |
| <b>Sub-total (B)(2):-</b>  | <b>200765414</b>   | <b>837787</b> | <b>201603201</b> | <b>74.227</b>     | <b>200745679</b>                                     | <b>818394</b> | <b>201564073</b> | <b>74.212</b>     | <b>-0.015</b>            |
| <b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>                        | <b>210316401</b>   | <b>837787</b> | <b>211154188</b> | <b>77.743</b>     | <b>210335794</b>                                     | <b>818394</b> | <b>211154188</b> | <b>77.743</b>     | <b>0</b>                 |
| <b>C. SHARES HELD BY CUSTODIAN FOR GDRS &amp; ADRS</b>                     | <b>0</b>   | <b>0</b>      | <b>0</b>         | <b>0</b>          | <b>0</b>   | <b>0</b>      | <b>0</b>         | <b>0</b>          | <b>0</b>                 |
| <b>Grand Total (A+B+C)</b>   | <b>270767986</b>   | <b>837787</b> | <b>271605773</b> | <b>100.00</b>     | <b>270787379</b>                                     | <b>818394</b> | <b>271605773</b> | <b>100.00</b>     | <b>0.00</b>              |

## SHAREHOLDING OF PROMOTERS:

| Sr. No. | Name of Shareholder        | Shareholding at the start of the year 31-03-2019 |                                  |  | Shareholding at the end of the year 31-03-2020 |                                  |  | % Change in Shareholding during the year |
|---------|----------------------------|--|----------------------------------|--|--|----------------------------------|--|--|
|         |                            | No. of Shares                                    | % of total Shares of the Company | % of Shares Pledged/ Encumbered to total Shares of the Company | No. of Shares                                  | % of total Shares of the Company | % of Shares Pledged/ Encumbered to total Shares of the Company |  |
| 1.      | AMRUT PREMJI SHAH          | 21708925   | 7.993                            | 1.159  | 21708925                                       | 7.993                            | 1.159  | 0  |
| 2.      | RAICHAND PREMJI SHAH       | 19494503   | 7.177                            | 6.171  | 19494503                                       | 7.177                            | 0  | 0  |
| 3.      | SHANTILAL PREMJI SHAH      | 13137157   | 4.837                            | 3.121  | 13137157                                       | 4.837                            | 3.121  | 0  |
| 4.      | RICHA RAICHAND SHAH        | 1387000  | 0.511                            | 0  | 1387000  | 0.511                            | 0  | 0  |
| 5.      | SHAH VIMLABEN AMRUT        | 1302000  | 0.479                            | 0  | 1302000  | 0.479                            | 0  | 0  |
| 6.      | CHETNA RAICHAND SHAH       | 1027000  | 0.378                            | 0  | 1027000  | 0.378                            | 0  | 0  |
| 7.      | SHANTILAL P SHAH (HUF) HUF | 780000   | 0.287                            | 0.125  | 780000   | 0.287                            | 0.125  | 0  |
| 8.      | AMRUT PREMJI SHAH (HUF)    | 552000   | 0.203                            | 0  | 552000   | 0.203                            | 0  | 0  |
| 9.      | YASH RAICHAND SHAH         | 359000   | 0.132                            | 0.11   | 359000   | 0.132                            | 0.11   | 0  |
| 10.     | NAYNA SHANTILAL SHAH       | 264000   | 0.097                            | 0  | 264000   | 0.097                            | 0  | 0  |
| 11.     | DIVIJ SHANTILAL SHAH       | 131000   | 0.048                            | 0  | 131000   | 0.048                            | 0  | 0  |
| 12.     | NIDHI SHAH                 | 116000   | 0.043                            | 0  | 116000   | 0.043                            | 0  | 0  |
| 13.     | RIDDHI CHIRAG GALA         | 110000   | 0.04                             | 0  | 110000   | 0.04                             | 0  | 0  |
| 14.     | KRUNAL SHANTILAL SHAH      | 43000  | 0.016                            | 0  | 43000  | 0.016                            | 0  | 0  |
| 15.     | HARDIK AMRUT SHAH          | 40000  | 0.015                            | 0  | 40000  | 0.015                            | 0  | 0  |

## CHANGE IN PROMOTER'S SHAREHOLDING: NO CHANGE

| SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS): |  |   |                                |            |  |           |               |                                  |
|--|--|---|--------------------------------|------------|--|-----------|---------------|----------------------------------|
| Sr. No.  | Name of Shareholder                    | 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 | % of total Shares of the company |
| 1  | GANJAM TRADING COMPANY PRIVATE LIMITED | 14999499  | 5.523                          | 01-04-2019 | NA                                     |           |               |                                  |
|  |  |   |                                | 31-03-2020 | NA                                     | No Change | 14999499      | 5.523                            |
| 2  | GENERAL INSURANCE CORPORATION OF INDIA | 9000000   | 3.314                          | 01-04-2019 |  |           |               |                                  |
|  |  |   |                                | 31-03-2020 |  | No Change | 9000000       | 3.314                            |
| 3  | KALPESH RAGHUBHAI HIRPARA              | 3500000   | 1.289                          | 01-04-2019 |  |           |               |                                  |
|  |  |   |                                | 22-11-2019 | -95543                                 | Sold      | 3404457       | 1.253                            |
|  |  |   |                                | 31-03-2020 |  |           | 3404457       | 1.253                            |
| 4  | MANJULA HIRJI GADA                     | 859999  | 0.317                          | 01-04-2019 |  |           |               |                                  |
|  |  |   |                                | 16-08-2019 | 242487                                 | Buy       | 1102486       | 0.406                            |
|  |  |   |                                | 20-12-2019 | 147500                                 | Buy       | 1249986       | 0.46                             |
|  |  |   |                                | 27-12-2019 | 90172                                  | Buy       | 1340158       | 0.493                            |
|  |  |   |                                | 31-12-2019 | 121411                                 | Buy       | 1461569       | 0.538                            |
|  |  |   |                                | 03-01-2020 | 24277                                  | Buy       | 1485846       | 0.547                            |
|  |  |   |                                | 10-01-2020 | 94171                                  | Buy       | 1580017       | 0.582                            |
|  |  |   |                                | 17-01-2020 | 203556                                 | Buy       | 1783573       | 0.657                            |
|  |  |   |                                | 24-01-2020 | 568021                                 | Buy       | 2351594       | 0.866                            |
|  |  |   |                                | 31-03-2020 |  |           | 2351594       | 0.866                            |
| 5  | HIRJI PARBAT GADA                      | 699647  | 0.258                          | 01-04-2019 |  |           |               |                                  |
|  |  |   |                                | 23-08-2019 | 67159                                  | Buy       | 766806        | 0.282                            |
|  |  |   |                                | 20-12-2019 | 152500                                 | Buy       | 919306        | 0.338                            |
|  |  |   |                                | 27-12-2019 | 294365                                 | Buy       | 1213671       | 0.447                            |
|  |  |   |                                | 31-12-2019 | 6107                                   | Buy       | 1219778       | 0.449                            |
|  |  |   |                                | 03-01-2020 | 230171                                 | Buy       | 1449949       | 0.534                            |
|  |  |   |                                | 10-01-2020 | 226856                                 | Buy       | 1676805       | 0.617                            |
|  |  |   |                                | 17-01-2020 | 319909                                 | Buy       | 1996714       | 0.735                            |
|  |  |   |                                | 31-01-2020 | 140000                                 | Buy       | 2136714       | 0.787                            |
|  |  |   |                                | 31-03-2020 |  |           | 2136714       | 0.787                            |
| 6  | USHA DINESH SHAH                       | 1971608   | 0.726                          | 01-04-2019 |  |           |               |                                  |
|  |  |   |                                | 17-05-2019 | 25000                                  | Buy       | 1996608       | 0.735                            |
|  |  |   |                                | 31-03-2020 |  |           | 1996608       | 0.735                            |
| 7  | RUCHI JIIGAR KARIA                     | 737312  | 0.271                          | 01-04-2019 |  |           |               |                                  |
|  |  |   |                                | 20-12-2019 | 48463                                  | Buy       | 785775        | 0.289                            |
|  |  |   |                                | 27-12-2019 | 51537                                  | Buy       | 837312        | 0.308                            |
|  |  |   |                                | 10-01-2020 | 50000                                  | Buy       | 887312        | 0.327                            |
|  |  |   |                                | 24-01-2020 | 142223                                 | Buy       | 1029535       | 0.379                            |
|  |  |   |                                | 31-01-2020 | 100000                                 | Buy       | 1129535       | 0.416                            |
|  |  |   |                                | 07-02-2020 | 276506                                 | Buy       | 1406041       | 0.518                            |
|  |  |   |                                | 14-02-2020 | 36177                                  | Buy       | 1442218       | 0.531                            |
|  |  |   |                                | 06-03-2020 | 4685                                   | Buy       | 1446903       | 0.533                            |
|  |  |   |                                | 13-03-2020 | 262404                                 | Buy       | 1709307       | 0.629                            |
|  |  |   |                                | 20-03-2020 | 268809                                 | Buy       | 1978116       | 0.728                            |
| 31-03-2020   |  |   | 1978116                        | 0.728      |  |           |               |                                  |
| 8  | VISHAL SUKHANI                         | 1750016   | 0.644                          | 01-04-2019 |  |           |               |                                  |
|  |  |   |                                | 31-03-2020 |  | No Change | 1750016       | 0.644                            |

| SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS): |                           |  |                                |            |                                       |           |               |                                  |
|--|---------------------------|--|--------------------------------|------------|---------------------------------------|-----------|---------------|----------------------------------|
| Sr. No.  | Name of Shareholder       | 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 | % of total Shares of the company |
| 9  | SUYOG                     | 800000   | 0.295                          | 01-04-2019 |                                       |           |               |                                  |
|  |                           |  |                                | 24-05-2019 | 690843                                | Buy       | 1490843       | 0.549                            |
|  |                           |  |                                | 31-05-2019 | 28000                                 | Buy       | 1518843       | 0.559                            |
|  |                           |  |                                | 29-06-2019 | 12395                                 | Buy       | 1531238       | 0.564                            |
|  |                           |  |                                | 05-07-2019 | 50000                                 | Buy       | 1581238       | 0.582                            |
|  |                           |  |                                | 19-07-2019 | 54302                                 | Buy       | 1635540       | 0.602                            |
|  |                           |  |                                | 02-08-2019 | 24312                                 | Buy       | 1659852       | 0.611                            |
|  |                           |  |                                | 09-08-2019 | 38226                                 | Buy       | 1698078       | 0.625                            |
|  |                           |  |                                | 23-08-2019 | -30184                                | Sold      | 1667894       | 0.614                            |
|  |                           |  |                                | 31-03-2020 |                                       |           | 1667894       | 0.614                            |
| 10   | SHARADA SHARAD SHARMA     | 1050082  | 0.387                          | 01-04-2019 |                                       |           |               |                                  |
|  |                           |  |                                | 07-06-2019 | 50000                                 | Buy       | 1100082       | 0.405                            |
|  |                           |  |                                | 14-06-2019 | 50000                                 | Buy       | 1150082       | 0.423                            |
|  |                           |  |                                | 05-07-2019 | 40000                                 | Buy       | 1190082       | 0.438                            |
|  |                           |  |                                | 12-07-2019 | 100000                                | Buy       | 1290082       | 0.475                            |
|  |                           |  |                                | 19-07-2019 | 44027                                 | Buy       | 1334109       | 0.491                            |
|  |                           |  |                                | 26-07-2019 | 5444                                  | Buy       | 1339553       | 0.493                            |
|  |                           |  |                                | 02-08-2019 | 177029                                | Buy       | 1516582       | 0.558                            |
|  |                           |  |                                | 09-08-2019 | 60000                                 | Buy       | 1576582       | 0.58                             |
|  |                           |  |                                | 16-08-2019 | 25000                                 | Buy       | 1601582       | 0.59                             |
|  |                           |  |                                | 23-08-2019 | 111000                                | Buy       | 1712582       | 0.631                            |
|  |                           |  |                                | 29-11-2019 | -173054                               | Sold      | 1539528       | 0.567                            |
|  |                           |  |                                | 17-01-2020 | -98000                                | Sold      | 1441528       | 0.531                            |
|  |                           |  |                                | 14-02-2020 | -40000                                | Sold      | 1401528       | 0.516                            |
|  |                           | 31-03-2020                                     |                                |            | 1401528                               | 0.516     |               |                                  |
| 11   | RENUDEVI SATISH CHOUDHARY | 1273184  | 0.469                          | 01-04-2019 |                                       |           |               |                                  |
|  |                           |  |                                | 31-03-2020 |                                       | No Change | 1273184       | 0.469                            |
| 12   | SUSHIL NARENDRA SHAH      | 1140900  | 0.42                           | 01-04-2019 |                                       |           |               |                                  |
|  |                           |  |                                | 18-10-2019 | 21500                                 | Buy       | 1162400       | 0.428                            |
|  |                           |  |                                | 25-10-2019 | 3500                                  | Buy       | 1165900       | 0.429                            |
|  |                           |  |                                | 29-11-2019 | 68100                                 | Buy       | 1234000       | 0.454                            |
|  |                           |  |                                | 20-03-2020 | -634000                               | Sold      | 600000        | 0.221                            |
|  |                           |  |                                | 31-03-2020 |                                       |           | 600000        | 0.221                            |

| SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS): |                                    |   |                                |            |  |        |               |                                  |
|--|------------------------------------|---|--------------------------------|------------|--|--------|---------------|----------------------------------|
| Sr. No.  | Name of Shareholder                | 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 | % of total Shares of the company |
| 13   | SUSHIL FINANCIAL SERVICES PVT.LTD. | 1231321   | 0.453                          | 01-04-2019 |  |        |               |                                  |
|  |                                    |   |                                | 05-04-2019 | -50732                                 | Sold   | 1180589       | 0.435                            |
|  |                                    |   |                                | 12-04-2019 | -26824                                 | Sold   | 1153765       | 0.425                            |
|  |                                    |   |                                | 19-04-2019 | 28435                                  | Buy    | 1182200       | 0.435                            |
|  |                                    |   |                                | 26-04-2019 | 49139                                  | Buy    | 1231339       | 0.453                            |
|  |                                    |   |                                | 03-05-2019 | -49000                                 | Sold   | 1182339       | 0.435                            |
|  |                                    |   |                                | 10-05-2019 | 189561                                 | Buy    | 1371900       | 0.505                            |
|  |                                    |   |                                | 17-05-2019 | -71441                                 | Sold   | 1300459       | 0.479                            |
|  |                                    |   |                                | 24-05-2019 | 648890                                 | Buy    | 1949349       | 0.718                            |
|  |                                    |   |                                | 31-05-2019 | -748260                                | Sold   | 1201089       | 0.442                            |
|  |                                    |   |                                | 07-06-2019 | 3500                                   | Buy    | 1204589       | 0.444                            |
|  |                                    |   |                                | 14-06-2019 | 11903                                  | Buy    | 1216492       | 0.448                            |
|  |                                    |   |                                | 21-06-2019 | -16000                                 | Sold   | 1200492       | 0.442                            |
|  |                                    |   |                                | 29-06-2019 | 572                                    | Buy    | 1201064       | 0.442                            |
|  |                                    |   |                                | 05-07-2019 | -389                                   | Sold   | 1200675       | 0.442                            |
|  |                                    |   |                                | 12-07-2019 | -8000                                  | Sold   | 1192675       | 0.439                            |
|  |                                    |   |                                | 19-07-2019 | 155                                    | Buy    | 1192830       | 0.439                            |
|  |                                    |   |                                | 26-07-2019 | 57683                                  | Buy    | 1250513       | 0.46                             |
|  |                                    |   |                                | 02-08-2019 | 12869                                  | Buy    | 1263382       | 0.465                            |
|  |                                    |   |                                | 09-08-2019 | -6890                                  | Sold   | 1256492       | 0.463                            |
|  |                                    |   |                                | 23-08-2019 | 15476                                  | Buy    | 1271968       | 0.468                            |
|  |                                    |   |                                | 30-08-2019 | -12976                                 | Sold   | 1258992       | 0.464                            |
|  |                                    |   |                                | 13-09-2019 | 500                                    | Buy    | 1259492       | 0.464                            |
|  |                                    |   |                                | 20-09-2019 | -3500                                  | Sold   | 1255992       | 0.462                            |
|  |                                    |   |                                | 27-09-2019 | 2804                                   | Buy    | 1258796       | 0.463                            |
|  |                                    |   |                                | 30-09-2019 | -1107496                               | Sold   | 151300        | 0.056                            |
|  |                                    |   |                                | 04-10-2019 | 25865                                  | Buy    | 177165        | 0.065                            |
|  |                                    |   |                                | 11-10-2019 | -2517                                  | Sold   | 174648        | 0.064                            |
|  |                                    |   |                                | 18-10-2019 | 5375                                   | Buy    | 180023        | 0.066                            |
|  |                                    |   |                                | 25-10-2019 | 7488                                   | Buy    | 187511        | 0.069                            |
|  |                                    |   |                                | 01-11-2019 | 493                                    | Buy    | 188004        | 0.069                            |
|  |                                    |   |                                | 08-11-2019 | 12385                                  | Buy    | 200389        | 0.074                            |
|  |                                    | 31-12-2019                                      | 61000                          | Buy        | 261389                                 | 0.096  |               |                                  |
|  |                                    | 17-01-2020                                      | 58350                          | Buy        | 319739                                 | 0.118  |               |                                  |
|  |                                    | 24-01-2020                                      | -31729                         | Sold       | 288010                                 | 0.106  |               |                                  |
|  |                                    | 31-01-2020                                      | 49379                          | Buy        | 337389                                 | 0.124  |               |                                  |
|  |                                    | 07-02-2020                                      | 29000                          | Buy        | 366389                                 | 0.135  |               |                                  |
|  |                                    | 14-02-2020                                      | 25000                          | Buy        | 391389                                 | 0.144  |               |                                  |
|  |                                    | 21-02-2020                                      | 13000                          | Buy        | 404389                                 | 0.149  |               |                                  |
|  |                                    | 28-02-2020                                      | -13000                         | Sold       | 391389                                 | 0.144  |               |                                  |
|  |                                    | 06-03-2020                                      | 35500                          | Buy        | 426889                                 | 0.157  |               |                                  |
|  |                                    | 13-03-2020                                      | -15000                         | Sold       | 411889                                 | 0.152  |               |                                  |
|  |                                    | 20-03-2020                                      | 56585                          | Buy        | 468474                                 | 0.172  |               |                                  |
|  |                                    | 27-03-2020                                      | -55085                         | Sold       | 413389                                 | 0.152  |               |                                  |
|  |                                    | 31-03-2020                                      | -43823                         | Sold       | 369566                                 | 0.136  |               |                                  |

| SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS): |                                    |   |                                |            |  |        |               |                                  |
|--|------------------------------------|---|--------------------------------|------------|--|--------|---------------|----------------------------------|
| Sr. No.  | Name of Shareholder                | 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 | % of total Shares of the company |
| 14   | KELLTON SECURITIES PRIVATE LIMITED | 1809003   | 0.666                          | 01-04-2019 |  |        |               |                                  |
|  |                                    |   |                                | 05-04-2019 | 418300                                 | Buy    | 2227303       | 0.82                             |
|  |                                    |   |                                | 03-05-2019 | 150                                    | Buy    | 2227453       | 0.82                             |
|  |                                    |   |                                | 10-05-2019 | -150                                   | Sold   | 2227303       | 0.82                             |
|  |                                    |   |                                | 31-05-2019 | 90000                                  | Buy    | 2317303       | 0.853                            |
|  |                                    |   |                                | 14-06-2019 | -544000                                | Sold   | 1773303       | 0.653                            |
|  |                                    |   |                                | 05-07-2019 | 7500                                   | Buy    | 1780803       | 0.656                            |
|  |                                    |   |                                | 12-07-2019 | -7500                                  | Sold   | 1773303       | 0.653                            |
|  |                                    |   |                                | 19-07-2019 | -39000                                 | Sold   | 1734303       | 0.639                            |
|  |                                    |   |                                | 26-07-2019 | 13000                                  | Buy    | 1747303       | 0.643                            |
|  |                                    |   |                                | 02-08-2019 | -200000                                | Sold   | 1547303       | 0.57                             |
|  |                                    |   |                                | 30-08-2019 | 2000                                   | Buy    | 1549303       | 0.57                             |
|  |                                    |   |                                | 06-09-2019 | 8500                                   | Buy    | 1557803       | 0.574                            |
|  |                                    |   |                                | 13-09-2019 | -10500                                 | Sold   | 1547303       | 0.57                             |
|  |                                    |   |                                | 27-09-2019 | -80000                                 | Sold   | 1467303       | 0.54                             |
|  |                                    |   |                                | 11-10-2019 | -10000                                 | Sold   | 1457303       | 0.537                            |
|  |                                    |   |                                | 25-10-2019 | -55000                                 | Sold   | 1402303       | 0.516                            |
|  |                                    |   |                                | 01-11-2019 | -11000                                 | Sold   | 1391303       | 0.512                            |
|  |                                    |   |                                | 08-11-2019 | -200                                   | Sold   | 1391103       | 0.512                            |
|  |                                    |   |                                | 29-11-2019 | -215369                                | Sold   | 1175734       | 0.433                            |
|  |                                    |   |                                | 31-12-2019 | -1175684                               | Sold   | 50            | 0                                |
|  |                                    |   |                                | 03-01-2020 | 11750                                  | Buy    | 11800         | 0.004                            |
|  |                                    |   |                                | 10-01-2020 | 3200                                   | Buy    | 15000         | 0.006                            |
|  |                                    | 17-01-2020                                      | 30000                          | Buy        | 45000                                  | 0.017  |               |                                  |
|  |                                    | 24-01-2020                                      | 35100                          | Buy        | 80100                                  | 0.029  |               |                                  |
|  |                                    | 07-02-2020                                      | -18100                         | Sold       | 62000                                  | 0.023  |               |                                  |
|  |                                    | 14-02-2020                                      | -12000                         | Sold       | 50000                                  | 0.018  |               |                                  |
|  |                                    | 21-02-2020                                      | 29243                          | Buy        | 79243                                  | 0.029  |               |                                  |
|  |                                    | 13-03-2020                                      | -1243                          | Sold       | 78000                                  | 0.029  |               |                                  |
|  |                                    | 27-03-2020                                      | -17500                         | Sold       | 60500                                  | 0.022  |               |                                  |
|  |                                    | 31-03-2020                                      | -60500                         | Sold       | 0                                      | 0      |               |                                  |
| 15   | SACHIN JAYANT MALDE                | 1198986   | 0.441                          | 01-04-2019 |  |        |               |                                  |
|  |                                    |   |                                | 17-05-2019 | -1000                                  | Sold   | 1197986       | 0.441                            |
|  |                                    |   |                                | 09-08-2019 | -1197986                               | Sold   | 0             | 0                                |

| SHAREHOLDING OF DIRECTORS & KEY MANAGERIAL PERSONNEL |  |            |               |                                  |   |   |                                  |
|--|--|------------|---------------|----------------------------------|---|---|----------------------------------|
| Sr. No.  | Name of Directors & KMP                      | Date       | Shareholding  |                                  | Reason for Increase/ Decrease in shareholding | Cumulative Shareholding during the year |                                  |
|  |  |            | No. of Shares | % of total shares of the Company |   | No. of Shares                           | % of total shares of the Company |
| 1  | AMRUT P. SHAH (CHAIRMAN & MANAGING DIRECTOR) | 01-04-2019 | 21708925      | 7.99                             | -   | 21708925                                | 7.99                             |
|  |  | 31-03-2020 | 21708925      | 7.99                             | -   | 21708925                                | 7.99                             |
| 2  | SHNATILAL P. SHAH (WHOLE-TIME DIRECTOR)      | 01-04-2019 | 14787157      | 6.02                             | -   | 14787157                                | 6.02                             |
|  |  | 31-03-2020 | 13137157      | 4.84                             | -   | 13137157                                | 4.84                             |
| 3  | KRUNAL S. SHAH (WHOLE-TIME DIRECTOR)         | 01-04-2019 | 43000         | 0.02                             | -   | 43000                                   | 0.02                             |
|  |  | 31-03-2020 | 43000         | 0.02                             | -   | 43000                                   | 0.02                             |
| 4  | RAJESH JAIN (CFO)                            | 01-04-2019 | -             | -                                | -   | -                                       | -                                |
|  |  | 31-03-2020 | -             | -                                | -   | -                                       | -                                |

| SHAREHOLDING OF DIRECTORS & KEY MANAGERIAL PERSONNEL |  |            |               |                                  |   |   |                                  |
|--|--|------------|---------------|----------------------------------|---|---|----------------------------------|
| Sr. No.  | Name of Directors & KMP  | Date       | Shareholding  |                                  | Reason for Increase/ Decrease in shareholding | Cumulative Shareholding during the year |                                  |
|  |  |            | No. of Shares | % of total shares of the Company |   | No. of Shares                           | % of total shares of the Company |
| 5  | BHAVESH CHHEDA (COMPANY SECRETARY)   | 01-04-2019 | -             | -                                | -   | -                                       | -                                |
|  |  | 31-03-2020 | -             | -                                | -   | -                                       | -                                |
| 6  | MINJAL KADAKIA (INDEPENDENT DIRECTOR)  | 01-04-2019 | -             | -                                | -   | -                                       | -                                |
|  |  | 31-03-2020 | -             | -                                | -   | -                                       | -                                |
| 7  | KALPESH B. PAREKH (INDEPENDENT DIRECTOR)                                     | 01-04-2019 | -             | -                                | -   | -                                       | -                                |
|  |  | 31-03-2020 | -             | -                                | -   | -                                       | -                                |
| 8  | MANIKANDAN P. KAMMENCHERY (INDEPENDENT DIRECTOR) (Retired w.e.f. 29-09-2019) | 01-04-2019 | -             | -                                | -   | -                                       | -                                |
|  |  | 31-03-2020 | -             | -                                | -   | -                                       | -                                |
| 9  | PARESH JAIN (INDEPENDENT DIRECTOR) (Appointed w.e.f. 12-08-2019)             | 01-04-2019 | -             | -                                | -   | -                                       | -                                |
|  |  | 31-03-2020 | -             | -                                | -   | -                                       | -                                |

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

|   | Secured Loans excluding deposits | Unsecured Loans     | Deposits  | Total Indebtedness  |
|---|----------------------------------|---------------------|-----------|---------------------|
| <b>1. Indebtedness at the beginning of the financial year</b> |                                  |                     |           |                     |
| (i) Principal Amount  | 25,30,73,128                     | 18,11,16,444        | --        | 43,41,89,572        |
| (ii) Interest due but not paid                                | --                               | --                  | --        | --                  |
| (iii) Interest accrued but not due                            | --                               | --                  | --        | --                  |
| <b>Total (i+ii+iii)</b>                                       | <b>25,30,73,128</b>              | <b>18,11,16,444</b> | <b>--</b> | <b>43,41,89,572</b> |
| <b>2. Change in Indebtedness during the financial year</b>    |                                  |                     |           |                     |
| Additions   | 13,01,15,255                     | --                  | --        | 13,01,15,255        |
| Reduction   | --                               | 11,22,70,292        | --        | 11,22,70,292        |
| Net Change  | 13,01,15,255                     | 11,22,70,292        |           | 1,78,44,963         |
| <b>3. Indebtedness at the end of the financial year</b>       |                                  |                     |           |                     |
| (i) Principal Amount  | 38,31,88,383                     | 6,88,46,152         | --        | 45,20,34,535        |
| (ii) Interest due but not paid                                | --                               | --                  | --        | --                  |
| (iii) Interest accrued but not due                            | --                               | --                  | --        | --                  |
| <b>Total (i+ii+iii)</b>                                       | <b>38,31,88,383</b>              | <b>6,88,46,152</b>  | <b>--</b> | <b>45,20,34,535</b> |

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

| Sr. No.   | Particulars of Remuneration  | Name of MD/WTD                       |  |   | Total                  |
|-----------|--|--------------------------------------|--|---|------------------------|
|           |  | Amrut P. Shah<br>(Managing Director) | Shantilal P. Shah<br>(Whole-time Director) | Krunal S. Shah<br>(Whole-time Director) |                        |
| <b>1.</b> | <b>Gross salary</b>  |                                      |  |   |                        |
|           | A. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | ₹42,00,000/-                         | ₹42,00,000/-                               | ₹42,00,000/-                            | ₹1,26,00,000 /-        |
|           | B. Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                                    | -  | -                                       | -                      |
|           | C. Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                                    | -  | -                                       | -                      |
| <b>2.</b> | <b>Stock Option</b>  | -                                    | -  | -                                       | -                      |
| <b>3.</b> | <b>Sweat Equity</b>  | -                                    | -  | -                                       | -                      |
| <b>4.</b> | <b>Commission</b>  | -                                    | -  | -                                       | -                      |
| <b>5.</b> | <b>Others, please specify</b>  | -                                    | -  | -                                       | -                      |
|           | <b>TOTAL</b>   | <b>₹42,00,000/-</b>                  | <b>₹42,00,000/-</b>                        | <b>₹42,00,000/-</b>                     | <b>₹1,26,00,000 /-</b> |
|           | Ceiling as per the Act   | ₹1,68,00,000/- p.a.                  | ₹1,68,00,000/- p.a.                        | ₹84,00,000/- p.a.                       |                        |

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

| Sr. No.   | Particulars of Remuneration  | Name of Key Managerial Person |                        | Total                 |
|-----------|--|-------------------------------|------------------------|-----------------------|
|           |  | Rajesh Jain<br>(CFO)          | Bhavesh Chheda<br>(CS) |                       |
| <b>1.</b> | <b>Gross salary</b>  |                               |                        |                       |
|           | A. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | Rs.15,97,200/-                | Rs.4,61,475/-          | Rs.20,58,675/-        |
|           | 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              | -                             | -                      | -                     |
| <b>2.</b> | <b>Stock Option</b>  | -                             | -                      | -                     |
| <b>3.</b> | <b>Sweat Equity</b>  | -                             | -                      | -                     |
| <b>4.</b> | <b>Commission</b>  | -                             | -                      | -                     |
| <b>5.</b> | <b>Others, please specify</b>  | -                             | -                      | -                     |
|           | <b>TOTAL</b>   | <b>Rs.15,97,200/-</b>         | <b>Rs.4,61,475/-</b>   | <b>Rs.20,58,675/-</b> |

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

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



**ANNEXURE-2**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020**

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

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sundaram Multi Pap Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 ("the audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Foreign Direct Investment and External Commercial Borrowings were not applicable to the Company during the Audit Period)
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - A) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- B) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - C) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018;
  - D) The SEBI (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit period);
  - E) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit period);
  - F) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - G) The SEBI (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit period); and
  - H) The SEBI (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit period);
6. Other laws applicable specifically to the Company, identified and confirmed by the Company and relied upon by me are as under:
- a) Copyright Act, 1957 read with rules made thereunder;
  - b) The Trademark Act, 1992 read with rules made thereunder;
  - c) The information Technologies Act, 2000;
  - d) Legal Metrology Act, 2009;
  - e) AIR (Prevention and Control of Pollution) act, 1981;
  - f) Water Prevention and Control of Pollution) act, 1974;
  - g) The Noise (Regulation and Control) rules, 2000;
  - h) Environment Protection Act, 1986 and other environmental laws;

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

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

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

**We further report that**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors including a Woman Independent Director. Changes in the composition of Board of Directors that took place during the year under review, were carried out in compliance with the provisions of the Act;
- Adequate notice is given to all Directors to schedule Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the meeting;
- All the decisions of the Board and Committees thereof were carried through with requisite majority

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

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

- Hon'ble National Company Law Tribunal, Mumbai Bench has vide its order dated April 30, 2020 (Certified Copy of Order Received on May 28, 2020 and filed with Registrar of Companies on June 15, 2020) sanctioned the scheme of Amalgamation of E-Class Education System Limited (Subsidiary of Sundaram Multi Pap Limited) with Sundaram Multi Pap Limited and their respective Shareholders and Creditors under Section 230 to 232 of the Act. Appointed date as per the scheme is April 01, 2018.

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

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

**Amisha Shah**  
Proprietor  
C.P. No.: 13399  
Membership No.: F8798  
UDIN: F008798B000624908

Date: August 28, 2020  
Place: Mumbai

**Annexure A**

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

Our Secretarial Review Report of even date, for the financial year ended March 31, 2020 is to be read along with this letter.

**Management's Responsibility:**

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

**Auditor's Responsibility:**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. 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.
6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

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

**Amisha Shah**  
Proprietor  
C.P. No.: 13399  
Membership No.: F8798  
UDIN: F008798B000624908

Date: August 28, 2020  
Place: Mumbai

**ANNEXURE-3**

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

The percentage increase in remuneration of each Director, other Key Managerial Personnel (KMP), Ratio of the remuneration of each director to the median remuneration of the employees of the company and the comparison of the remuneration of each KMP against the performance of the Company during the financial year 2019-20 are as under:

| Name of Director/ KMP   | Remuneration of Director/ KMP for FY 2019-20 | % increase in remuneration in FY 2019-20  | Ratio to median remuneration | Comparison of the Remuneration of the KMP against the performance of the Company  |
|---|--|---|------------------------------|---|
| Mr. Amrut P. Shah<br>(Chairman & Managing Director)   | Rs.42,00,000/-                               | Remuneration of Directors was not increased during the FY 2019-20.  | 22.70                        | During the year Company has incurred net loss of Rs.269.85/- lakhs as compared to net profit of Rs.586.26/- lakhs in previous year. |
| Mr. Shantilal P. Shah<br>(Whole-time Director)  | Rs.42,00,000/-                               |   | 22.70                        |   |
| Mr. Krunal S. Shah<br>(Whole-time Director)   | Rs.42,00,000/-                               |   | 22.70                        |   |
| Mr. Rajesh Jain (CFO)   | Rs.15,97,200/-                               |   | 8.63                         |   |
| Mr. Bhavesh Chheda (CS)   | Rs.4,61,475/-                                |   | 2.49                         |   |
| No remuneration or sitting fees is paid to the Non-executive Directors or Independent Directors of the Company. |  |   |                              |   |
| Percentage increase in the median remuneration of employees in the financial year 2019-20 compared to 2018-19.  |  | <b>2019-20</b>  | <b>2018-19</b>               | <b>Increase (%)</b>   |
|   |  | -11.10  | -1.28                        | Median Remuneration is not increased.   |
| Number of permanent employees on the rolls of the company as on 31-03-2020.                                     |  | 240 (This includes the employees of the M/s. E-Class Education System Limited which has been amalgamated with the Company). |                              |   |
| Average percentile increase in salaries of Employees other than managerial Personnel                            |  | <b>2019-20</b>  | <b>2018-19</b>               | <b>Increase (%)</b>   |
|   |  | Rs.1,61,722/-   | Rs.1,38,488/-                | There is no increase in Average percentile in salaries of employees other than managerial Personnel                                 |
| Percentile increase in the managerial remuneration  | MD & WTD                                     | Rs.1,26,00,000/-  | Rs.1,26,00,000/-             | Remuneration paid to Directors & KMP was not increased during the year under review.  |
|   | CFO & CS                                     | Rs.20,58,675/-  | Rs.19,39,200/-               |   |
| Comparison of above   |  | Remuneration of MD & WTD is within the limits approved by the Shareholders.   |                              |   |

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

Sd/-  
**Amrut P. Shah**  
(DIN: 00033120)  
Chairman & Managing Director  
Date: August 28, 2020  
Place: Mumbai

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

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### GLOBAL ECONOMY:

The global economy witnessed a marked slowdown in 2019 with growth softening to 2.9% in 2019 from 3.6% in 2018 and 3.9% in 2017. Growth in the US economy decelerated to 2.3% during the year as against 2.9% in 2018, while expansion in the Euro area slowed down to 1.2% in 2019 from 1.9% in 2018. Emerging Markets were under pressure as well – with growth decelerating to 3.7% in 2019 against 4.5% in 2018.

In the current environment of protracted trade tensions and high policy uncertainty, the global growth outlook has weakened significantly. This threatens to undermine progress towards eradicating poverty, raising living standards and creating sufficient number of jobs. Amid rising tariffs and rapid shifts in trade policies, business confidence has deteriorated, dampening investment growth across most regions. While the worldwide shift towards more accommodative monetary policies has eased short-term financial market pressures somewhat, long-term fault lines create significant uncertainty.

The COVID-19 pandemic has unleashed unprecedented disruption to human life and economic activity the world over, and has sent the already slowing global economy into a massive recessionary shock. With world output estimated to contract by 5% to 7% in 2020 (as per latest estimates of international agencies) the anticipated recession would be the deepest since the Great Depression of the 1930s and the first one since 1870 to be triggered solely by a pandemic. In emerging economies, the pandemic is likely to cause the first output contraction in the past six decades. The pandemic will result in significant contractions across the vast majority of advanced economies, emerging markets and developing economies; the ultimate outcomes, however, remain uncertain. While the immediate priorities are to alleviate human costs, protect vulnerable sections of population and mitigate the near-term economic losses, a credible commitment to sustainable policies and structural reforms would be necessary to buttress long-term prospects, once the crisis abates. Building capacity to deal with similar future events and appropriate safety nets to support the weaker sections of society will take centre stage in policy formulation going forward. Coordination and cooperation on a global scale will be of paramount importance to revive the world economy.

A significant global recession looms on the horizon for all major world economies. As per IMF estimates for 2020, advanced economies are projected to contract by a staggering 6% to 7%. The rapidly worsening economic outlook and deterioration of the risk sentiment have prompted a series of government initiatives across the world. Further, central banks across the world have responded synchronously effecting sharp cuts in policy interest rates, boosting liquidity and undertaking large asset purchase programs to help stimulate economic activity and alleviate tight financial conditions. Major economies across the world have announced stimulus packages in the range of 10% to 15% of their respective GDPs.

### INDIAN ECONOMY:

The return of the Modi-led Government in 2019 aroused expectations of greater political stability and more significant investments thanks to their pre-business and pro-reforms outlook. The crucial measures and policies declared by the Government in the past six months prove that the officials are well-aware of the economic conditions and are ready to act proactively. The liberalization of FDI norms, PSU bank consolidation, corporate tax rate-cut and more initiatives have boosted the demand & supply, enabling the macroeconomic stability. These moves are expected to foster credit growth, improve capital inflows and private investments, thus pushing economic growth. Despite the headwinds, such measures neutralize the negative impact of various global and local economic factors on our nation's economy.

The Government of India responded proactively by announcing a lockdown towards the end of March 2020 to flatten the pandemic curve. While this was required to protect lives at that stage, the Government has thereafter taken steps to support livelihoods. The Government has also responded swiftly in announcing an overall package of over Rs.20 lakh crores largely in the form of liquidity boosting measures, with about Rs.1.5 lakh crores representing direct cash transfers and subsidies. Several initiatives to support the Micro, Small and Medium Enterprises (MSME) sector and a slew of agri-reforms have also been announced recently which augur well for the long-term prospects of the Indian economy. Further to the 'Make in India' programme announced earlier, the Hon'ble Prime Minister has made a clarion call to achieve self-reliance through the 'Atmanirbhar Bharat' programme, which seeks to make India an even stronger, more competitive and resilient economy.

The Indian economy's GDP grew at a rate of 4.2% in FY20, and for FY21 IMF expects the Indian economy to contract by 4.5%. The current slowdown in growth rate is because of COVID-19, resultant slow consumption rate, decline in fixed investment, weak trade activities and a difficult manufacturing atmosphere. There was a strong hope of recovery in the last quarter of FY20. However, COVID-19 pandemic outbreak has changed the equation. And during the course of time that it lasts, businesses and economy will continue to be impacted.

During the year, India has moved up 14 places to the 63rd position globally in the 'Ease of Doing Business' rankings on the back of reforms in areas such as starting a business, dealing with construction permits, trading across borders and resolving insolvency. The successful implementation of further structural initiatives identified by the Government towards improving the ease of doing business and fostering greater levels of value addition within the country would be crucial to boost the performance of the Indian economy and realise its full potential.

The outlook for Indian economy remains uncertain & subdued as COVID-19 arrived at a time when economy was already slowing due to persistent financial sector weaknesses. The severe disruption of economic activities caused, both through demand & supply shocks,

has overtaken the incipient recovery in the economy. While the government has announced a number of structural reforms and other loan guarantee schemes to bring a degree of relief to rural households and small businesses, its impact on short term demand recovery is yet to be seen.

#### **INDUSTRY STRUCTURE AND DEVELOPMENTS GLOBAL:**

Paper Industry, occupies a prestigious position, among the various manufacturing enterprises, in view of its significant contribution to the Society. Role of paper in promotion of literacy and education, propagation of information and knowledge and in packaging of commodities of commercial value, makes it an indispensable product. Its hygiene products offer appropriate solutions to society's needs.

Despite predictions that the on-going digital revolution would make paper obsolete, paper remains central to our lives. Paper is interwoven with human life in innumerable ways. Think of the hundreds of times, we touch paper, every day. Paper is a bio-degradable product with a benign foot print at the end of its life cycle and this adds further strength to this product, promoting its growing usage.

Paper Industry is a significant player in the World Economy. Its annual revenue exceeds US \$ 500 billion. World consumption of paper and paper boards grew from 169 million tonnes in 1981 to 253 million tonnes in 1993 and to 352 million tonnes in 2005. Current consumption is in excess of 400 million tonnes. Paper usage has been declining in North America and Europe since 2006 while steeply rising in China and other Asian Economies. About half of the paper produced each year is recycled. (200 million tonnes).

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

#### **EDUCATION INDUSTRY:**

The global education industry is expected to reach over US \$8 trillion by 2025. It is fair to say that education is one of the fastest-growing sectors worldwide, generating large scale revenues and employment every year. While the growth is steady, the sector has undergone significant transformation in recent years. The education system worldwide is shifting towards digitized and more inclusive learning. While some developed countries have successfully made the transition, developing countries like India are catching up at a faster pace. Public spending on education has increased substantially across the globe. New materials are being demanded and produced in various formats at a rapid pace to meet the needs of growing market.

As the Indian education industry continues to carve new paths for better education, the sector on the path of promising growth. The country's higher education segment is expected to increase to around Rs.250,000 crore (US\$ 35 billion) by 2025. The Government, too, is taking various measures to improve the quality of education in India. Foreign Direct Investments in education sector has increased at a CAGR of 55% from Rs.168 crore in 2011 to Rs.5,479 crore in 2019. In the 2020-21 Union Budget, the Government has earmarked Rs.99,300 crore for the Education sector.

With close to one-third of India's population being under the age of fifteen, the country has a remarkable growth opportunity for the education sector. The outlook of this industry remains bright in light of growing middle-class population coupled with thriving income levels, boost in "Beti Padhao" campaign, increase in variety of courses offered by colleges and universities, growing emphasis of the Government, and more. However, accessing quality education and financial commitment to education development continues to remain challenging.

The uncalled conditions due to COVID-19 have resulted in disruptions in life as we all know. The effect on education sector has been evident due to suspension of schools over a prolonged period. But as students and faculty remain confined to their homes, educational institutions are exploring ways to keep students engaged virtually and maintaining the learning momentum. While all educational institutions are not equipped to connect with students, some have started leveraging meeting platforms having video conferencing facilities for streaming online classes.

#### **E-LEARNING & K-12 MARKET:**

E-learning is the process of acquiring knowledge through electronic technologies and resources. A sharp rise in the number of internet users has boosted the demand for e-learning platforms and courses. The global e-learning market has seen a tremendous increase in demand for content developed and designed to meet remote learning needs. Anyone from anywhere in the world can access self-paced learning modules offered by educational institutions.

The global e-learning market is expected to reach US\$ 238 billion by the end of 2024. Educational institutions are collaborating with suppliers to leverage e-learning and expand their students' reach. This gap indeed leads to more opportunities for the supply side of the e-learning industry. Important emerging trends like e-classrooms, micro learning, mobile learning and social learning are driving exponential growth in the market.

The pandemic has proven the importance of e-learning and will change the way we look at education. According to the World Economic Forum, around 1.2 billion children are unable to continue learning as schools are shut down completely. Demand for e-learning solutions has seen a sharp rise during the lockdown period.

The eLearning companies in India is striving to replace the traditional education system with the modern education system by adopting latest educational technologies. The eLearning companies in India are working effectively with the government, and educational boards to make the cloud platform prevalent. Besides, by adopting learning analytics or big data analytics, these eLearning companies are helping online course providers design custom-made courses, ensure self-regulation of learners, conduct frequent auto-graded quizzes, and make grades and learning

progress accessible to students. Thus, the evolution and rising awareness regarding latest technologies will increase the adoption of eLearning in the Indian market, thereby pushing growth in the online education market in India.

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

The K-12 education system in India is expected to reach US\$ 1.55 billion by 2024. Thanks to an increasing number of schools pressing emphasis on higher quality of education, the industry is poised to grow exponentially in the coming years. The technological advancements in teaching methods, along with government intervention, has further boosted opportunities in the K-12 education sector. It is interesting to note that digital learning modules have picked up pace in the sector. E-learning and m-learning have revolutionized the way educational content is consumed. Government initiatives to modernize the industry have also encouraged private players and entrepreneurs to undertake investments to strengthen their position in the Indian K-12 market. Many schools are using creative and unconventional methods of teaching with the use of technology. Parents from the most remote parts of India have started giving due importance to education, thus enhancing the growth of the number of students every year.

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

##### **SUNDARAM:**

Our brand, Sundaram was established in 1985. It started off as a school and office paper stationery manufacturing company. With having a tremendous demand for quality products, we have recorded a strong year on year growth.

The world today may be shifting to a more web driven one but still the paper industry has its own significance. This belief combined with our 30+ years of experience has helped us to cover the paper stationery product market extensively with various manufactured products.

We at Sundaram believe quality products along with good service are the key factors in our industry. Our goal is to provide products to all the states in the country, and provide durable and high-quality products to consumers.

Over the past 30+ years the company has grown by many folds and diversified into various other verticals of business. Our dedication and passion to deliver the best has led us to explore new avenues and foresee the future.

With a wide range of over 200 products today Sundaram sells more than 5 lakh books everyday through its strong distribution network of 15000 dealers and distributors.

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

With the strong brand and market penetration we are present in pan Maharashtra and have a strong brand recall among consumers. The brand Sundaram stands for trust, quality products and for a legacy. As its rightly said, "Education is the strongest weapon" we want to deliver quality products at the best rates to the entire country.

The times have changed, people don't take the risk of buying substandard products any more. The market for branded products is very huge today, and it can demand a premium. The extended products and high quality paper premium products can be introduced under the same brand. The brand will be used for other stationery products in the market in the near future.

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

##### **E-CLASS:**

E-class is a revolutionary product by our company, developed to help the students ease the burden of studies and score more marks. E-class is an innovative educational content for the students of Maharashtra State Board's 1st to 10th standards for all subjects, available in English, Marathi, Semi English, Hindi and Urdu medium as per the syllabus.

With the stress and difficulties in education arising every day, we have created content which will help the students learn in a better and a new way. It is said what we see (visuals) is often remembered more than what we simply just read. Keeping that concept in mind, we have converted the black and white textbook into audio-video animated content explaining each chapter and subject in detail.

E-Class is an attempt to encourage quality learning and help the process of learning by making it effective and engaging in innovative ways. At E-Class we have developed solutions and delivery platforms that enrich teaching and learning experience. The main aim is to go beyond the traditional black and white textbook approach and connect technology with education.

We believe that to become a leader in any field one must foster a conception of excellence in education. Education is the pillar and base of entire human life and we believe our learning solutions will not only help build the base but will make the education roots stronger forever. We are building an army of students for this nation and we support the Digital India mission strongly.

**GLOBAL PANDEMIC – COVID-19**

Due to outbreak of COVID-19 pandemic globally and consequent lockdown imposed by the Government of India from March 23, 2020 to curb its wide spread, a massive economic disruption and social distress has been witnessed in India. Revenue of the Company has been significantly reduced as compared to corresponding quarter majorly on account of delay in opening of schools amid Covid-19 lock-down and due to other related impacts. The company has made assessment of its liquidity position for the current financial year and considered internal and external information in assessing the same. The impact assessment of COVID-19 is an ongoing process, and may be different from that estimated as at the date of approval of financial results, given the uncertainties associated with its nature and duration and the company will continue to monitor all material changes to the entity's business environment.

**FINANCIAL PERFORMANCE:**

The macro-economic environment for the year under review was particularly challenging, marked by deceleration in economic activity accentuated by a sharp decline in consumption, especially in rural areas. Severe crunch in market liquidity conditions and disruptions caused by spatial variations in monsoons in several parts of the country added to the pressure. Just as the business environment was showing signs of an incipient recovery in the beginning of the fourth quarter, the onset of COVID-19 pandemic, changed the situation dramatically. In the initial stages, the contagion had a significant impact on the Education and Stationery Products businesses as it coincided with the peak season and the onset of the school session, respectively. Operations of all businesses were impacted towards the close of the year as the pandemic gained momentum.

Overall for Financial Year 2019-20 gross revenue from the business operations of the Company was Rs.9698.73 lakhs. Company had incurred net loss of Rs.269.85 lakhs. Exercise note books & paper segment revenue stood at Rs.9359.28 lakhs and revenue from Software for Educational Content business segment stood at Rs.339.45 lakhs.

**RISK AND CONCERN:**

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

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

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

**CREDIT****RATING:**

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

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

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

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

**INDUSTRIAL RELATIONSHIP:**

In challenging business environment, company & its management has maintained healthy and cordial relationships with all the stakeholders. Company had approximately 162 employees on payroll.

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

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

| Particulars          | 2018-19<br>(Rs. In lakhs) | 2019-20<br>(Rs. In lakhs) |
|----------------------|---------------------------|---------------------------|
| <b>Total Revenue</b> | <b>10169.04</b>           | <b>10169.37</b>           |
| Operating Expense    | 8485.94                   | 9038.72                   |
| EBITDA               | 1683.1                    | 1130.65                   |
| EBITDA Margin        | 16.55%                    | 11.12%                    |
| Depreciation         | 357.28                    | 411.27                    |
| PAT                  | 586.26                    | (269.85)                  |
| Capital Employed     | 10322.34                  | 12277.63                  |
| EBIT                 | 1325.82                   | 719.37                    |
| ROCE                 | 5.67%                     | -2.19%                    |
| Net worth            | 10255.37                  | 9976.18                   |

**CAUTIONARY STATEMENT:**

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

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

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

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

Date: August 28, 2020  
Place: Mumbai



## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2020 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations").

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

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

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

Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders. Strong corporate governance is indispensable to resilient and vibrant capital markets and is an important instrument of investor protection.

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

Corporate Governance is a set of systems and practices to ensure that the affairs of the company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations.

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

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

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

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

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

### COMPOSITION OF BOARD OF DIRECTORS:

At Sundaram, the Board is at the core of the Corporate Governance practice. Your Company has the optimum combination of experience and expertise of the members on the Board of Directors. At present Out of 6 members on its Board, 3 (three) are Independent Directors and 3 (three) are Executive Directors consisting of One Chairman & Managing Director and Two Whole-time Directors. This appropriate composition of the Board of Directors enables in maintaining the independence of the Board and separates its functions of governance and management.

None of the Director on the Board is a Member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian public companies in which he/she is a Director. Necessary disclosures regarding their committee positions have been made by all the Directors.

None of the Directors hold office in more than ten public companies and seven Listed entities. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies. All Directors are also in compliance with the limit on Independent Directorships of Listed Companies as prescribed under regulation 17A of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

None of the Whole-time Director/Managing Director is an Independent Director in any other listed companies.

Board is of the opinion that the Independent Directors fulfill the conditions specified in the SEBI LODR 2015 and are independent of the Management.

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board Members:

- Knowledge on Company's business, policies and culture, major risks, threats and potential opportunities and knowledge of the Industry.
- Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- Business Strategy, Production, sales and marketing, Designing, corporate governance, Business administration, decision making.
- Technical/Professional skills and specialized knowledge in relation to Company's business.
- Knowledge relating to Financial & Capital Markets.

The Composition of Board is in conformity with Regulation 17 of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 and Provisions of Companies Act, 2013. As on March 31, 2020 Board consists of:

| Sr. No. | Name of Director(s)   | Category       | No. of Board Meeting Attended | Attendance at last AGM | Date of Initial appointment | Total Directorships as on 31-03-2020 |
|---------|-----------------------|----------------|-------------------------------|------------------------|-----------------------------|--------------------------------------|
| 1.      | Mr. Amrut P. Shah     | CMD (Promoter) | 5                             | Yes                    | 13/03/1995                  | 3                                    |
| 2.      | Mr. Shantilal P. Shah | WTD (Promoter) | 5                             | Yes                    | 01/08/1999                  | 3                                    |
| 3.      | Mr. Krunal S. Shah    | WTD (Promoter) | 5                             | Yes                    | 08/08/2017                  | 1                                    |
| 4.      | Ms. Minjal V. Kadakia | ID             | 5                             | Yes                    | 30/03/2015                  | 2                                    |
| 5.      | Mr. Kalpesh B. Parekh | ID             | 5                             | Yes                    | 12/12/2017                  | 1                                    |
| 6.      | Mr. Paresh Jain       | ID             | 2                             | Yes                    | 30/05/2012                  | 4                                    |

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

| Sr. No. | Name of Director(s)   | Total no. of Membership(s)/ Chairmanship(s) of Audit/ Stakeholder Committee(s) as on 31-03-2020 |        | Name of the Companies in which Directorships held as on 31-03-2020 | Designation/ Position held as on 31-03-2020 | Membership(s)/ Chairmanship(s) of Audit/ Stakeholder Committee(s) held as on 31-03-2020 |
|---------|-----------------------|---|--------|--|---|---|
|         |                       | Chairman  | Member |  |   |   |
| 1.      | Mr. Amrut P. Shah     | 0   | 0      | Sundaram Multi Pap Limited;  | CMD (Promoter)                              | NIL   |
|         |                       |   |        | E-Class Education System Limited;                                  | Non-Executive Director                      | NIL   |
|         |                       |   |        | Sundaram Bio-Tech Private Limited                                  | Executive Director                          | NIL   |
| 2.      | Mr. Shantilal P. Shah | 0   | 1      | Sundaram Multi Pap Limited;  | WTD (Promoter)                              | NIL   |
|         |                       |   |        | E-Class Education System Limited;                                  | Non-Executive Director                      | Member - Audit Committee  |
|         |                       |   |        | Sundaram Bio-Tech Private Limited                                  | Executive Director                          | NIL   |
| 3.      | Mr. Krunal S. Shah    | 0   | 0      | Sundaram Multi Pap Limited   | WTD (Promoter)                              | NIL   |
| 4.      | Ms. Minjal V. Kadakia | 0   | 3      | Sundaram Multi Pap Limited;  | Independent Director                        | Member – Audit Committee;<br>Member – Stakeholders Relationship Committee               |
|         |                       |   |        | E-Class Education System Limited                                   | Independent Director                        | Member – Audit Committee;   |
| 5.      | Mr. Kalpesh B. Parekh | 0   | 2      | Sundaram Multi Pap Limited;  | Independent Director                        | Member – Audit Committee;<br>Member – Stakeholders Relationship Committee               |
|         |                       |   |        |  |   |   |
| 6.      | Mr. Paresh Jain       | 3   | 0      | Sundaram Multi Pap Limited;  | Independent Director                        | Chairman – Audit Committee;<br>Chairman – Stakeholders Relationship Committee           |
|         |                       |   |        | Manas Properties Limited;  | Independent Director                        | Chairman – Audit Committee;<br>Chairman – Stakeholders Relationship Committee           |
|         |                       |   |        | E-Class Education System Limited;                                  | Independent Director                        | Chairman – Audit Committee;   |
|         |                       |   |        | Ariona Impex Private Limited                                       | Director                                    | NIL   |

The Board met Five (5) times during the Financial Year 2019-20 viz. on 23-05-2019, 26-06-2019, 12-08-2019, 08-11-2019 and 12-02-2020 and the maximum time gap between two meetings did not exceed the limits specified in the Companies Act, 2013 or SEBI (LODR) Regulations, 2015 or as specified by Central Government from time to time. The Board meets at least once in each quarter to review the quarterly financial results and other items on the Agenda. Additional meetings are held whenever necessary.

During the year, information as mentioned in Schedule II Part A of SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015 has been placed before the Board for its consideration.

The company issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013.

The terms and conditions of appointment are disclosed on the website of the company.

**CRITERIA FOR BOARD MEMBERSHIP:**

The Board has adopted the Nomination and Remuneration Policy to ensure that the Board composition is balanced with the requisite skill sets, so that the Company benefits from new insights, guidance and challenges to business proposals. The Policy outlines the appointment criteria and qualifications of the Directors on the Board of Company and the matters related to remuneration of the Directors. The said Policy is available on the Company’s website at <http://www.sundaramgroups.in/company-policies/>.

In terms of the requirement of the SEBI Listing Regulations, the Board has identified the core skills/expertise/ competencies of the Directors in the context of the Company’s business for effective functioning and as available with the Board. These are as follows:

| Areas of expertise Required  | Skill areas actually available with the Board |                       |                    |                       |                       |                 |
|--|---|-----------------------|--------------------|-----------------------|-----------------------|-----------------|
|  | Mr. Amrut P. Shah                             | Mr. Shantilal P. Shah | Mr. Krunal S. Shah | Ms. Minjal V. Kadakia | Mr. Kalpesh B. Parekh | Mr. Paresh Jain |
| <b>Strategy and planning</b> - Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities. | √   | √                     | √                  | √                     | √                     | √               |
| <b>Governance, Risk and Compliance</b> – Experience in the application of corporate governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory compliance.                                  | √   | √                     | √                  | √                     | √                     | √               |
| <b>Financial</b> - Comprehensive understanding of financial accounting, reporting and controls and analysis.   | √   | √                     | √                  | √                     |                       | √               |
| <b>Capital Market, Banking &amp; Fund Raising</b> – Experience in fund raising through Borrowing or Loan or through capital markets.   | √   | √                     |                    |                       |                       | √               |
| <b>Sales, Marketing &amp; Brand building</b> – Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation.  | √   | √                     | √                  | √                     | √                     |                 |
| <b>Productions, Designing, Innovation, Research &amp; Development</b> – Experience in Product Designing, Optimum use of resources, Research & Developments in new products manufacturing & designing.  | √   | √                     | √                  | √                     | √                     |                 |

**CONFIRMATION AND CERTIFICATION:**

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

**RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:**

Mr. Amrut P. Shah and Mr. Shantilal P. Shah are Brothers as well as promoter of the Company. Mr. Krunal S. Shah is son of Mr. Shantilal P. Shah. Mr. Hardik A. Shah is son of Mr. Amrut P. Shah.

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

Non-executive Directors do not hold any shares or Convertible Securities in the Company. Details of Shares held by Directors and

KMP is given in Extract of Annual Report (MGT-9), which is forming part of Directors report.

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

Under regulation 27(5) of SEBI (LODR) Regulations, 2015 and schedule IV of Companies Act, 2013, Your Company has in place a policy to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the Company operates, business model of the company, etc., through various means.

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

Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, Independent Directors are regularly informed on various matters inter-alia covering the Company's and its subsidiaries/associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The Independent Directors have been provided with necessary documents, reports and internal policies to familiarize them with the Company's policies, procedures and practices. The Managing Director, Chief Financial Officer and Company Secretary inform to the Board Members and other senior management personnel on periodic basis, briefing them about operations of the Company, Regulatory Changes, and new initiatives if any. They are also informed of the important policies of your Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading. The details of such Familiarization Programs and Policy for the same disclosed in the website of the Company at <http://www.sundaramgroups.in/company-policies/>.

### **AUDIT COMMITTEE:**

The Audit Committee is duly constituted in accordance with the SEBI (LODR) Regulations 2015 and of Section 177 of the Companies

#### **Composition of Audit Committee as on March 31, 2020:-**

| Sr. No. | Name                      | Category | Designation | Date of Appointment | No. of Meetings |          | Dates of the Meetings attended                             |
|---------|---------------------------|----------|-------------|---------------------|-----------------|----------|--|
|         |                           |          |             |                     | Held            | Attended |  |
| 1.      | Paresh P. Jain            | NED (I)  | Chairperson | 12-08-2019          | 2               | 2        | 08-11-2019; 12-02-2020                                     |
| 2.      | Minjal V. Kadakia         | NED (I)  | Member      | 01-04-2015          | 5               | 4        | 26-06-2019; 12-08-2019; 08-11-2019; 12-02-2020             |
| 3.      | Kalpesh B. Parekh         | NED (I)  | Member      | 12-12-2017          | 5               | 5        | 23-05-2019; 26-06-2019; 12-08-2019; 08-11-2019; 12-02-2020 |
| 4.      | Manikandan P. Kammenchery | NED (I)  | Member      | 27-10-2014          | 3               | 3        | 23-05-2019; 26-06-2019; 12-08-2019                         |

During the FY 2019-20 Five (5) Audit Committee Meetings were held on 23-05-2019, 26-06-2019, 12-08-2019, 08-11-2019 and 12-02-2020. Mr. Manikandan P. Kammenchery ceased to be Independent Director of the Company w.e.f. September 29, 2019 therefore he also ceased to be the member of the Committee.

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

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

### **Terms of Reference:**

The terms of reference of the Audit Committee (AC) covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the SEBI Listing Regulations. The scope and terms of reference of the said committee have been widened in line with the amendments made to SEBI Listing Regulations. The terms of reference of the AC, inter-alia are as follows:

1. Audited and Un-audited financial results;
2. Internal Audit reports, risk management, policies and reports on internal control system;
3. Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls and adequacy of provisions for liabilities, etc.;
4. Transactions proposed to be entered into by the Company with related parties and approves such transactions including any subsequent modifications thereto;
5. Functioning of Whistle Blower Policy; and
6. Recommends proposals for appointment and remuneration payable to the Statutory Auditor and Internal Auditors and also the proposal for appointment of Chief Financial Officer. The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws.

In addition to the aforesaid, the Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the SEBI Listing Regulations as amended from time to time and that of the Act. Detailed terms of reference are also placed on the website of the Company at [www.sundaramgroups.in](http://www.sundaramgroups.in).

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

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

**Broad terms of reference:**

The terms of reference of the Nomination and Remuneration Committee (NRC) covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the SEBI Listing Regulations. The scope and terms of reference of the said committee have been widened in line with the amendments made to SEBI Listing Regulations. The terms of reference of the NRC, inter-alia are as follows:

1. To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director and recommend to the Board, policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance

with the criteria laid down and recommend to the Board their appointment and removal;

3. To formulate the criteria for evaluation of the Independent Directors and the Board;
4. To devise a policy on Board diversity.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Detailed terms of reference are also placed on the website of the company at [www.sundaramgroups.in](http://www.sundaramgroups.in).

**Composition of Nomination and Remuneration Committee as on March 31, 2020:-**

| Sr. No. | Name                      | Category | Designation | Date of Appointment | No. of Meetings |          | Dates of the Meetings attended |
|---------|---------------------------|----------|-------------|---------------------|-----------------|----------|--------------------------------|
|         |                           |          |             |                     | Held            | Attended |                                |
| 1.      | Paresh P. Jain            | NED (I)  | Chairperson | 12-08-2019          | 0               | 0        | NIL                            |
| 2.      | Minjal V. Kadakia         | NED (I)  | Member      | 01-04-2015          | 2               | 1        | 12-08-2019                     |
| 3.      | Kalpesh B. Parekh         | NED (I)  | Member      | 12-12-2017          | 2               | 2        | 23-05-2019; 12-08-2019;        |
| 4.      | Manikandan P. Kammenchery | NED (I)  | Member      | 27-10-2014          | 2               | 2        | 23-05-2019; 12-08-2019         |

During the FY 2019-20 Two (2) NRC Meetings were held. Date(s) on which meeting(s) were held are 23-05-2019 and 12-08-2019. Mr. Manikandan P. Kammenchery ceased to be Independent Director of the Company w.e.f. September 29, 2019 therefore he also ceased to be the member of the Committee.

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

Pursuant to the provision of Section 178 of the Companies Act, 2013 the Nomination and Remuneration Committee carried out evaluation of every Director's performance for the financial year 2018-19 in their meeting held on 30-06-2020. Details of which is given in the directors report.

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

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

| Name of the Director  | Designation                  | Salary for the year ended 31-03-2020 (In ₹) |
|-----------------------|------------------------------|---|
| Mr. Amrut P. Shah     | Chairman & Managing Director | 42,00,000                                   |
| Mr. Shantilal P. Shah | Whole-time Director          | 42,00,000                                   |
| Mr. Krunal S. Shah    | Whole-time Director          | 42,00,000                                   |

No sitting fees were paid to Directors for the Financial Year 2019-20. The remuneration package of Executive Directors includes only salary which is a fixed component. There are no performance linked incentives. No stock option has been issued. There was no pecuniary relationship or transactions between Non-executive directors & Company during the financial year 2019-20. Executive Directors are appointed on contractual basis based on the resolutions passed in Shareholders Meeting.

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Company's Stakeholders' Relationship Committee is responsible for the satisfactory redressal of investor complaints. The Stakeholders Relationship Committee was constituted in compliance with the requirements of the SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013.

**Brief Terms of Reference:**

The terms of reference of the Stakeholders Relationship Committee (SRC) covers the areas mentioned in Section 178 (5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the SEBI Listing Regulations. The scope and terms of reference of the said committee have been widened in line with the amendments made to SEBI Listing Regulations. The terms of reference of the SRC, inter-alia are as follows:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Detailed terms of reference of the Committee are placed on the website of the company at [www.sundaramgroups.in](http://www.sundaramgroups.in).

During the year, the Company has not received any complaints from shareholders. Further, no investor grievance has remained unattended / pending for more than thirty days.

#### Composition of Stakeholders Relationship Committee as on March 31, 2020:

| Sr. No. | Name                      | Category | Designation | Date of Appointment | No. of Meetings |          | Dates of the Meetings attended                 |
|---------|---------------------------|----------|-------------|---------------------|-----------------|----------|--|
|         |                           |          |             |                     | Held            | Attended |  |
| 1.      | Paresh P. Jain            | NED (I)  | Chairperson | 12-08-2019          | 2               | 2        | 08-11-2019; 12-02-2020                         |
| 2.      | Minjal V. Kadakia         | NED (I)  | Member      | 01-04-2015          | 4               | 3        | 12-08-2019; 08-11-2019; 12-02-2020             |
| 3.      | Kalpesh B. Parekh         | NED (I)  | Member      | 12-12-2017          | 4               | 4        | 23-05-2019; 12-08-2019; 08-11-2019; 12-02-2020 |
| 4.      | Manikandan P. Kammenchery | NED (I)  | Member      | 27-10-2014          | 2               | 2        | 23-05-2019; 12-08-2019                         |

During the FY 2019-20 Four (4) Stakeholders' Relationship Committee Meetings were held on 23-05-2019; 12-08-2019; 08-11-2019; and 12-02-2020. Mr. Manikandan P. Kammenchery ceased to

be Independent Director of the Company w.e.f. September 29, 2019 therefore he also ceased to be the member of the Committee.

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

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

Composition of CSR as on March 31, 2020:

| Sr. No. | Name                      | Category | Designation | Date of Appointment | No. of Meetings |          | Dates of the Meetings attended |
|---------|---------------------------|----------|-------------|---------------------|-----------------|----------|--------------------------------|
|         |                           |          |             |                     | Held            | Attended |                                |
| 1.      | Paresh P. Jain            | NED (I)  | Chairperson | 12-08-2019          | 0               | 0        | NIL                            |
| 2.      | Minjal V. Kadakia         | NED (I)  | Member      | 01-04-2015          | 1               | 0        | NIL                            |
| 3.      | Kalpesh B. Parekh         | NED (I)  | Member      | 12-12-2017          | 1               | 1        | 23-05-2019                     |
| 4       | Manikandan P. Kammenchery | NED (I)  | Member      | 27-10-2014          | 1               | 1        | 23-05-2019                     |

During the year one CSR committee meeting was held on 23-05-2019. Mr. Manikandan P. Kammenchery ceased to be Independent Director of the Company w.e.f. September 29, 2019 therefore he also ceased to be the member of the Committee.

#### INDEPENDENT DIRECTORS' MEETING:

Schedule IV of the Companies Act, 2013 and rules made thereunder and Regulation 25 of SEBI (LODR) Regulations, 2015 mandate that the Independent Directors of the Company shall hold at least one meeting in each financial year, without presence of Non-independent Directors. During the year under review, the Independent Directors met on February 12, 2020, without the attendance of Non-Independent Directors and members of management, inter alia to discuss:

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

- Review the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive directors;

- Assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

- All the Independent Directors were present at the Meeting.

Further, as a part of familiarization programme, the Board members are provided with necessary documents, reports, internal policies, amendments to the various enactments, statutory laws, etc., to enable them to familiarize themselves with the Company's operations.

#### COMPLIANCE OFFICER:

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

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

No Complaint has been received during the year under review further there was no complaint outstanding as on the closure of the financial year.

**GENERAL BODY MEETINGS:**

Details of General Meetings held and Special Resolutions passed thereat in last three financial years are as under:

| General Meetings   | Date of Meetings | Time       | Venue   | Special Resolution Passed   |
|--|------------------|------------|---|---|
| 23 <sup>rd</sup> AGM   | 15-09-2017       | 10.30 A.M. | Chatwani Baug Hall, 1 <sup>st</sup> Floor, 7, Gokhle Road, Near Vile Parle Station, Vile Parle East, Mumbai: 400057 | <ol style="list-style-type: none"> <li>To re-appoint Mr. Amrut P. Shah as the Managing Director;</li> <li>To re-appoint Mr. Shantilal P. Shah as Whole-time Director;</li> <li>To approve the revision in remuneration of Mr. Amrut P. Shah; (However said resolution was not approved with requisite majority)</li> <li>To approve the revision in remuneration of Mr. Shantilal P. Shah; (However said resolution was not approved with requisite majority)</li> <li>To regularize the appointment of Mr. Krunal S. Shah as Whole-time Director;</li> <li>To Consider the issue of Securities.</li> </ol> |
| 24 <sup>th</sup> AGM   | 27-09-2018       | 10.30 A.M. |   | <ol style="list-style-type: none"> <li>To reclassify the status of certain person/entities of Promoter &amp; Promoter Group;</li> <li>To consider the Alteration of the object clause of the Memorandum of Association of the Company.</li> </ol>   |
| EOGM   | 22-07-2019       | 10.30 A.M. |   | <ol style="list-style-type: none"> <li>Increase in borrowing limits of board of directors from ₹500 crores to ₹700 crores or the aggregate of the paid up capital and free reserves of the company, whichever is higher;</li> <li>Authority to the board of directors or a committee thereof to sell, lease, mortgage or otherwise dispose-off the whole or substantially the whole of the undertaking(s), the movable and immovable properties of the company both present and future;</li> <li>Conversion of loans into equity shares of the company.</li> </ol>  |
| 25 <sup>th</sup> AGM   | 30-09-2019       | 10.30 A.M. |   | <ol style="list-style-type: none"> <li>To re-appoint of Ms. Minjal V. Kadakia (DIN: 07135977) as an Independent Director for second term of five consecutive years.</li> </ol>  |
| During last Financial Year no resolutions were passed through postal ballot. |                  |            |   |   |

**NCLT/COURT CONVENED MEETING:**

NCLT/Court Convened Meeting of members as well as creditors of the Company was held on November 12, 2019 to approve the Scheme of Amalgamation of M/s. E-Class Education System Limited with M/s. Sundaram Multi Pap Limited.

**MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTION:**

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

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

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets. No penalties or strictures imposed on the Company by Stock Exchanges or SEBI and other Statutory Authorities on matters related to capital markets during the last

three years. The Board quarterly reviews the compliance report on applicable laws to the Company as well as steps taken by the Company to rectify the instances of non-compliance, if any.

**VIGIL MECHANISM:**

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

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

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

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

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

**RISK MANAGEMENT:**

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

**CODE OF CONDUCT:**

The Board of Directors of the Company has laid down the code of conduct for all the Board Members and the Senior Management of the Company in accordance with the requirement under Regulation 17 and Regulation 26 (3) of the SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The same has been posted on the website of the Company at <http://www.sundaramgroups.in/company-policies/>. All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year 2019-20. The declaration from Mr. Amrut P. Shah, Chairman & Managing Director, regarding the affirmation of the compliance for the year ended March 31, 2020, is enclosed and forms part of this report.

**PREVENTION OF INSIDER TRADING:**

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

**SHARE TRANSFER IN PHYSICAL FORM:**

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

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

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

**FEES PAID TO STATUTORY AUDITORS:**

During the financial year 2019-20, total fees paid by the Company to Statutory Auditors for all services was Rs.5.20/- lakhs.

**MEANS OF COMMUNICATION:**

|   |   |
|---|---|
| Publication of Quarterly Results          | Quarterly, half-yearly and annual financial results of the Company were published in The Free Press Journal (English) and Navshakti (Marathi) newspapers.   |
| Quarterly Results                         | Board Meeting will be held for Quarterly Results for Quarter ending June, September, December within 45 days from the closure of respective Quarter or such other time as specified by SEBI or Central Government from time to time.<br><br>Board Meeting for Financial Result for year ending March 31, 2021 will be held within 60 days from the close of financial year or such other time as specified by SEBI or Central Government from time to time.   |
| Website                                   | <a href="http://www.sundaramgroups.in">www.sundaramgroups.in</a> ; In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investors' on the Company's website gives information as required to be placed on the website of the Company.   |
| Stock Exchange                            | Your Company makes timely disclosures of necessary information to BSE Limited and the National Stock Exchange of India Limited in terms of the Listing Regulations and other rules and regulations issued by the SEBI.<br><br>NEAPS (NSE Electronic Application Processing System): NEAPS is a web-based application designed by NSE for corporates.<br>BSE Corporate Compliance & the Listing Centre: BSE Listing is a web-based application designed by BSE for corporates.<br>All periodical compliance filings, inter alia, shareholding pattern, Corporate Governance Report, corporate announcements, amongst others are in accordance with the Listing Regulations filed electronically. |
| Annual Report                             | Annual Reports are sent to each shareholder at their registered e-mail address with the Company/R&TA/Depositories. Corporate Governance Certificate for financial year 2019-20, as required under the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 had been obtained from Practicing Company Secretaries of the Company.  |
| Registrar and Share Transfer Agents (RTA) | Link Intime India Private Limited<br>Unit: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083<br>Phone : +91 22 49186270<br>Fax : +91 22 49186060<br>E-mail : <a href="mailto:rnt.helpdesk@linkintime.co.in">rnt.helpdesk@linkintime.co.in</a><br>Website : <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>  |



|                           |  |
|---------------------------|--|
| Plant Location            | Plot No. 33-37, Sundaram Industrial Zone, Palghar West, Palghar: 401404, Maharashtra.  |
| Share Transfer System     | Stakeholder Relationship Committee constituted by the Board considers and approves all physical form shares related issues, transfers, transmission, transposition, remat of shares, deletion of name of deceased shareholder(s) from share certificates, issue of duplicate/ renewed/subdivided/consolidated/ replaced share certificate(s) etc. The transfer formalities are attended to on fortnightly basis by the nominated RTAs. |
| Address of correspondence | Enquiries, if any relating to shareholder accounting records, share transfers, transmission of shares, change of address / bank mandate details for physical shares, receipt of dividend warrant, loss of share certificates etc., should be addressed to Company or RTA at:   |
|                           | <b>Sundaram Multi Pap Limited</b><br>Address: 5/6 Papa Industrial Estate, Suren Road, Andheri (East), Mumbai: 400093.<br>Tel Nos.: 022- 67602200<br>Fax Nos.: 022- 67602244<br>E-mail: info@sundaramgroups.in; bhavesh@sundaramgroups.in   |
|                           | <b>Link Intime India Private Limited</b><br>Unit: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083<br>Phone : +91 22 49186270<br>Fax : +91 22 49186060<br>E-mail : rnt.helpdesk@linkintime.co.in<br>Website : www.linkintime.co.in   |

**GENERAL SHAREHOLDER INFORMATION:**

|                            |   |
|----------------------------|---|
| AGM Date                   | September 30, 2020  |
| Time                       | 11.30 A.M   |
| Venue                      | The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM. |
| Financial Year             | April 1 to March 31   |
| Book Closure Date          | September 24, 2020 to September 30, 2020  |
| Dividend                   | Not declared for financial year 2019-20   |
| Listing of Stock Exchanges | BSE Limited;<br>National Stock Exchange of India Limited  |
| Stock Code                 | BSE - 533166<br>NSE - SUNDARAM  |
| Demat ISIN No.             | INE108E01023  |

|   |  |
|---|--|
| Listing fees have been paid to BSE Ltd and National Stock Exchange of India Ltd., for the Financial Year 2020-21. |  |
|---|--|

**SHAREHOLDING PATTERN: SHAREHOLDING PATTERN AS ON MARCH 31, 2020:**

| Category   | No. of Shares held | % of Holding   |
|--|--------------------|----------------|
| <b>A. PROMOTER'S HOLDING</b>                       |                    |                |
| Indian Promoters (Individuals & HUF)               | 60451585           | 22.26          |
| <b>Sub Total (A)</b>                               | <b>60451585</b>    | <b>22.26</b>   |
| <b>B. PUBLIC SHAREHOLDING</b>                      |                    |                |
| <b>1. Institutional Investors</b>                  |                    |                |
| a) Financial Institutions/ Banks                   | 155152             | 0.06           |
| b) Insurance Companies, Central Govt./ State Govt. | 9000000            | 3.31           |
| <b>Sub Total (B1)</b>                              | <b>9155152</b>     | <b>3.37</b>    |
| <b>2. Non-Institutional Investors</b>              |                    |                |
| a) Bodies Corporate                                | 24542241           | 9.04           |
| b) Individual share capital upto ₹2 Lakhs          | 107109218          | 39.44          |
| c) Individual share capital in excess of ₹2 Lakhs  | 54360904           | 20.01          |
| d) Non-Resident Indians & OCB                      | 4050753            | 1.49           |
| e) Any others (clearing member)                    | 1907554            | 0.70           |
| f) IEPF  | 434963             | 0.16           |
| g) Trusts  | 78000              | 0.03           |
| h) NBFCs registered with RBI                       | 75206              | 0.03           |
| <b>Sub Total (B2)</b>                              | <b>201999036</b>   | <b>74.37</b>   |
| <b>Sub Total (B1+B2)</b>                           | <b>211154188</b>   | <b>77.74</b>   |
| <b>GRAND TOTAL (A)+(B 1)+(B 2)</b>                 | <b>271605773</b>   | <b>100.00%</b> |

**DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2020:**

| No. of Equity shares held | No. of Share Holders | % of total Share-holders | No. of Shares held | % of Total Share Capital |
|---------------------------|----------------------|--------------------------|--------------------|--------------------------|
| Up to 100                 | 3684                 | 16.204                   | 164144             | 0.060                    |
| 101 to 200                | 1297                 | 5.705                    | 223416             | 0.082                    |
| 201 to 500                | 3014                 | 13.257                   | 1226019            | 0.451                    |
| 501 to 1000               | 3939                 | 17.326                   | 3620924            | 1.333                    |
| 1001 to 5000              | 6546                 | 28.793                   | 18944530           | 6.975                    |
| 5001 to 10000             | 1926                 | 8.472                    | 15832358           | 5.829                    |
| 10001 to 100000           | 2037                 | 8.960                    | 59141062           | 21.775                   |
| 100001 to Above           | 292                  | 1.284                    | 172453320          | 63.494                   |

| No. of Equity shares held | No. of Share Holders | % of total Share-holders | No. of Shares held | % of Total Share Capital |
|---------------------------|----------------------|--------------------------|--------------------|--------------------------|
| <b>Total</b>              | <b>22735</b>         | <b>100</b>               | <b>271605773</b>   | <b>100.00</b>            |

As on March 31, 2020 out of 27,16,05,773 shares issued 27,07,87,379 Equity Shares (99.70 % of total equity capital) was held in dematerialized form.

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

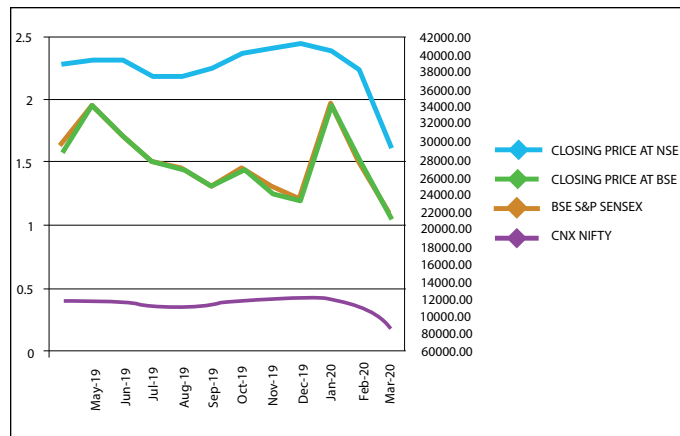
The Company has not issued & allotted any ADRs, GDRs or Share Warrants or any other Convertible Instruments.

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

| MONTHS         | BSE LIMITED |         |               | NATIONAL STOCK EXCHANGE OF INDIA LTD |         |               |
|----------------|-------------|---------|---------------|--------------------------------------|---------|---------------|
|                | HIGH (₹)    | LOW (₹) | NO. OF SHARES | HIGH (₹)                             | LOW (₹) | NO. OF SHARES |
| April 2019     | 1.89        | 1.62    | 7,97,477      | 1.85                                 | 1.60    | 31,90,515     |
| May 2019       | 2.32        | 1.52    | 22,71,866     | 2.25                                 | 1.55    | 75,62,139     |
| June 2019      | 1.95        | 1.66    | 7,55,565      | 1.95                                 | 1.65    | 34,22,565     |
| July 2019      | 1.94        | 1.49    | 7,10,107      | 1.80                                 | 1.50    | 39,97,890     |
| August 2019    | 1.95        | 1.26    | 17,59,835     | 1.95                                 | 1.25    | 52,31,759     |
| September 2019 | 1.63        | 1.28    | 13,33,464     | 1.50                                 | 1.30    | 22,87,229     |
| October 2019   | 1.63        | 1.27    | 11,21,500     | 1.55                                 | 1.30    | 37,23,256     |
| November 2019  | 1.5         | 1.25    | 17,11,205     | 1.50                                 | 1.25    | 45,95,984     |
| December 2019  | 1.4         | 1.09    | 22,10,798     | 1.50                                 | 1.05    | 60,49,611     |
| January 2020   | 2.04        | 1.06    | 21,07,501     | 2.05                                 | 1.15    | 98,79,961     |
| February 2020  | 1.97        | 1.41    | 20,44,542     | 2.00                                 | 1.40    | 47,48,587     |
| March 2020     | 1.71        | 1.06    | 25,16,192     | 1.70                                 | 1.05    | 37,09,075     |

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

| MONTH  | CLOSING PRICE AT NSE | CLOSING PRICE AT BSE | CNX NIFTY | BSE S&P SENSEX |
|--------|----------------------|----------------------|-----------|----------------|
| Apr-19 | 1.65                 | 1.62                 | 11748.15  | 39031.55       |
| May-19 | 1.95                 | 1.96                 | 11922.8   | 39714.20       |
| Jun-19 | 1.7                  | 1.7                  | 11788.85  | 39394.64       |
| Jul-19 | 1.5                  | 1.52                 | 11118     | 37481.12       |
| Aug-19 | 1.45                 | 1.44                 | 11023.25  | 37332.79       |
| Sep-19 | 1.3                  | 1.33                 | 11474.45  | 38667.33       |
| Oct-19 | 1.45                 | 1.44                 | 11877.45  | 40129.05       |
| Nov-19 | 1.3                  | 1.26                 | 12056.05  | 40793.81       |
| Dec-19 | 1.2                  | 1.22                 | 12168.45  | 41253.74       |
| Jan-20 | 1.95                 | 1.97                 | 11962.1   | 40723.49       |
| Feb-20 | 1.5                  | 1.52                 | 11201.75  | 38297.29       |
| Mar-20 | 1.1                  | 1.08                 | 8597.75   | 29468.49       |



**OTHER REQUIREMENTS:**

All the recommendations of the various committees made were accepted by the Board. The Company has not raised any funds through preferential allotment or QIP during the year.

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

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

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

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

Date: August 28, 2020  
Place: Mumbai

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

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

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2020.

**For SUNDARAM MULTI PAP LIMITED**

Sd/-  
**Amrut P. Shah**  
Chairman & Managing Director

Date: August 28, 2020  
Place: Mumbai

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

To,  
The Board of Directors  
Sundaram Multi Pap Limited

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of the Company hereby certify that on the basis of the review of the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2020 and that to the best of our knowledge and belief:

- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

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

We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems pertaining to financial

reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

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

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

**Rajesh B. Jain**  
Chief Financial Officer

Date: 30-06-2020

Place: Mumbai

**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS PER THE PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To  
The Members,

**Sundaram Multi Pap Limited,**

1. The Corporate Governance Report prepared by Sundaram Multi Pap Limited ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2020. This certificate is required by the Company for sending it to the shareholders of the Company.

**Management's Responsibility**

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

**Auditor's Responsibility**

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

**Opinion**

8. Based on the procedures performed by as referred in paragraph 6 and 7 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 1 above.

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

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

**Amisha Shah**

Proprietor

C.P. No.: 13399

Membership No.: F8798

UDIN: F008798B000624930

**Other matters and Restriction on Use**

9. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the

Date: August 28, 2020

Place: Mumbai

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To  
The Members  
Sundaram Multi Pap Limited  
5/6, Papa Industrial Estate, Suren Road,  
Andheri East, Mumbai: 400093

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sundaram Multi Pap Limited having CIN L21098MH1995PLC086337 and having registered office at 5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para - C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

| DIN      | Name of the Directors    | Designation          | DIN Status |
|----------|--------------------------|----------------------|------------|
| 00033120 | Amrut Premji Shah        | Managing Director    | Approved   |
| 00033182 | Shantilal Premji Shah    | Whole-time Director  | Approved   |
| 05159799 | Paresh Jain              | Independent Director | Approved   |
| 07135977 | Minjal Vipul Kadakia     | Independent Director | Approved   |
| 07877986 | Krunal Shantilal Shah    | Whole-time Director  | Approved   |
| 08010094 | Kalpesh Bhupendra Parekh | Independent Director | Approved   |

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the bases of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

**Amisha Shah**

Proprietor

C.P. No.: 13399

Membership No.: F8798

UDIN: F008798B000624897

Date: August 28, 2020

Place: Mumbai

## Independent Auditor's Report

### To the Members of Sundaram Multi Pap Limited

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

#### Qualified Opinion

We have audited the accompanying financial statements of Sundaram Multi Pap Limited ("the Company"), which comprises of the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

The statement is prepared after giving effect of Scheme of Amalgamation of E-Class Education System Limited (Transferor Company) (51% Subsidiary of Sundaram Multi Pap Limited) with Sundaram Multi Pap Limited (Transferee Company). Appointed date as per the Scheme is April 01, 2018.

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 Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view, except for the effects of matter described in the Basis for Qualified Opinion paragraph below, in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Qualified Opinion

We conducted our audit of the standalone Ind AS 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 Standalone Ind AS 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 standalone 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 standalone Ind AS financial Statements.

The balances of trade receivables, trade payables, loans and advances are subject to confirmations, reconciliation and consequential adjustments if any. Further, no provision has been made for trade receivables, which are outstanding since long and are to be provided for. The effect of same is not ascertainable in absence of complete debtors ageing.

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the financial year ended March 31, 2020. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

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

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's 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 during the course of our audit or otherwise appears to be materially misstated.

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

#### Responsibility of Management for the Financial Statements

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For RI Jain & Co.**  
Chartered Accountants  
Firm Reg. No. 103956W

**CA RajendraKumar Jain**  
Proprietor  
Membership No.: 039834  
Place: Mumbai  
Date: 30 June 2020  
UDIN: 20039834AAAABV4103

**“Annexure A” To the Independent Auditors’ Report on the Ind AS financial statements of Sundaram Multi Pap Limited for the year ended 31st March, 2020**

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

**i. In respect of property, plant and equipment:**

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

**ii. In respect of its inventories:**

As informed to us, the inventory is physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

- iii. The Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act and accordingly, the provisions of Clause (iii) (a) to (c) of Para 3 of the Order are not applicable to the Company.
- iv. The Company has not granted any loan under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act, with respect to the guarantees made. The Company has neither made any investment nor given any loans during the year.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of section 73 to 76 of the Act and rules framed thereunder; and accordingly, the provisions of Clause (v) of Para 3 of the Order are not applicable to the Company.
- vi. We have broadly reviewed accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section (1) of section 148 of the Act, related to manufacture of exercise note books & paper products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made

a detailed examination of records with a view to determine whether they are accurate.

**vii. In respect of statutory dues:**

- a) According to the information and explanations given to us and according to the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Employees’ State Insurance, Income-tax, Goods and Service tax, cess or / and any other statutory dues wherever applicable.
- b) According to the information and explanations given to us there were no amount outstanding with respect to statutory dues as on 31 March 2020 for a period of more than six months from the date they became payable,
- c) According to the information and explanation given to us, there are no dues outstanding in respect of Goods and Service tax, Cess or/and any other statutory dues wherever applicable, which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company did not have any borrowings from financial institutions, government or debenture holders.

ix. Based on our audit procedures and on the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. According to the information and explanations given to us, the term loans raised have been applied by the Company during the year for the purposes for which they were raised.

x. Based upon the audit procedures performed and the information and explanations given by the management, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of Clause (xii) of Para 3 of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.



- xiv. According to the information and explanations 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 any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act, 2013.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3 (xvi) of the Order is not applicable to the Company.

**For RI Jain & Co.**

Chartered Accountants  
Firm Reg. No. 103956W

**CA RajendraKumar Jain**

Proprietor  
Membership No.: 039834  
Place: Mumbai  
Date: 30 June 2020  
UDIN: 20039834AAAABV4103

**“Annexure B” To the Independent Auditors’ Report on the Ind AS financial statements of Sundaram Multi Pap Limited for the year ended 31st March, 2020**

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

We have audited the internal financial controls over financial reporting of Sundaram multi Pap Limited (“the Company”) as of 31 March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditors’ Responsibility**

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

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

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

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

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

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For RI Jain & Co.**

Chartered Accountants  
Firm Reg. No. 103956W

**CA RajendraKumar Jain**

Proprietor  
Membership No.: 039834  
Place: Mumbai  
Date: 30 June 2020  
UDIN: 20039834AAAABV4103

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

| <b>Balance Sheet as at 31st March 2020</b>                              |                 | <b>(Currency : Indian Rupees in lakhs)</b> |                                   |
|---|-----------------|--|-----------------------------------|
| <b>Particulars</b>  | <b>Note No.</b> | <b>31-Mar-20</b>                           | <b>31-Mar-19<br/>(Restated #)</b> |
| <b>ASSETS</b>   |                 |  |                                   |
| <b>Non-current assets</b>   |                 |  |                                   |
| Property, Plant and Equipment   | 3               | 5,145.36                                   | 5,209.73                          |
| Other Intangible assets   | 4               | 1,249.53                                   | 1,463.02                          |
| Intangible Asset under Development                                      |                 | -  | -                                 |
| Financial Assets  | 5               |  |                                   |
| Investments   | 5(a)            | 5.00                                       | -                                 |
| Loans   | 5(c)            | 17.54                                      | 16.34                             |
| Other   | 5(f)            | -  | -                                 |
| Other Tax Assets  | 6               | 33.79                                      | 33.21                             |
| Deferred tax assets (net)   | 7               | -  | -                                 |
| <b>Total Non Current Assets</b>   |                 | <b>6,451.23</b>                            | <b>6,722.30</b>                   |
| <b>Current assets</b>   |                 |  |                                   |
| Inventories   | 8               | 3,899.37                                   | 3,926.64                          |
| Financial Assets  | 5               |  |                                   |
| Investments   | 5(a)            | -  | -                                 |
| Trade receivables   | 5(b)            | 1,703.32                                   | 2,120.28                          |
| Loans   | 5(c)            | 3.70                                       | 4.20                              |
| Cash and cash equivalents   | 5(d)            | 87.87                                      | 37.93                             |
| Bank balances other than cash and cash equivalents                      | 5(e)            | -  | -                                 |
| Others  | 5(f)            | 1,653.27                                   | 1,455.08                          |
| Other current assets  | 9               | 34.50                                      | 39.36                             |
| Assets classified as held for sale                                      | 10              | 1,978.12                                   | 2,007.19                          |
| <b>Total Current Assets</b>   |                 | <b>9,360.16</b>                            | <b>9,590.68</b>                   |
| <b>Total Assets</b>   |                 | <b>15,811.38</b>                           | <b>16,312.98</b>                  |
| <b>EQUITY AND LIABILITIES</b>   |                 |  |                                   |
| <b>Equity</b>   |                 |  |                                   |
| Equity Share capital  | 11              | 4,738.78                                   | 4,738.78                          |
| Other Equity  |                 |  |                                   |
| Reserves and Surplus  | 12              | 5,237.40                                   | 5,516.59                          |
| <b>Total Equity</b>   |                 | <b>9,976.18</b>                            | <b>10,255.37</b>                  |
| <b>LIABILITIES</b>  |                 |  |                                   |
| <b>Non-current liabilities</b>  |                 |  |                                   |
| Financial Liabilities   | 13              |  |                                   |
| Borrowings  | 13(a)           | 2,246.63                                   | 24.37                             |
| Provisions  | 14              | 54.83                                      | 42.60                             |
| Deferred tax liabilities (Net)  | 7               | -  | -                                 |
| <b>Total Non Current Liabilities</b>                                    |                 | <b>2,301.46</b>                            | <b>66.97</b>                      |
| <b>Current liabilities</b>  |                 |  |                                   |
| Financial Liabilities   | 13              |  |                                   |
| Borrowings  | 13(a)           | 1,785.70                                   | 3,734.51                          |
| Trade payables - MSME   | 13(b)           | 5.52                                       | 10.27                             |
| Trade payables - Other than MSME  | 13(b)           | 254.19                                     | 817.18                            |
| Other financial liabilities   | 13(c)           | 783.35                                     | 775.06                            |
| Provisions  | 14              | 5.94                                       | 6.42                              |
| Other current liabilities   | 15              | 368.64                                     | 305.98                            |
| Liabilities directly associated with assets classified as held for sale | 16              | 330.41                                     | 341.22                            |
| <b>Total Current Liabilities</b>  |                 | <b>3,533.74</b>                            | <b>5,990.64</b>                   |
| <b>Total Equity and Liabilities</b>                                     |                 | <b>15,811.38</b>                           | <b>16,312.98</b>                  |
| Significant accounting policies   | 1-2             |  |                                   |
| Other explanatory notes on accounts                                     | 25 - 39         |  |                                   |
| # Due to merger of subsidiary   |                 |  |                                   |

As per our report of even date attached

For R I JAIN & Co

Chartered Accountants

Firm Registration No.: 103956W

CA RajendraKumar Jain

Proprietor

Membership No.: 039834

Place : Mumbai

Date : 30th June, 2020

For and on behalf of the Board of Directors

Amrut P. Shah

Chairman & Managing Director

DIN: 00033120

Shantilal P.Shah

Whole-time Director

DIN: 00033182

Rajesh B. Jain

Chief Financial Officer

Bhavesh Chheda

Company Secretary

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

(Currency : Indian Rupees in lakhs)

| Particulars   | Note No. | 31-Mar-20        | 31-Mar-19<br>(Restated #) |
|---|----------|------------------|---------------------------|
| <b>Continuing Operations</b>  |          |                  |                           |
| Revenue From Operations   | 17       | 9,698.73         | 9,958.85                  |
| Other Income  | 18       | 470.64           | 210.19                    |
| <b>Total Income</b>   |          | <b>10,169.37</b> | <b>10,169.04</b>          |
| <b>Expenses:</b>  |          |                  |                           |
| Cost of materials consumed  | 19       | 6,767.61         | 6,294.47                  |
| Purchases of Stock-in-Trade   |          | 261.35           | 349.90                    |
| Excise Duty   |          | -                | -                         |
| Changes in inventories of finished goods, Stock-in -Trade and work-in-progress  | 20       | 41.89            | 72.90                     |
| Employee benefits expense   | 21       | 833.69           | 798.93                    |
| Depreciation and amortization expense   | 22       | 411.27           | 357.28                    |
| Finance costs   | 23       | 989.23           | 739.55                    |
| Other expenses  | 24       | 1,134.19         | 969.74                    |
| <b>Total expenses</b>   |          | <b>10,439.22</b> | <b>9,582.78</b>           |
| Profit / (Loss) before exceptional items and tax  |          | (269.85)         | 586.26                    |
| Exceptional Items   |          | -                | -                         |
| <b>Profit / (Loss) before tax</b>   |          | <b>(269.85)</b>  | <b>586.26</b>             |
| <b>Tax expense:</b>   |          |                  |                           |
| Current tax   |          | -                | -                         |
| Deferred tax  |          | -                | -                         |
| Income tax for earlier years  |          | -                | -                         |
| <b>Profit / (Loss) for the year from continuing operations</b>  |          | <b>(269.85)</b>  | <b>586.26</b>             |
| <b>Discontinued Operations</b>  |          |                  |                           |
| Profit / (Loss) from discontinued operations  |          | -                | -                         |
| Tax expense of discontinued operations  |          | -                | -                         |
| <b>Profit/(loss) from Discontinued operations (after tax)</b>   |          | <b>-</b>         | <b>-</b>                  |
| <b>Profit/(loss) for the year</b>   |          | <b>(269.85)</b>  | <b>586.26</b>             |
| Other Comprehensive Income  |          |                  |                           |
| A (i) Items that will not be reclassified to profit or loss   |          | (5.32)           | 6.09                      |
| (ii) Income tax relating to items that will not be reclassified to profit or loss   |          |                  |                           |
| B (i) Items that will be reclassified to profit or loss   |          |                  |                           |
| (ii) Income tax relating to items that will be reclassified to profit or loss   |          |                  |                           |
| <b>Other Comprehensive Income for the year</b>  |          | <b>(5.32)</b>    | <b>6.09</b>               |
| <b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b> |          | <b>(275.17)</b>  | <b>592.35</b>             |
| Earnings per equity share:  |          |                  |                           |
| (1) Basic   |          | (0.06)           | 0.13                      |
| (2) Diluted   |          | (0.06)           | 0.13                      |
| Significant accounting policies   | 1-2      |                  |                           |
| Other explanatory notes on accounts   | 25 - 39  |                  |                           |
| # Due to merger of subsidiary   |          |                  |                           |

As per our report of even date attached  
For R I JAIN & Co  
Chartered Accountants  
Firm Registration No.: 103956W

For and on behalf of the Board of Directors

CA RajendraKumar Jain  
Proprietor  
Membership No.: 039834

Amrut P. Shah  
Chairman & Managing Director  
DIN: 00033120

Shantilal P.Shah  
Whole-time Director  
DIN: 00033182

Place : Mumbai  
Date : 30th June, 2020

Rajesh B. Jain  
Chief Financial Officer

Bhavesh Chheda  
Company Secretary

**STATEMENT OF CHANGES IN EQUITY**

(Currency : Indian Rupees in lakhs)

| <b>A. Share Capital</b>    | <b>Amount</b>   |
|----------------------------|-----------------|
| <b>Particulars</b>         |                 |
| <b>As at 31 March 2018</b> | <b>2,716.06</b> |
| Increase during the year   | 2,022.72        |
| <b>As at 31 March 2019</b> | <b>4,738.78</b> |
| Increase during the year   | -               |
| <b>As at 31 March 2020</b> | <b>4,738.78</b> |

| <b>B. Other Equity</b>                         |                             |                           |                        |                          |   |                     |
|--|-----------------------------|---------------------------|------------------------|--------------------------|---|---------------------|
| <b>Particulars</b>                             | <b>Reserves and Surplus</b> |                           |                        |                          | <b>Other Reserves</b>                         | <b>Total</b>        |
|  | <b>Capital Reserve</b>      | <b>Securities Premium</b> | <b>General Reserve</b> | <b>Retained Earnings</b> | <b>Remeasurement of Defined Benefit Plans</b> | <b>Other Equity</b> |
| <b>Balance at 01-Apr-2018</b>                  | <b>7.00</b>                 | <b>6,127.14</b>           | <b>3,754.24</b>        | <b>(5,639.99)</b>        | -   | <b>4,248.38</b>     |
| Add:- Ind AS Implementation Reserve            |                             |                           |                        | -                        |   |                     |
| Additions for the year                         | -                           | 2,589.08                  | 130.00                 | (1,450.88)               | -   | 1,268.21            |
| Other Comprehensive Income                     | -                           | -                         | -                      | -                        |   | -                   |
| <b>Total Comprehensive Income for the year</b> | -                           | <b>2,589.08</b>           | <b>130.00</b>          | <b>(1,450.88)</b>        | -   | <b>1,268.21</b>     |
| Transfer to Retained Earnings                  | -                           | -                         | -                      | -                        | -   | -                   |
| <b>Balance at 31-Mar-2019</b>                  | <b>7.00</b>                 | <b>8,716.22</b>           | <b>3,884.24</b>        | <b>(7,090.87)</b>        | -   | <b>5,516.59</b>     |
| <b>Balance at 01-Apr-2019</b>                  | <b>7.00</b>                 | <b>8,716.22</b>           | <b>3,884.24</b>        | <b>(7,090.87)</b>        | -   | <b>5,516.59</b>     |
| Additions for the year                         |                             |                           |                        |                          |   |                     |
| Add:- Ind AS Implementation Reserve            |                             |                           |                        | (4.01)                   |   |                     |
| Profit for the year                            | -                           | -                         | -                      | (275.17)                 | -   | (275.17)            |
| Other Comprehensive Income                     | -                           | -                         | -                      | -                        |   | -                   |
| <b>Total Comprehensive Income for the year</b> | -                           | -                         | -                      | <b>(279.18)</b>          | -   | <b>(279.18)</b>     |
| Transfer to Retained Earnings                  | -                           | -                         | -                      | -                        | -   | -                   |
| <b>Balance at 31-Mar-2020</b>                  | <b>7.00</b>                 | <b>8,716.22</b>           | <b>3,884.24</b>        | <b>(7,370.05)</b>        | -   | <b>5,237.40</b>     |

As per our report of even date attached

**For R I JAIN & Co**  
Chartered Accountants  
Firm Registration No.: 103956W

For and on behalf of the Board of Directors

**CA RajendraKumar Jain**  
Proprietor  
Membership No.: 039834

**Amrut P. Shah**  
Chairman & Managing Director  
DIN: 00033120

**Shantilal P.Shah**  
Whole-time Director  
DIN: 00033182

**Place : Mumbai**  
**Date : 30th June, 2020**

**Rajesh B. Jain**  
Chief Financial Officer

**Bhavesh Chheda**  
Company Secretary

**AUDITED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020**

(Currency : Indian Rupees in lakhs)

| Particulars   | Year Ended       |                  |
|---|------------------|------------------|
|   | 31st March, 2020 | 31st March, 2019 |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>                     |                  |                  |
| Net Profit / (Loss) Before Tax                                      | (195.67)         | 660.44           |
| Adjustment For :  |                  |                  |
| Provision for Gratuity  | 9.75             | 20.93            |
| Depreciation  | 308.60           | 283.10           |
| Interest Income   | (1.08)           | (62.24)          |
| Unwinding of discount on Financial Assets                           | (208.51)         | (131.23)         |
| Interest Paid   | 989.23           | 739.55           |
| (Profit)/Loss On Sale Of Assets (Net)                               | <b>(226.91)</b>  | <b>4.50</b>      |
|   | <b>871.06</b>    | <b>854.62</b>    |
| Operating Profit Before Working Capital Changes                     | 675.39           | 1,515.06         |
| <b>Adjustment For :</b>   |                  |                  |
| Trade Receivables   | 417.47           | (93.29)          |
| Inventories   | 27.27            | 21.32            |
| Loans & Advances  | (1.20)           | (4.03)           |
| Other Current Assets  | (192.84)         | (10.24)          |
| Other Non Current Tax Assets  | (5.08)           | (5.49)           |
| Trade Payables  | (567.74)         | (941.72)         |
| Other Financial Liabilities   | (132.01)         | 81.82            |
| Other Liabilities & Provisions                                      | 53.58            | 236.54           |
| Assets held for resale  | <b>29.06</b>     | <b>(0.02)</b>    |
|   | <b>(371.51)</b>  | <b>(715.11)</b>  |
| Cash Generated From Operations                                      | <b>303.89</b>    | <b>799.95</b>    |
| Direct Taxes Paid (Net)   | 4.50             | (5.66)           |
| Net Cash Generated From / (Utilised in) Operating Activities        | <b>308.38</b>    | <b>794.29</b>    |
| <b>B. Cash Flow From Investing Activities</b>                       |                  |                  |
| Purchase Of Tangible Fixed Assets (Net)                             | (43.34)          | (87.32)          |
| Investment in Gratuity (LIC)  | (5.05)           | (4.30)           |
| Purchase Of Intangible Fixed Assets (Net)                           | (26.70)          | (541.90)         |
| Sale Of Tangible Fixed Assets                                       | 314.86           | 7.86             |
| Investment in Shares  | (5.00)           | -                |
| Unwinding of Discount on Financial Assets                           | 208.51           | 131.23           |
| Interest Received   | 1.08             | 62.24            |
| Net Cash Generated From / (Utilised in) Investing Activities        | <b>444.37</b>    | <b>(432.20)</b>  |
| <b>C. Cash Flow From Financing Activities :</b>                     |                  |                  |
| Additional / (Repayment of) Loan from / to Directors                | 47.42            | 38.01            |
| (Repayment of) / Proceeds From Non Current Borrowings               | 2,235.23         | (948.00)         |
| Proceeds From Issue Of Share Capital                                | -                | 130.00           |
| Sale of Equity Shares of subsidiary                                 | -                | 1,830.00         |
| Repayment of Current Borrowings                                     | (1,996.23)       | (649.38)         |
| Interest Paid   | <b>(989.23)</b>  | <b>(739.55)</b>  |
| Net Cash Generated From / (Utilised in) Financing Activities        | <b>(702.81)</b>  | <b>(338.93)</b>  |
| <b>Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b> | <b>49.95</b>     | <b>23.16</b>     |
| <b>Cash And Cash Equivalents At Beginning Of The Year</b>           | <b>37.92</b>     | <b>14.76</b>     |
| <b>Cash And Cash Equivalents At End Of The Year</b>                 | <b>87.87</b>     | <b>37.92</b>     |
| <b>Net Increase/ (Decrease) In Cash And Cash Equivalents</b>        | <b>49.95</b>     | <b>23.16</b>     |

**Reconciliation of cash and cash equivalents as per the cash flow statement**

Cash and cash equivalents as per above comprise of the following

| Particulars  | 31st March, 2020 | 31st March, 2019 |
|--|------------------|------------------|
| <b>Balance with banks :</b>                                |                  |                  |
| In current account   | 69.27            | 21.37            |
| In dividend account  | 1.99             | 1.99             |
| Bank deposits with original maturity of less than 3 months | -                | -                |
| Cheques, drafts on hand                                    | -                | -                |
| Cash on hand   | 16.61            | 14.56            |
| <b>Balances per statement of cash flows</b>                | <b>87.87</b>     | <b>37.92</b>     |

**Note:**

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

**As per our report of even date attached**  
**For R I JAIN & Co**  
 Chartered Accountants  
**Firm Registration No.: 103956W**

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

**CA RajendraKumar Jain**  
 Proprietor  
 Membership No.: 039834

**Amrut P. Shah**  
 Chairman & Managing Director  
 DIN: 00033120

**Shantilal P.Shah**  
 Whole-time Director  
 DIN: 00033182

**Place : Mumbai**  
**Date : 30th June, 2020**

**Rajesh B. Jain**  
 Chief Financial Officer

**Bhavesh Chheda**  
 Company Secretary

## Corporate Information

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

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

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

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

### 1 Significant Accounting Policies

#### I Basis of Preparation

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

#### II Current/non-current classification

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

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

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

#### III Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty, net of returns, trade allowances, rebates, value added taxes and Goods and Service tax. The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities as described below. Sale of goods :

The Company recognizes revenue on sale of products upon dispatch to the customer, which is when risks and rewards of ownership are passed to the customer. Sales are shown net of returns, discounts, excise duty and sales tax. Dividend and Interest income :  
a) Dividend income on investment is accounted for in the year in which the right to receive the payment is established.  
b) Interest income is recognized on the time proportion basis taking into account amount outstanding and interest rate applicable.”

### IV Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

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

### V Property, Plant and Equipment

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

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

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

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

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



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

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

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

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

## VI Goodwill and Other Intangible assets

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

Intangible assets comprising of "Computer Software" are recorded at acquisition cost and are amortized over the estimated useful life on straight line basis. Estimated useful life of software is assessed to be 6 years.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the fair value of net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through other comprehensive income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based

on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

## VII Borrowing Cost:

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

## VIII Impairment of non financial assets :

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined as the higher of the fair value less cost to sell and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such

transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.”

## IX Lease :

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Company as a lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

- i) Right-of-use assets : The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years) If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of nonfinancial assets'.

- ii) Lease Liabilities : At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

- (iii) Short-term leases and leases of low-value assets The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. "Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

### Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents

are recognised as revenue in the period in which they are earned.

#### **X Inventories:**

Raw materials, stores and packing materials are valued at lower of cost or net realizable value. Cost is assigned on FIFO basis.

Semi - finished goods are valued at raw material cost plus proportionate manufacturing overheads.

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

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

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

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

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

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

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

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

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

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

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

A defined contribution plan is a post-employment benefit plan under which the company pays specified contributions to the

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

###### **ii) Defined benefit plan:**

The Company has defined benefit plans comprising of gratuity. Company's obligation towards gratuity liability is funded and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods."

###### **c) Leave encashment:**

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

#### **XIII Earning per share:**

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

#### XIV Provisions

The Company creates a provision when there is a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not result in outflow of resources.

When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### XV Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalent consists of cash and short term deposits, as defined above, as they are considered an integral part of the Company's cash management"

#### XVI Financial Derivatives Hedging Transaction:

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

#### XVII "Financial Instruments

##### (i) Financial asset

##### Initial recognition and measurement

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

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

##### Subsequent measurement

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

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

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

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

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

- Cash flow characteristics test :

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

A financial asset that meet the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test : the financial asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling the financial assets
- Cash flow characteristics test : The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

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

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

##### Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay

the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- a) the Company has transferred substantially all the risks and rewards of the asset, or
- b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

**Impairment of financial asset**  
The Company assesses impairment based on expected credit losses (ECL) model to the following :

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

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

- 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

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

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

**(ii) Financial liabilities**

**Initial recognition and measurement**

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

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

**Loans and borrowings – subsequent measurement**  
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR). The Effective Interest Rate (EIR) amortisation is included as finance costs in the statement of profit and loss.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

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

**Financial assets:**

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in case of financial asset not recorded

at fair value through profit or loss, transaction cost that are attributable to the acquisition of the financial asset.

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

#### **Subsequent measurement**

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

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

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

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

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

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

A financial asset that meet the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

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

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

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

or liabilities or recognising the gains or losses on them on different basis.

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

#### **Derecognition**

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a 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 asset**

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

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

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

- 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

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

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

#### **Financial liabilities:**

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

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

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

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

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Rate (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate (EIR). The Effective Interest Rate (EIR) amortisation is included as finance costs in the statement of profit and loss.

##### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified,

such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

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

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

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

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

##### **Estimates and assumptions**

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

##### **I Defined Benefit plans - Gratuity Benefit**

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

## II Useful life

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

| Asset                               | Management estimate of useful life | Useful life as per Schedule II |
|-------------------------------------|------------------------------------|--------------------------------|
| Building                            | 30 Years                           | 30 Years                       |
| Plant & Machinery                   | 15 Years                           | 15 Years                       |
| Furniture & Fixture                 | 10 Years                           | 10 Years                       |
| Vehicles                            |                                    |                                |
| -Motor Car and Tempo                | 8 Years                            | 8 Years                        |
| -Scooter                            | 10 Years                           | 10 Years                       |
| Office Equipments                   | 5 Years                            | 5 Years                        |
| Software & Other Intangible         | 6 Years                            | 6 Years                        |
| Computers and Data processing units | 3 Years                            | 3 Years                        |

## III Fair valuation of financial instruments

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



## 3 Property, Plant and Equipment

| Particulars   | Tangible Assets not under lease |  |                 |                   |                        |               |                   | Total Tangible Assets |
|---|---------------------------------|--|-----------------|-------------------|------------------------|---------------|-------------------|-----------------------|
|   | Freehold Land                   | Right of Use Assets (Leasehold Building) | Building        | Plant & Machinery | Furniture and Fixtures | Vehicles      | Office Equipments |                       |
| Gross Block   |                                 |  |                 |                   |                        |               |                   |                       |
| At 31-Mar-2018  | 3,732.15                        |  | 1,381.44        | 1,351.33          | 443.35                 | 236.16        | 106.32            | 7,250.75              |
| Additions during the year   | -                               |  | -               | 43.64             | 0.31                   | 39.50         | 3.88              | 87.32                 |
| Disposals during the year   | -                               |  | -               | (20.14)           | -                      | (9.10)        | -                 | (29.24)               |
| At 31-Mar-2019  | 3,732.15                        |  | 1,381.44        | 1,374.83          | 443.66                 | 266.55        | 110.20            | 7,308.83              |
| Additions during the year   | -                               |  | -               | 2.24              | -                      | 38.62         | 2.48              | 43.34                 |
| Transition impact on account of adoption of Ind AS 116 "Leases" (refer Note 29) | -                               | 151.30                                   | -               | -                 | -                      | -             | -                 | 151.30                |
| Disposals during the year   | (83.94)                         |  | -               | -                 | -                      | (29.66)       | -                 | (113.60)              |
| <b>At 31-Mar-2020</b>   | <b>3,648.21</b>                 | <b>151.30</b>                            | <b>1,381.44</b> | <b>1,377.07</b>   | <b>443.66</b>          | <b>275.51</b> | <b>112.68</b>     | <b>7,389.87</b>       |
| <b>Accumulated Depreciation</b>   |                                 |  |                 |                   |                        |               |                   |                       |
| At 31-Mar-2018  | -                               |  | 437.23          | 874.42            | 376.54                 | 179.37        | 97.08             | 1,964.63              |
| Depreciation during the year  | -                               |  | 43.07           | 66.24             | 18.08                  | 21.05         | 2.89              | 151.33                |
| Disposals during the year   | -                               |  | -               | (8.23)            | -                      | (8.65)        | -                 | (16.87)               |
| At 31-Mar-2019  | -                               | -  | 480.30          | 932.43            | 394.61                 | 191.77        | 99.97             | 2,099.09              |
| Depreciation during the year  | -                               | 28.49                                    | 43.19           | 63.54             | 14.37                  | 18.41         | 3.08              | 171.08                |
| Disposals during the year   | -                               | -  | -               | -                 | -                      | (25.65)       | -                 | (25.65)               |
| At 31-Mar-2020  | -                               | 28.49                                    | 523.49          | 995.98            | 408.98                 | 184.53        | 103.05            | 2,244.51              |
| Net Block   |                                 |  |                 |                   |                        |               |                   |                       |
| At 31-Mar-2018  | 3,732.15                        | -  | 944.21          | 476.90            | 66.81                  | 56.79         | 9.24              | 5,286.11              |
| At 31-Mar-2019  | 3,732.15                        | -  | 901.13          | 442.40            | 49.05                  | 74.79         | 10.23             | 5,209.75              |
| At 31-Mar-2020  | 3,648.21                        | 122.81                                   | 857.94          | 381.09            | 34.68                  | 90.99         | 9.63              | 5,145.36              |

## 4 Other Intangible Assets

| Particulars                  | Intangible Assets       |         |          |                       | Total Intangible Assets |
|------------------------------|-------------------------|---------|----------|-----------------------|-------------------------|
|                              | Knowledge Based Content | Website | Software | Goodwill on Merger \$ |                         |
| Gross Block                  |                         |         |          |                       |                         |
| At 31-Mar-2018               | 1,315.46                | 16.72   | 7.39     | -                     | 1,339.57                |
| Additions during the year    | 351.62                  | 0.29    | 190.00   | 741.80                | 1,283.70                |
| Disposals during the year    | -                       | -       | -        | -                     | -                       |
| At 31-Mar-2019               | 1,667.08                | 17.01   | 197.39   | 741.80                | 2,623.28                |
| Additions during the year    | 26.70                   | -       | -        | -                     | 26.70                   |
| Disposals during the year    | -                       | -       | -        | -                     | -                       |
| At 31-Mar-2020               | 1,693.78                | 17.01   | 197.39   | 741.80                | 2,649.98                |
| Accumulated Amortization     |                         |         |          |                       |                         |
| At 31-Mar-2018               | 937.53                  | 10.99   | 5.78     | -                     | 954.30                  |
| Amortization during the year | 105.91                  | 0.90    | 24.97    | 74.18                 | 205.96                  |
| Disposals during the year    | -                       | -       | -        | -                     | -                       |
| At 31-Mar-2019               | 1,043.44                | 11.89   | 30.75    | 74.18                 | 1,160.26                |
| Amortization during the year | 126.56                  | 0.92    | 38.53    | 74.18                 | 240.19                  |
| Disposals during the year    | -                       | -       | -        | -                     | -                       |
| At 31-Mar-2020               | 1,170.00                | 12.81   | 69.27    | 148.36                | 1,400.45                |
| Net Block                    |                         |         |          |                       |                         |
| At 31-Mar-2018               | 377.93                  | 5.73    | 1.61     | -                     | 385.27                  |
| At 31-Mar-2019               | 623.64                  | 5.11    | 166.64   | 667.62                | 1,463.02                |
| At 31-Mar-2020               | 523.78                  | 4.20    | 128.11   | 593.44                | 1,249.53                |

\$ Goodwill on merger - refer note 36

**5 Financial Assets**

**5(a) Investments**

| <b>Non - current Investment:</b>  |                  |                  |
|---|------------------|------------------|
| <b>Particulars</b>  | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Equity instruments (Fully paid up)  |                  |                  |
| Unquoted  |                  |                  |
| 50,000 (31 March 2019 : Nil) equity shares of Jankalyan Sahakari Bank Limited | 5.00             | -                |
| <b>Total Non - Current Investment</b>   | <b>5.00</b>      | <b>-</b>         |
| Aggregate amount of quoted investments and market value thereof               | -                | -                |
| Aggregate amount of unquoted investments                                      | 5.00             | -                |

**5(b) Trade receivables**

| <b>Particulars</b>                         | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
|--|------------------|------------------|
| Trade Receivables                          | 1,775.37         | 2,221.92         |
| Less: Allowance for bad and doubtful debts | (72.05)          | (101.64)         |
| Total Trade receivables                    | 1,703.32         | 2,120.28         |
| Current portion                            | 676.61           | 701.73           |
| Non-current portion                        | 1,026.71         | 1,418.55         |

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

| <b>Break-up of Security details</b> |                  |                  |
|-------------------------------------|------------------|------------------|
| <b>Particulars</b>                  | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Secured, Considered Good            | -                | -                |
| Unsecured, Considered Good          | 1,703.32         | 2,120.28         |
| Doubtful                            | 72.05            | 101.64           |
| <b>Total Trade receivables</b>      | <b>1,775.37</b>  | <b>2,221.92</b>  |

**5(c) Loans**

| <b>Non-Current</b>                           |                  |                  |
|--|------------------|------------------|
| <b>Particulars</b>                           | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| <b>Secured</b>                               |                  |                  |
| Security Deposit                             | -                | -                |
| <b>Unsecured</b>                             |                  |                  |
| Security Deposit                             | 11.59            | 10.39            |
| Other Loans & Advances                       | -                | -                |
| FD against Bank Guarantee                    | 5.95             | 5.95             |
| <b>Total of Long Term Loans And Advances</b> | <b>17.54</b>     | <b>16.34</b>     |

| <b>Current</b>                    |                  |                  |
|-----------------------------------|------------------|------------------|
| <b>Particulars</b>                | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| <b>Unsecured, Considered Good</b> |                  |                  |
| Advance To Employees              | 3.70             | 4.20             |
| <b>Total Current Loans</b>        | <b>3.70</b>      | <b>4.20</b>      |

5(d)

| <b>Cash and cash equivalents</b>                 |                  |                  |
|--|------------------|------------------|
| <b>Particulars</b>                               | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| <b>Balances with banks</b>                       |                  |                  |
| - in current accounts                            | 69.27            | 21.38            |
| - in dividend accounts                           | 1.99             | 1.99             |
| Deposits with maturity of less than three months | -                | -                |
| Cash on hand                                     | 16.61            | 14.56            |
| <b>Total Cash and cash equivalents</b>           | <b>87.87</b>     | <b>37.93</b>     |

5(e)

| <b>Bank balances other than cash and cash equivalents</b>                         |                  |                  |
|---|------------------|------------------|
| <b>Particulars</b>  | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Bank deposit with original maturity of more than 3 months but less than 12 months | -                | -                |
| <b>Total Bank balances other than cash and cash equivalents</b>                   | <b>-</b>         | <b>-</b>         |

5(f)

| <b>Other</b>                                    |                  |                  |
|---|------------------|------------------|
| <b>Particulars</b>                              | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| <b>Non Current</b>                              |                  |                  |
| Other Advances                                  | -                | -                |
| <b>Total Other Non Current Financial Assets</b> | <b>-</b>         | <b>-</b>         |
| <b>Current</b>                                  |                  |                  |
| Deposits  | 13.52            | 11.64            |
| Other Advances                                  | 1,122.60         | 1,004.44         |
| Balance With Revenue Authorities                | 482.64           | 403.22           |
| Tender Deposit                                  | 34.51            | 35.78            |
| <b>Total Other Financial Assets</b>             | <b>1,653.27</b>  | <b>1,455.08</b>  |

6

| <b>Other Tax Assets</b>  |                  |                  |
|--|------------------|------------------|
| <b>Particulars</b>   | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Advance income tax   | 33.79            | 33.21            |
| (Net of provision for tax Rs. 42.47 lacs Previous Year Rs. 42.47 lacs) |                  |                  |
| <b>Closing balance</b>   | <b>33.79</b>     | <b>33.21</b>     |

7

| <b>Deferred Tax Liability / (Assets)</b>   |                  |                  |
|--|------------------|------------------|
| <b>Classified on a Company wise basis:</b> |                  |                  |
| <b>Particulars</b>                         | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| (i) Deferred Tax Asset                     | -                | -                |
| (ii) Deferred Tax Liability                | -                | -                |

The balance comprises temporary differences attributable to:

| Particulars  | 31-Mar-20 | 31-Mar-19 |
|--|-----------|-----------|
| <b>Liabilities</b>   |           |           |
| Depreciation   | -         | -         |
| <b>Assets</b>  |           |           |
| Employee Benefits / Expenses allowable on Payment Basis            | -         | -         |
| Depreciation and Unabsorbed Depreciation                           | -         | -         |
|  | -         | -         |
| <b>Net Deferred tax Liability / (Assets) *</b>                     | -         | -         |
| Opening Net Deferred Tax Liability                                 | -         | -         |
| Net Deferred Tax Liability Charged To Statement Of Profit And Loss | -         | -         |
| <b>Net Deferred tax Liability / (Assets)</b>                       | -         | -         |

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

| 8 | Inventories              |                 |                 |
|---|--------------------------|-----------------|-----------------|
|   | Particulars              | 31-Mar-20       | 31-Mar-19       |
|   | Raw Materials            | 1,837.70        | 1,817.28        |
|   | Work-In-Progress         | 1,633.55        | 1,609.16        |
|   | Finished Goods           | 373.08          | 305.77          |
|   | Trading Goods            | 23.27           | 156.85          |
|   | Stores & Spares          | 31.77           | 37.58           |
|   | <b>Total Inventories</b> | <b>3,899.37</b> | <b>3,926.64</b> |

| 9 | Other current assets              |              |              |
|---|-----------------------------------|--------------|--------------|
|   | Particulars                       | 31-Mar-20    | 31-Mar-19    |
|   | Advance to Suppliers              | 18.02        | 21.86        |
|   | Balance With Revenue Authorities  | -            | -            |
|   | Prepaid Expenses                  | 16.49        | 17.50        |
|   | <b>Total Other current assets</b> | <b>34.50</b> | <b>39.36</b> |

| 10 | Assets classified as held for sale              |                 |                 |
|----|---|-----------------|-----------------|
|    | Particulars                                     | 31-Mar-20       | 31-Mar-19       |
|    | <b>Fixed Assets</b>                             |                 |                 |
|    | Freehold land                                   | 1,616.40        | 1,616.40        |
|    | Freehold buildings                              | 186.13          | 186.13          |
|    | Long Term Loans And Advances                    | 1.30            | 30.37           |
|    | Trade Receivables                               | 136.99          | 136.99          |
|    | Cash And Cash Equivalents                       | 2.62            | 2.62            |
|    | Short-Term Loans And Advances                   | 33.28           | 33.28           |
|    | Other Current Assets                            | 1.40            | 1.40            |
|    | <b>Total Assets classified as held for sale</b> | <b>1,978.12</b> | <b>2,007.19</b> |

11

| <b>Equity Share capital</b>            |                      |                 |
|--|----------------------|-----------------|
| <b>Authorised equity share capital</b> |                      |                 |
| <b>Particulars</b>                     | <b>No. of shares</b> | <b>Amount</b>   |
| <b>As at 31 March 2018</b>             | <b>28,00,00,000</b>  | <b>2,800.00</b> |
| Increase during the year               | 40,00,00,000         | 4,000.00        |
| <b>As at 31 March 2019</b>             | <b>68,00,00,000</b>  | <b>6,800.00</b> |
| Increase during the year               | -                    | -               |
| As at 31 March 2020                    | 68,00,00,000         | 6,800.00        |

| <b>Issued Subscribed and Paidup Equity capital</b> |                      |                 |
|--|----------------------|-----------------|
| <b>Particulars</b>                                 | <b>No. of shares</b> | <b>Amount</b>   |
| <b>As at 31 March 2018</b>                         | <b>27,16,05,773</b>  | <b>2,716.06</b> |
| Increase during the year                           | 20,22,72,000         | 2,022.72        |
| <b>As at 31 March 2019</b>                         | <b>47,38,77,773</b>  | <b>4,738.78</b> |
| Increase during the year                           | -                    | -               |
| <b>As at 31 March 2020</b>                         | <b>47,38,77,773</b>  | <b>4,738.78</b> |

#### Terms and Rights attached to Equity Shareholders

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

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

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

The company does not have any holding company or ultimate holding company. Promoter shareholding in the company including persons acting in concert with the promoters as on March 31, 2020 is 6,04,51,585 equity shares i.e. 22.26% of the equity share capital of the company. (Previous year March 31, 2019 is 6,05,51,585 equity shares i.e. 22.26%.)

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

| <b>Name Of Shareholder</b> | <b>31-Mar-20</b>          |                     | <b>31-Mar-19</b>          |                     |
|----------------------------|---------------------------|---------------------|---------------------------|---------------------|
|                            | <b>No. Of Shares held</b> | <b>% of Holding</b> | <b>No. Of Shares held</b> | <b>% of Holding</b> |
| Amrut P Shah               | 2,17,08,925               | 7.99                | 2,22,83,925               | 8.20                |
| Raichand P Shah            | 1,94,94,503               | 7.18                | 1,99,84,503               | 7.36                |
| Shantilal P Shah           | 1,31,37,157               | 4.84                | 1,31,37,157               | 4.84                |
| Ganjam Trading Pvt Ltd     | 1,49,99,499               | 5.52                | 1,49,99,499               | 5.52                |

In accordance with the scheme of Amalgamation wef 01.04.2018, the company has allotted on June 18, 2020, 10.32 fully paid Equity Shares of face value of Re. 1/- each of Sundaram Multi Pap Limited for every 1 fully paid Equity Share the face value of Rs. 10/- of E-Class Education System Limited, held by such shareholder in E-Class Education System Limited.

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

12

| <b>Reserves and Surplus</b>       |                  |                  |
|-----------------------------------|------------------|------------------|
| <b>Particulars</b>                | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Securities premium reserve        | 8,716.22         | 8,716.22         |
| Capital reserve                   | 7.00             | 7.00             |
| General reserve                   | 3,884.24         | 3,884.24         |
| Retained earnings                 | (7,370.05)       | (7,090.87)       |
| <b>Total Reserves and Surplus</b> | <b>5,237.40</b>  | <b>5,516.59</b>  |

| <b>Securities premium reserve</b> |                  |                  |
|-----------------------------------|------------------|------------------|
| <b>Particulars</b>                | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Opening balance                   | 8,716.22         | 6,127.14         |
| Increase during the year          | -                | 2,589.08         |
| <b>Closing balance</b>            | <b>8,716.22</b>  | <b>8,716.22</b>  |

| <b>Capital Reserve</b>   |                  |                  |
|--------------------------|------------------|------------------|
| <b>Particulars</b>       | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Opening Balance          | 7.00             | 7.00             |
| Increase during the year | -                | -                |
| <b>Closing Balance</b>   | <b>7.00</b>      | <b>7.00</b>      |

| <b>General Reserve</b>   |                  |                  |
|--------------------------|------------------|------------------|
| <b>Particulars</b>       | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Opening Balance          | 3,884.24         | 3,754.24         |
| Increase during the year | -                | 130.00           |
| <b>Closing Balance</b>   | <b>3,884.24</b>  | <b>3,884.24</b>  |

| <b>Retained earnings</b>   |                   |                   |
|--|-------------------|-------------------|
| <b>Particulars</b>   | <b>31-Mar-20</b>  | <b>31-Mar-19</b>  |
| Opening Balance  | (7,090.87)        | (5,639.99)        |
| Add: Ind AS Implementation Reserve                               | (4.01)            | -                 |
| Amalgamation Investment Loss                                     | -                 | (2,043.23)        |
| Add: Net Profit/(Loss) For The Year                              | (275.17)          | 592.35            |
| <b>Net Surplus/(Deficit) In The Statement of Profit And Loss</b> | <b>(7,370.05)</b> | <b>(7,090.87)</b> |

13 **Financial Liabilities**

13(a) **Borrowings**

| <b>Non current</b>                  |                  |                  |
|-------------------------------------|------------------|------------------|
| <b>Particulars</b>                  | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| <b>Secured</b>                      |                  |                  |
| <b>From Banks</b>                   |                  |                  |
| -Jankalyan Sahakari Bank Ltd        | 242.46           | -                |
| <b>From Others</b>                  |                  |                  |
| -ECL Finance Ltd                    | 1,971.94         | -                |
| -Vehicle Loans*                     | 32.23            | 24.37            |
| <b>Total Non current Borrowings</b> | <b>2,246.63</b>  | <b>24.37</b>     |

| Particulars                  | Maturity Date | Terms of Repayment                            | Interest Rate |
|------------------------------|---------------|---|---------------|
| <b>Secured</b>               |               |   |               |
| <b>From Banks</b>            |               |   |               |
| ECL FINANCE LTD              | Sep-24        | Quarterly Installments in tenure of 60 months | 15.00% p.a.   |
| JANAKALYAN SAHAKARI BANK LTD | Mar-25        | Quarterly Installments in tenure of 60 months | 11.50% p.a.   |
| <b>From Others</b>           |               |   |               |
| Vehicle Loans                | Oct-24        | 48 Monthly installments                       | 10.78% p.a.   |
| Vehicle Loans                | Oct-24        | 48 Monthly installments                       | 10.78% p.a.   |
| Vehicle Loans                | Mar-21        | 84 Monthly installments                       | 12.00% p.a.   |

| <b>Current</b>  |  |                 |                 |
|---|--|-----------------|-----------------|
| Particulars   |  | 31-Mar-20       | 31-Mar-19       |
| <b>Loan Repayable on Demand</b>                       |  |                 |                 |
| <b>From Bank</b>                                      |  |                 |                 |
| <b>Secured:</b>                                       |  |                 |                 |
| Cash Credit from State Bank of India                  |  | -               | 1,586.72        |
| Cash Credit from Industrial Development Bank of India |  | -               | 336.62          |
| Cash Credit from Jankalyan Sahakari Bank Ltd          |  | 1,097.24        | -               |
| <b>Loans &amp; Advances From Related Parties</b>      |  |                 |                 |
| <b>Unsecured</b>                                      |  |                 |                 |
| Loan From Directors                                   |  | 423.61          | 430.75          |
| Loan From Others                                      |  | -               | -               |
| <b>Deposit</b>  |  |                 |                 |
| Unsecured   |  |                 |                 |
| Intercompany Deposits                                 |  | 264.86          | 1,380.42        |
| <b>Total Current Borrowings</b>                       |  | <b>1,785.70</b> | <b>3,734.51</b> |

| Particulars                                   | Terms of Repayment | Interest Rate |
|---|--------------------|---------------|
| <b>Secured:</b>                               |                    |               |
| <b>From Bank</b>                              |                    |               |
| Cash Credit from Janakalyan Sahakari Bank Ltd | On Demand          | 11.50 % p.a.  |
| <b>Unsecured</b>                              |                    |               |
| Loan From Directors                           | On Demand          | 12.00% p.a.   |
| <b>Deposit</b>                                |                    |               |
| <b>Unsecured</b>                              |                    |               |
| Intercompany Deposits                         | On Demand          | 12.00% p.a.   |

| 13(b)  | Trade Payables - MSME       |           |           |
|--|-----------------------------|-----------|-----------|
|  | Particulars                 | 31-Mar-20 | 31-Mar-19 |
|  | Trade Payables              | 5.52      | 10.27     |
|  | Total Trade payables - MSME | 5.52      | 10.27     |
| The Company has received information from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to the amounts as at year end together with interest paid / payable under the said Act have been given. |                             |           |           |

|       |   |                  |                  |
|-------|---|------------------|------------------|
| 13(b) | <b>Trade payables - Other than MSME</b> |                  |                  |
|       | <b>Current</b>                          |                  |                  |
|       | <b>Particulars</b>                      | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
|       | Trade Payables                          | 254.19           | 817.18           |
|       | <b>Total Trade payables</b>             | <b>254.19</b>    | <b>817.18</b>    |

|       |  |                  |                  |
|-------|--|------------------|------------------|
| 13(c) | <b>Other financial liabilities</b>               |                  |                  |
|       | <b>Particulars</b>                               | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
|       | <b>Current</b>                                   |                  |                  |
|       | Current maturities of long-term debt             |                  |                  |
|       | From Banks                                       | 60.00            | 574.42           |
|       | From NBFC  | 405.00           | -                |
|       | -Vehicle Loans                                   | 23.02            | 8.60             |
|       | Interest Accrued but not due                     | -                | -                |
|       | Interest Accrued and due                         | -                | -                |
|       | Lease Liability                                  | 127.33           | -                |
|       | Outstanding Expenses                             | 80.09            | 69.53            |
|       | Outstanding Statutory Liabilities                | 47.86            | 82.46            |
|       | Unpaid Dividend                                  | 1.99             | 1.99             |
|       | Others   | 38.06            | 38.06            |
|       | <b>Total Current Other financial liabilities</b> | <b>783.35</b>    | <b>775.06</b>    |

|    |                                     |                  |                  |
|----|-------------------------------------|------------------|------------------|
| 14 | <b>Provisions</b>                   |                  |                  |
|    | <b>Non-Current Provisions</b>       |                  |                  |
|    | <b>Particulars</b>                  | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
|    | Provision for Gratuity              | 54.83            | 42.60            |
|    | <b>Total Non-Current Provisions</b> | <b>54.83</b>     | <b>42.60</b>     |
|    | <b>Current</b>                      |                  |                  |
|    | <b>Particulars</b>                  | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
|    | Provision for Gratuity              | 5.94             | 6.42             |
|    | <b>Total Non-Current Provisions</b> | <b>5.94</b>      | <b>6.42</b>      |

## Post-employment obligations

### Defined contribution plans

The Company makes Provident Fund contributions, Employers Contribution to Employees' State Insurance and Maharashtra Labour Welfare Fund which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. Provident Fund, Employers Contribution to Employees' State Insurance and Maharashtra Labour Welfare Fund contributions amounting to INR 24.99 Lacs (31 March 2019: INR 20.40 Lacs) have been charged to the Statement of Profit and Loss. The contributions payable to this plan are at rates specified in the rules of the scheme.

### Defined Benefit Plans

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



**Reconciliation of defined benefit obligation**

| Particulars   | 31-Mar-20    | 31-Mar-19    |
|---|--------------|--------------|
| Opening Defined Benefit Obligation                  | 69.96        | 61.45        |
| Current service cost                                | 8.05         | 7.15         |
| Interest expense/(income)                           | 5.01         | 4.30         |
| Components of actuarial gain/losses on obligations: |              |              |
| Experience (gains)/losses                           | (0.23)       | 5.96         |
| (Gain)/loss from change in demographic assumptions  | (0.03)       | -            |
| (Gain)/loss from change in financial assumptions    | 5.28         | 0.06         |
| Benefit payments                                    | -            | (8.96)       |
| <b>Closing Defined Benefit Obligation</b>           | <b>88.04</b> | <b>69.96</b> |

| Reconciliation of Plan Assets  |              |              |
|--|--------------|--------------|
| Particulars  | 31-Mar-20    | 31-Mar-19    |
| Opening value of Plan Assets   | 20.93        | 24.42        |
| Interest expense/(income)  | 1.59         | 1.74         |
| Return on plan assets, excluding amounts included in interest expense/(income) | (0.30)       | (0.57)       |
| Assets distributed on settlements  | -            | -            |
| Contributions by employer  | 5.05         | 4.30         |
| Assets acquired in an amalgamation in the nature of purchase                   | -            | -            |
| Exchange differences on Foreign plans  | -            | -            |
| Benefit payments   | -            | (8.96)       |
| <b>Closing Value of Plan Assets</b>  | <b>27.28</b> | <b>20.93</b> |

| The net liability disclosed above relates to funded and unfunded plans are as follows: |              |              |
|--|--------------|--------------|
| Particulars  | 31-Mar-20    | 31-Mar-19    |
| Present value of funded obligations  | 82.14        | 65.03        |
| Fair value of plan assets  | (27.28)      | (20.93)      |
| <b>Deficit of funded plan</b>  | <b>54.86</b> | <b>44.09</b> |
| Unfunded plans   | 5.90         | 49.31        |
| <b>Deficit of gratuity plan</b>  | <b>60.77</b> | <b>93.40</b> |

| The significant actuarial assumptions for the Holding Company were as follows: |            |            |
|--|------------|------------|
| Particulars  | 31-Mar-20  | 31-Mar-19  |
| Discount Rate (p.a.)   | 6.80% p.a. | 7.60% p.a. |
| Salary Escalation Rate (p.a.)  | 6.00% p.a. | 6.00% p.a. |

**Employee benefit obligations**
**Sensitivity Analysis**

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

| Particulars      | 31-Mar-20        |           | 31-Mar-19 |           |
|------------------|------------------|-----------|-----------|-----------|
|                  | Amount           | % Change  | Amount    | % Change  |
|                  | Increase by 0.5% | 84,28,576 | -4.27%    | 67,01,884 |
| Decrease by 0.5% | 92,06,980        | 4.57%     | 73,11,204 | 4.51%     |

| <b>Salary growth rate Sensitivity</b> |                  |                 |                  |                 |
|---------------------------------------|------------------|-----------------|------------------|-----------------|
| <b>Particulars</b>                    | <b>31-Mar-20</b> |                 | <b>31-Mar-19</b> |                 |
|                                       | <b>Amount</b>    | <b>% Change</b> | <b>Amount</b>    | <b>% Change</b> |
| Increase by 0.5%                      | 91,77,267        | 4.25%           | 72,86,634        | 4.17%           |
| Decrease by 0.5%                      | 84,54,482        | -3.97%          | 67,20,340        | -3.94%          |

| <b>Withdrawal rate (W.R.) Sensitivity</b> |                  |                 |                  |                 |
|---|------------------|-----------------|------------------|-----------------|
| <b>Particulars</b>                        | <b>31-Mar-20</b> |                 | <b>31-Mar-19</b> |                 |
|   | <b>Amount</b>    | <b>% Change</b> | <b>Amount</b>    | <b>% Change</b> |
| W.R. x 110%                               | 71,24,643        | 0.33%           | 70,30,773        | 0.60%           |
| W.R. x 90%                                | 70,59,438        | -0.36%          | 69,58,280        | -0.64%          |

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

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

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

| <b>Particulars</b>                       | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
|--|------------------|------------------|
| Unquoted Investments:                    |                  |                  |
| Gratuity fund maintained by LIC of India | 27.28            | 20.93            |
| <b>Total</b>                             | <b>27.28</b>     | <b>20.93</b>     |

**15 Other current liabilities**

| <b>Particulars</b>                     | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
|--|------------------|------------------|
| Advance from customers                 | 368.64           | 305.98           |
| <b>Total Other current liabilities</b> | <b>368.64</b>    | <b>305.98</b>    |

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

| <b>Particulars</b>   | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
|--|------------------|------------------|
| Long-Term Borrowings   | 135.55           | 135.55           |
| Trade Payables   | 133.11           | 133.11           |
| Sales Tax Deferred Loan  | 1.25             | 1.25             |
| Advance From Customers   | 2.04             | 2.04             |
| Outstanding Expenses   | 55.48            | 66.29            |
| Outstanding Statutory Liabilities  | 2.98             | 2.98             |
| <b>Total Liabilities directly associated with assets classified as held for sale</b> | <b>330.41</b>    | <b>341.22</b>    |

**17 Revenue From Operations**

| <b>Particulars</b>                              | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
|---|------------------|------------------|
| <b>Sale of products</b>                         |                  |                  |
| Manufacturing Sales                             | 9,261.03         | 9,589.51         |
| Trading Sales                                   | 437.70           | 260.02           |
| <b>Other operating revenue</b>                  |                  |                  |
| Other operating income                          | -                | 109.32           |
| <b>Total Revenue from continuing operations</b> | <b>9,698.73</b>  | <b>9,958.85</b>  |

| <b>18 Other Income</b>                 |                  |                  |
|--|------------------|------------------|
| <b>Particulars</b>                     | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Interest Income                        | 1.08             | 62.24            |
| Unwinding discount of financial assets | 208.51           | 131.23           |
| Profit On Sale Of Fixed Assets         | 227.97           | 0.00             |
| Provision of Bad Debts Written Back    | 29.59            | -                |
| Sundry Balance Written Back            | 3.49             | 16.72            |
| <b>Total Other Income</b>              | <b>470.64</b>    | <b>210.19</b>    |

| <b>19 Cost of materials consumed</b>    |                  |                  |
|---|------------------|------------------|
| <b>Particulars</b>                      | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Opening Stock                           | 1,817.28         | 1,765.98         |
| Add: Purchases                          | 6,611.48         | 6,157.68         |
| Transport Inwards                       | 176.56           | 188.09           |
| Less: Closing Stock                     | (1,837.70)       | (1,817.28)       |
| <b>Total Cost of Materials Consumed</b> | <b>6,767.61</b>  | <b>6,294.47</b>  |

| <b>20 Changes in inventories of finished goods, Stock-in -Trade and work-in-progress</b> |                  |                  |
|--|------------------|------------------|
| <b>Particulars</b>   | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| <b>Inventory (at Commencement)</b>   |                  |                  |
| Add: Opening Stock-Finished Goods  | 305.77           | 585.77           |
| Add: Opening Stock-Work In Progress  | 1,609.16         | 1,543.93         |
| Add: Opening Stock-Traded Goods  | 156.85           | 14.98            |
| <b>Inventory (at Close)</b>  |                  |                  |
| Less: Closing Stock-Finished Goods   | (373.08)         | (305.77)         |
| Less: Closing Stock-Work In Progress   | (1,633.55)       | (1,609.16)       |
| Less: Closing Stock-Traded Goods   | (23.27)          | (156.85)         |
| <b>Changes In Inventories Of Finished Goods And Work-In-Progress</b>                     | <b>41.89</b>     | <b>72.90</b>     |

| <b>21 Employee benefits expense</b>                      |                  |                  |
|--|------------------|------------------|
| <b>Particulars</b>                                       | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Salaries & Wages   | 636.24           | 596.14           |
| Contribution to Provident Fund, Gratuity and Other Funds | 36.47            | 42.78            |
| Director's Remuneration                                  | 150.00           | 152.00           |
| Staff Welfare  | 10.97            | 8.01             |
| <b>Total Employee benefits expense</b>                   | <b>833.69</b>    | <b>798.93</b>    |

| <b>22 Depreciation and amortization expense</b>              |                  |                  |
|--|------------------|------------------|
| <b>Particulars</b>   | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Depreciation on Property, Plant and Equipment - Refer Note 3 | 142.59           | 176.29           |
| Depreciation of Right of use assets - Refer Note 3           | 28.49            | -                |
| Amortisation of Intangible assets - Refer Note 4             | 240.19           | 180.99           |
| <b>Total Depreciation and amortization expense</b>           | <b>411.27</b>    | <b>357.28</b>    |

| <b>23 Finance costs</b>    |               |               |
|----------------------------|---------------|---------------|
| Particulars                | 31-Mar-20     | 31-Mar-19     |
| Interest Expenses          | 910.40        | 723.67        |
| Other Borrowing Costs      | 78.84         | 15.88         |
| <b>Total Finance costs</b> | <b>989.23</b> | <b>739.55</b> |

| <b>24 Other expenses</b>                       |                 |               |
|--|-----------------|---------------|
| Particulars                                    | 31-Mar-20       | 31-Mar-19     |
| Auditor's Remuneration                         | 5.20            | 5.30          |
| Electricity Expenses                           | 3.49            | 3.99          |
| Job Work Expenses                              | 252.37          | 220.43        |
| Sales Promotion & Advertisement Expenses       | 55.35           | 25.73         |
| Commission Expenses                            | 41.73           | 39.50         |
| Travelling Expenses                            | 6.98            | 11.29         |
| Insurance Charges                              | 9.40            | 11.13         |
| Listing & Registration                         | 11.43           | 15.70         |
| Professional Fees                              | 97.81           | 51.00         |
| Printing & Stationary                          | 11.81           | 10.47         |
| Telephone Expenses                             | 2.85            | 4.18          |
| Miscellaneous Expenses                         | 2.81            | 1.80          |
| Bank Charges                                   | 0.95            | 0.91          |
| Share Issue Expenses                           | -               | 0.13          |
| Repairs & Maintenance to Building              | 3.35            | 1.23          |
| Repairs & Maintenance to Machinery             | 49.37           | 51.87         |
| Computer Maintenance                           | 2.01            | 1.93          |
| Tempo Expenses                                 | 19.98           | 21.82         |
| Motor Car Expenses                             | 5.44            | 6.04          |
| Postage & Courier                              | 3.18            | 2.14          |
| Rates & Taxes                                  | 8.11            | 6.19          |
| Rent Expenses                                  | 4.97            | 33.97         |
| Freight Clearing & Forwarding Charges          | 59.73           | 49.62         |
| Loading & Unloading Charges                    | 42.44           | 43.60         |
| Interest on delay in Payment of Statutory Dues | 2.21            | 3.09          |
| Stores & Packing Material Consumed             | 222.42          | 263.07        |
| Power & Fuel                                   | 50.88           | 32.77         |
| Loss on Sale of Assets                         | 1.05            | 4.50          |
| Sundry Balances Written Off                    | 156.86          | 7.03          |
| Bad Debts                                      | -               | 39.31         |
| <b>Total Other expenses</b>                    | <b>1,134.19</b> | <b>969.74</b> |

| <b>Details of Auditors remuneration</b> |             |             |
|---|-------------|-------------|
| Particulars                             | 31-Mar-20   | 31-Mar-19   |
| <b>As auditor:</b>                      |             |             |
| Statutory Audit fees                    | 5.20        | 5.30        |
| Tax Audit fees                          | -           | -           |
| <b>In other capacities</b>              |             |             |
| Taxation matters                        | -           | -           |
| Other Matters                           | -           | -           |
| <b>Total Payments to auditors</b>       | <b>5.20</b> | <b>5.30</b> |

### Corporate Social Responsibility Expenditure

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

## 25 Financial Risk Management

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

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

### Interest Rate Risk

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

### Foreign Currency Risk

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

Thus, the Company did not have any outstanding dues as on 31st March, 2020

### Credit Risk

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

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

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

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

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

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

| Exposure to Credit Risk  | 31-Mar-20 | 31-Mar-19 |
|--|-----------|-----------|
| <b>Financial risk for which loss allowance is measured using 12 months</b> |           |           |
| expected Credit Losses (ECL)   |           |           |
| Loans  | 3.70      | 4.20      |
| Cash & cash equivalent   | 87.87     | 37.93     |
| Bank deposits with more than 12 months maturity                            | -         | -         |
| <b>Financial risk for which loss allowance is measured using Lifetime</b>  |           |           |
| <b>expected Credit Losses (ECL)</b>  |           |           |
| Trade Receivables  | 1,703.32  | 2,120.28  |

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

| <b>Expected Credit loss for the period ending 31-03-2020</b> |                              |                                  |                    |                            |
|--|------------------------------|----------------------------------|--------------------|----------------------------|
| <b>Ageing</b>  | <b>Gross Carrying Amount</b> | <b>Expected Credit Loss Rate</b> | <b>Credit Loss</b> | <b>Net Carrying Amount</b> |
| 0-30 days past due   | 326.41                       | 0.00%                            | 0.00               | 326.41                     |
| 30-60 days past due  | 220.75                       | 0.01%                            | 0.02               | 220.73                     |
| 60-90 days past due  | 41.44                        | 0.02%                            | 0.01               | 41.43                      |
| 90-180 days past due   | 67.84                        | 0.03%                            | 0.02               | 67.82                      |
| 180-365 days past due  | 92.22                        | 0.06%                            | 0.06               | 92.16                      |
| More than 365 days past due                                  | 1,026.71                     | 0.06%                            | 0.62               | 1,026.09                   |
| <b>Total</b>   | <b>1,775.37</b>              |                                  | <b>0.73</b>        | <b>1,774.64</b>            |

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

#### (iv) Liquidity risk

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

#### (i) Financing arrangements

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

| <b>Particulars</b>   | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
|--|------------------|------------------|
| a) Expiring within one year<br>(bank overdraft and other facilities) | 60.00            | 2,497.76         |
| b) Expiring beyond one year (bank loans)                             | 2,246.63         | 24.37            |
| c) No expiry period  | 688.46           | 1,811.16         |
| <b>Total</b>   | <b>2,995.09</b>  | <b>4,333.30</b>  |

#### Maturity profile of financial assets

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

| <b>Particulars</b>                 | <b>Current Maturities</b> | <b>2 - 5 years</b> | <b>6 - 10 years</b> | <b>Total</b> |
|------------------------------------|---------------------------|--------------------|---------------------|--------------|
| <b>As on 31-Mar-19</b>             |                           |                    |                     |              |
| Other Non Current Financial Assets | -                         | -                  | -                   | -            |
| Loans                              | -                         | 16.34              | -                   | 16.34        |
| Trade Receivables                  | 2,120.28                  | -                  | -                   | 2,120.28     |
| Current Loans                      | 4.20                      | -                  | -                   | 4.20         |
| Other Current Financial Assets     | 1,455.08                  | -                  | -                   | 1,455.08     |
| <b>As on 31-Mar-20</b>             |                           |                    |                     |              |
| Loans                              | 17.54                     | -                  | -                   | 17.54        |
| Trade Receivables                  | 1,703.32                  | -                  | -                   | 1,703.32     |
| Current Loans                      | 3.70                      | -                  | -                   | 3.70         |
| Other Current Financial Assets     | 1,653.27                  | -                  | -                   | 1,653.27     |

**Maturity profile of financial liabilities**

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

| Particulars                 | Current Maturities | 2 - 5 years | 6 - 10 years | Total    |
|-----------------------------|--------------------|-------------|--------------|----------|
| <b>As on 31-Mar-19</b>      |                    |             |              |          |
| Current Borrowings          | 3,734.51           | -           | -            | 3,734.51 |
| Trade Payables              | 827.45             | -           | -            | 827.45   |
| Lease Liability             | -                  | -           | -            | -        |
| Other Financial Liabilities | 192.04             | -           | -            | 192.04   |
| Term Loan - From Banks      | 583.02             | 24.37       | -            | 607.39   |
| <b>As on 31-Mar-20</b>      |                    |             |              |          |
| Current Borrowings          | 1,785.70           | -           | -            | 1,785.70 |
| Trade Payables              | 259.71             | -           | -            | 259.71   |
| Lease Liability             | 127.33             | -           | -            | 127.33   |
| Other Financial Liabilities | 596.02             | -           | -            | 596.02   |
| Term Loan - From Banks      | 60.00              | 2,246.63    | -            | 2,306.63 |

**26 Capital Management**

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

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

| Particulars                                     | 31-Mar-20     | 31-Mar-19     |
|---|---------------|---------------|
| Net debt  | 4,520.35      | 4,341.90      |
| Total Equity                                    | 9,976.18      | 10,255.37     |
| Total equity plus debt                          | 14,496.53     | 14,597.26     |
| <b>Gearing Ratio (Net Debt to Equity Ratio)</b> | <b>31.18%</b> | <b>29.74%</b> |

**27 Related Party Transactions**

Information in accordance with the requirements of Indian Accounting Standard 24 on Related Party Disclosures

List of related parties with whom the Company has entered into transactions during the year in the ordinary course of business:

| Relationship  | Name                        | Nature                                       |
|---|-----------------------------|--|
| <b>Key Management Personnel (KMP)</b>                                       | Mr. Amrut P. Shah           | Chairman & Managing Director                 |
|   | Mr. Shantilal P. Shah       | Whole-time Director                          |
|   | Mr. Krunal S Shah           | Whole-time Director                          |
|   | Mr. Hardik A Shah           | CEO  |
|   | Mr. Rajesh B. Jain          | Chief Financial Officer                      |
|   | Mr. Bhavesh Chedda          | Company Secretary                            |
| <b>Enterprise over which KMP are able to exercise significant influence</b> | Sundaram Bio-Tech. Pvt. Ltd | Company (Common Promoter)                    |
| <b>Relatives of KMP</b>   | Mr. Raichand P. Shah        | Brother of Amrut P. Shah & Shantilal P. Shah |
|   | Mrs Vimla A. Shah           | Spouse of Amrut P. Shah                      |
|   | Mr. Yash R. Shah            | Chief Operating Officer                      |

| <b>Key Management Personnel Compensation</b> |                  |                  |
|--|------------------|------------------|
| <b>Particulars</b>                           | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| Short term employee benefits                 | 150.00           | 152.00           |
| <b>Total Compensation</b>                    | <b>150.00</b>    | <b>152.00</b>    |

**Transactions with Related Parties**

The following transactions occurred with related parties:

| <b>Particulars</b>   | <b>2019-20</b> | <b>2018-19</b> |
|--|----------------|----------------|
| <b>Transaction with the related parties during the year:</b> |                |                |
| <b>Key Managerial Personnel</b>                              |                |                |
| <u>Loan Taken</u>  |                |                |
| Mr. Amrut P. Shah  | -              | 461.19         |
| Mr. Shantilal P. Shah  | 79.41          | 504.47         |
| Mr. Hardik A. Shah   | -              | 12.00          |
| <u>Sale of shares of subsidiary company</u>                  |                |                |
| Mr. Amrut P. Shah  | -              | 125.00         |
| Mr. Shantilal P. Shah  | -              | 321.00         |
| <u>Repayment of Loan taken</u>                               |                |                |
| Mr. Amrut P. Shah  | -              | 612.19         |
| Mr. Shantilal P. Shah  | 145.75         | 802.81         |
| Mr. Hardik A. Shah   | -              | 12.50          |
| <u>Interest Charged</u>                                      |                |                |
| Mr. Amrut P. Shah  | -              | 17.55          |
| Mr. Shantilal P. Shah  | 48.23          | 41.27          |
| Mr. Hardik A. Shah   | -              | 0.50           |
| <u>Remuneration</u>  |                |                |
| Mr. Amrut P. Shah  | 42.00          | 42.00          |
| Mr. Shantilal P. Shah  | 42.00          | 42.00          |
| Mr. Krunal Shah  | 42.00          | 24.50          |
| Mr. Hardik A. Shah   | 24.00          | 26.00          |
| Mr. Rajesh B. Jain   | 15.97          | 15.97          |
| Mr. Bhavesh Chedda   | 4.62           | 4.62           |
| <b>Relatives of Key Managerial Personnel</b>                 |                |                |
| <u>Mr. Raichand P. Shah</u>                                  |                |                |
| Office Salary  | 42.00          | 42.00          |
| Loan Taken   | -              | 221.88         |
| Repayment of Loan  | -              | 384.74         |
| Interest Charged   | -              | 2.88           |
| Sale of shares of subsidiary company                         | -              | 264.00         |
| <u>Mr. Yash R. Shah</u>                                      |                |                |
| Office Salary  | 36.00          | 15.00          |
| <u>Rent</u>  |                |                |
| Mrs Vimla A. Shah  | 3.00           | 3.00           |



**Outstanding Balances of Related Parties**

| Particulars                | 31-Mar-20 | 31-Mar-19 |
|----------------------------|-----------|-----------|
| <b>KMP</b>                 |           |           |
| <u>Current Borrowing</u>   |           |           |
| Mr. Shantilal P. Shah      | 423.60    | 430.75    |
| <u>Current liabilities</u> |           |           |
| Mr. Amrut P. Shah          | 2.83      | 1.23      |
| Mr. Shantilal P. Shah      | 2.88      | 2.88      |
| Mr. Krunal S Shah          | 4.48      | 3.68      |
| Mr. Hardik A. Shah         | 16.45     | 12.11     |
| Mr. Rajesh B.Jain          | 1.23      | 1.23      |
| Mr. Bhavesh Chedda         | 0.38      | 0.38      |
| <u>Current Borrowing</u>   |           |           |
| Mrs Vimla A. Shah          | -         | 0.75      |
| <u>Current liabilities</u> |           |           |
| Mr. Raichand P. Shah       | 4.28      | 3.90      |
| Mr. Yash R. Shah           | 4.76      | 3.38      |

**28 Contingent Liabilities and Contingent Assets**

**a) Contingent Liabilities**

| Particulars | 31-Mar-20 | 31-Mar-19 |
|-------------|-----------|-----------|
|             | -         | -         |

**b) Contingent Assets**

| Particulars | 31-Mar-20 | 31-Mar-19 |
|-------------|-----------|-----------|
| -           | -         | -         |

**29 Commitments**

Non Cancellable Operating Leases:

- (i) The Company's lease asset primarily consist of leases for land and buildings for branch offices and warehouses having the various lease terms. Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset at an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.
- (ii) Following is the summary of practical expedients elected on initial application:
  - (a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
  - (b) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application
  - (c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
  - (d) Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.
  - (e) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

- (iii) Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2020

| Particulars  | Right to Use Asset<br>(Leasehold Building) |
|--|--|
| <b>Balance as at April 1, 2019</b>   | <b>Amount in Lacs</b>                      |
| Transition impact on account of adoption of Ind AS 116 "Leases"                      | -  |
| Reclassified from property, plant and equipment on account of adoption of Ind AS 116 | -  |
| Reclassified from Earnest money and Security Deposits                                | -  |
| Total Right of Use on the date of transition   | -  |
| Additions during the year  | 151.30                                     |
| Deletion during the year   | -  |
| Depreciation of Right of use assets  | 28.49                                      |
| <b>Balance as at 31 March 2020</b>   | <b>122.81</b>                              |

- (iv) Following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020:

| Particulars   | Amount in<br>Lacs |
|---|-------------------|
| Transition impact on account of adoption of Ind AS 116 "Leases" Additions during the year | -                 |
| Additions during the year   | 158.32            |
| Finance cost accrued during the year  | 6.49              |
| Deletions   | -                 |
| Payment of lease liabilities  | (37.48)           |
| <b>Balance as at March 31, 2020</b>   | <b>127.33</b>     |
| Current maturities of Lease liability {refer note 13(C)}                                  | 127.33            |
| Non-Current Lease Liability   | -                 |

- (v) The adoption of the new standard has also resulted in increase in profit before tax and profit for the year by Rs. 2.50 Lacs (Increase in Depreciation expense and finance cost by Rs. 28.49 Lacs and Rs. 6.49 Lacs respectively with corresponding decrease in other expense by Rs. 37.48 Lacs). The effect of this adoption is insignificant on earnings per share. Ind AS 116 has also resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments by Rs. 37.38 Lacs each.
- (vi) The maturity analysis of lease liabilities are disclosed in Note 25.
- (vii) The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9.96%
- (viii) Rental expense recorded for short-term leases was Rs. 4.97 lacs for the year ended March 31,2020 (Rs. 33.97 lacs for the year ended March 31,2019). (refer note 24)
- (ix) The difference between the lease obligation recorded, as of March 31, 2019, under Ind AS 17 (disclosed under Note 32(E) of annual standalone financial statements forming part of 2019 Annual Report) and the value of the lease liability as of April 1, 2019, is on account of use of practical hindsight in determining the lease term, where the contract contained options to extend or terminate the lease in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.
- (x) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

| <b>30 Earnings Per Share</b>  |   |   |
|---|---|---|
| <b>Particulars</b>  | <b>For the year ended<br/>31-Mar-20</b> | <b>For the year ended<br/>31-Mar-19</b> |
| Profit / (Loss) attributable to the equity holders of the company used in calculating basic earnings per share (Rs. In lacs): | (269.85)                                | 592.35                                  |
| Weighted average number of equity shares used as the denominator in calculating basic earnings per share (in lacs)            | 4,738.78                                | 4,738.78                                |
| Basic earnings per share (Rs.)  | (0.06)                                  | 0.13                                    |
| Diluted earnings per share (Rs.)  | (0.06)                                  | 0.13                                    |

| <b>31 Assets Pledged / Mortgaged / Hypothecated as security</b>      |                  |                  |
|--|------------------|------------------|
| <b>Particulars</b>   | <b>31-Mar-20</b> | <b>31-Mar-19</b> |
| <b>Current</b>   |                  |                  |
| <b>First pari passu Charge</b>                                       |                  |                  |
| Inventories  | 3,630.52         | 3,673.30         |
| Financial Assets   | 1,158.00         | 946.33           |
| Investments  | -                | -                |
| Trade receivables  | 1,361.18         | 1,620.77         |
| Other current assets   | 23.95            | 94.33            |
| Assets classified as held for sale                                   | 1,802.53         | 1,802.53         |
| <b>Total current assets mortgaged / hypothecated as security</b>     | <b>7,976.17</b>  | <b>8,137.25</b>  |
| <b>Non Current</b>   |                  |                  |
| <b>First Charge</b>  |                  |                  |
| Freehold Land  | 3,732.15         | 3,732.15         |
| Building   | 944.21           | 944.21           |
| Plant & Machinery  | 476.90           | 476.90           |
| Furniture & Fixture  | 39.50            | 39.50            |
| Vehicles   | 56.79            | 56.79            |
| Office Equipments  | 5.38             | 5.38             |
| <b>Total non current assets mortgaged / hypothecated as security</b> | <b>5,254.94</b>  | <b>5,254.93</b>  |
| <b>Total assets mortgaged / hypothecated as security</b>             | <b>13,231.12</b> | <b>13,392.18</b> |

| <b>32 a) Details of Sale Value of Products:</b> |  |  |
|---|--|--|
| <b>Class of Goods</b>                           | <b>Sales Value (in ₹ lacs)</b>           |  |
|   | <b>For the year ended<br/>31.03.2020</b> | <b>For the year ended<br/>31.03.2019</b> |
| Exercise Books                                  | 8,921.58                                 | 8,864.76                                 |
| E-box and Pendrive                              | 339.45                                   | 724.75                                   |
| Trading   | 437.70                                   | 260.02                                   |
| <b>Total</b>                                    | <b>9,698.73</b>                          | <b>9,849.53</b>                          |

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

| Class of Goods                   | Opening Stock (in ₹)          |                               | Closing Stock (in ₹)          |                               |
|----------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|                                  | For the year ended 31.03.2020 | For the year ended 31.03.2019 | For the year ended 31.03.2020 | For the year ended 31.03.2019 |
| Exercise Books                   | 305.77                        | 585.77                        | 373.08                        | 305.77                        |
| Trading of Copier Paper & Others | 156.85                        | 14.98                         | 23.27                         | 156.85                        |
| <b>Total</b>                     | <b>462.62</b>                 | <b>600.76</b>                 | <b>396.35</b>                 | <b>462.62</b>                 |

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

| Class of Goods | Opening Stock (in `)          |                               | Closing Stock (in `)          |                               |
|----------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
|                | For the year ended 31.03.2020 | For the year ended 31.03.2019 | For the year ended 31.03.2020 | For the year ended 31.03.2019 |
| Exercise Books | 1,609.16                      | 1,543.93                      | 1,633.55                      | 1,609.16                      |
| Paper          | -                             | -                             | -                             | -                             |
| <b>Total</b>   | <b>1,609.16</b>               | <b>1,543.93</b>               | <b>1,633.55</b>               | <b>1,609.16</b>               |

**33 (i) Value of Raw Material Consumed:**

| Particulars          | For the year ended 31.03.2020 |      | For the year ended 31.03.2019 |      |
|----------------------|-------------------------------|------|-------------------------------|------|
|                      | Amount( ₹ )                   | %    | Amount( ₹ )                   | %    |
| <b>Raw Materials</b> |                               |      |                               |      |
| (i) Imported         | -                             | -    | -                             | -    |
| (ii) Indigenous      | 6,767.61                      | 100% | 6,294.47                      | 100% |
| <b>Total</b>         | <b>6,767.61</b>               |      | <b>6,294.47</b>               |      |

**(ii) Value of Raw Material Purchase(Breakup)**

| Particulars  | 2019-20<br>Amount in ( ₹ ) | 2018-19<br>Amount in ( ₹ ) |
|--------------|----------------------------|----------------------------|
| Paper        | 5,583.32                   | 5,050.70                   |
| Duplex Board | 829.69                     | 722.01                     |
| Others       | 198.47                     | 384.97                     |
| <b>Total</b> | <b>6,611.48</b>            | <b>6,157.68</b>            |

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

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

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

| Particulars                                  | Maximum Amount outstanding during the year |         | As at     |           |
|--|--|---------|-----------|-----------|
|  | 2019-20                                    | 2018-19 | 31-Mar-20 | 31-Mar-19 |
| <b>(A) Loans and advances to enterprises</b> |  |         |           |           |
| Atlanta Realtors Ltd                         | 17.50                                      | 17.50   | 17.50     | 17.50     |
| Stardom Trading Company Ltd                  | 50.00                                      | 50.00   | 50.00     | 50.00     |
| Vijay Group Housing Pvt Ltd                  | 125.00                                     | 125.00  | 125.00    | 150.14    |
| Rajesh Estates And Nirman Pvt Ltd            | 110.80                                     | 121.60  | 110.80    | 121.60    |
| Ontime Agencies Pvt Ltd                      | 40.00                                      | 40.00   | 40.00     | 40.00     |
| Mars Realtors Pvt Ltd                        | 300.00                                     | 300.00  | 300.00    | 300.00    |

| Particulars                         | Maximum Amount outstanding during the year |         | As at     |           |
|-------------------------------------|--|---------|-----------|-----------|
|                                     | 2019-20                                    | 2018-19 | 31-Mar-20 | 31-Mar-19 |
| Rpg Design Studio                   | 35.00                                      | 35.00   | 35.00     | 35.00     |
| Ajanta Impex                        | 19.00                                      | 19.00   | 19.00     | 19.00     |
| Rfa Enterprises                     | 7.00                                       | 7.00    | 7.00      | 7.00      |
| Shreeji Polymers (ADV)              | 20.00                                      | 20.00   | 20.00     | 20.00     |
| Jay Corporation                     | 21.00                                      | 21.00   | 21.00     | 21.00     |
| Primemover Engineering              | 15.00                                      | 15.00   | 15.00     | 15.00     |
| Rajhans Nutriments Private Limited  | 285.11                                     | 285.11  | 285.11    | 285.11    |
| Sicom Limited                       | 2.03                                       | 2.03    | 2.03      | 2.03      |
| Rajhans Infracon                    | -  | 239.68  | -         | -         |
| Mindspace Valuation Infra Pvt. Ltd. | 10.00                                      | 10.00   | 10.00     | 10.00     |

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

### 36 SCHEME OF AMALGAMATION:

Sundaram Multi Pap Limited (“the parent company” or “SUNDARAM” or “Transferee Company”) and its subsidiary company, namely E-Class Education System Limited. (“the subsidiary company” or “E-Class” or Transferor Company), had filed the Scheme of Amalgamation, (“the Scheme”) under section 230 to 232 of Companies Act 2013 read with Companies (Compromise, Arrangement and Amalgamation) Rules, 2016, (as amended from time to time) with National Group law tribunal (“NCLT”), which has been approved on April 30, 2020 (Certified Copy of Order Received on May 28, 2020 and filed with Registrar of Companies on June 15, 2020), accordingly the same has become effective from appointed date as per scheme which is April 01, 2018. The Company has applied principles of Ind-AS 103 - ‘Business Combinations of entities under Common Control’ w.e.f. April 01, 2018.

#### General nature of business of the combining entities:

**SUNDARAM:** Sundaram Multi Pap Limited is a Market Leader in the business of manufacturing paper stationery and other paper related products for Education and Corporate Sectors in Gujarat and Maharashtra with a market share of 30% in each market.

**E-CLASS:** E-class is an education technology powerhouse. E-Class provides digital content for Maharashtra State Board for K-10 segment. The company provides complete offline digital educational videos aimed at increasing the learning levels of the students. With over 650+ school tied up and over 1,00,000+ students subscribed, E-class aims at making a mark on the digital upgrade. The company aims to make customized education accessible to one and all.

#### Rationale for the scheme:

- Rationalizing the group structure to ensure optimized legal entity structure more aligned with the business;
- Reorganizing the legal entity in the group structure so as to obtain significant cost savings and/or simplification benefits;
- Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by E-Class;
- E-Class and Sundaram are engaged in complementary businesses and combining the businesses will result in enhancing shareholder value and other stakeholder and leveraging on synergies in doing business;
- Rationalizing costs by elimination of administrative functions and multiple record-keeping.
- The organizational and operational structure would be simplified on completion of the Amalgamation.
- The enhanced net worth of Sundaram Multi Pap Limited after the Amalgamation will improve its ability to bid for larger projects and pursue bigger opportunities.

#### Accounting treatment:

Below is the summary of accounting treatment which has been given effect to in these special purposes financial statement, in accordance with accounting treatment prescribed in the scheme:

1. The parent company has recorded the assets and liabilities of the transferor Companies at the respective book values as appearing in the books of transferor Companies, prepared in accordance with Indian Accounting Standard (IND-AS).
2. Amounts lying in the balance of the “Profit and Loss Account” in the books of account of the Transferor Companies is taken by the Transferee Group to its balance in “Profit and Loss Account”.

3. The inter-Group balances between the Transferee Group and the Transferor Group, appearing in the books of the Transferee Group have been cancelled.
4. 20400000 Equity Shares of the face value of Rs.10/- amounting to investment value of Rs.204000000/- held by Transferee Company in Transferor Company i.e. 51% holding of Transferee Company in the Transferor Company will get cancelled on account of Cross Holding and the difference between the share-capital of the Transferor Companies and the book value of the investments cancelled has been transferred to General Reserve or Goodwill in accordance with IND AS 103 -Business Combinations and the scheme of amalgamation.
5. The Company has restated the financial information as at and for year ended March 31, 2019 as if the business combination has occurred from the beginning of the preceding period i.e. April 01, 2018 in accordance with IND-AS 103 - 'Business Combinations of entities under Common Control'.
6. Further in accordance with the scheme, the authorised share capital of the Holding company has been increased by merging the authorised share capital of transferor Company, resulting in increase in authorised equity share capital by Rupees Forty Crores. Accordingly, the Authorised Capital of the Holding company post amalgamation stands to Rupees Sixty EightCrores divided into 68,00,00,000 equity Shares of face value Rs.1/- each.

Summary of accounting treatment pursuant to scheme of amalgamation on appointed date i.e. April 01, 2018:

| Particulars  | Amount<br>(Rs in Lacs) |
|--|------------------------|
| <b>Assets Taken over</b>                                       |                        |
| Property, Plant and Equipment                                  | 31.17                  |
| Other Intangible assets  | 383.66                 |
| Loans  | 12.31                  |
| Other tax assets   | 9.45                   |
| Inventories  | 274.66                 |
| Trade receivables  | 406.23                 |
| Cash and cash equivalents                                      | 11.55                  |
| Others   | 396.55                 |
| Other current assets   | 47.83                  |
| <b>Total Assets. (A)</b>                                       | <b>1,573.41</b>        |
| <b>Liabilities Taken over</b>                                  |                        |
| Provisions   | 3.23                   |
| Borrowings   | 307.72                 |
| Trade payables-other than MSME                                 | 13.89                  |
| Other financial liabilities                                    | 36.45                  |
| Other Current Liabilities                                      | 15.36                  |
| <b>Total Liabilities. (B)</b>                                  | <b>376.65</b>          |
| <b>Reserves of the Transferor Company</b>                      |                        |
| Reseves and Surplus. ( C)                                      | -2673.24               |
| Total Assets Taken over (D) = (A)-(B)-( C)]                    | 3,870.00               |
| Investments in books   | 4611.8                 |
| <b>Balance Recognised as Goodwill in books (F) = (E) - (D)</b> | <b>741.80</b>          |

### 37 Segment Reporting

The segment reporting of the Company has been prepared in accordance with IND AS-108, "Operating Segment" (specified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act). The Company has two reportable segments i.e. (1) Exercise note books & paper and (2) Software for Educational Content.

Identification of Segments: The Board of Directors monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of product / services and have been identified as per the quantitative criteria specified in the Ind AS.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Others".

Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, tax related assets, borrowings and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Others".

There is no transfer of products between operating segments.

There are no customers having revenue exceeding 10% of total revenues.

No operating segments have been aggregated to form the above reportable operating segments.

| Sr. No.  | Particulars   | 31-03-2020       | 31-03-2019       |
|----------|---|------------------|------------------|
| <b>1</b> | <b>Segment revenue</b>  |                  |                  |
|          | (a) Exercise note books & paper                               | 9,359.28         | 9,124.78         |
|          | (b) Software for Educational Content                          | 339.45           | 834.07           |
|          | <b>Sub-Total</b>  | <b>9,698.73</b>  | <b>9,958.85</b>  |
|          | (-) Inter-Segment revenue                                     | -                | -                |
|          | Net Sales / Income from operations                            | 9,698.73         | 9,958.85         |
| <b>2</b> | <b>Segment results</b>  |                  |                  |
|          | (a) Exercise note books & paper                               | -31.44           | 405.42           |
|          | (b) Software for Educational Content                          | -238.41          | 180.84           |
|          | <b>Sub-Total</b>  | <b>-269.85</b>   | <b>586.26</b>    |
|          | (-) Exceptional Income / (Expenses)                           | -                | -                |
|          | (+) Other unallocable income (net of unallocable expenditure) | -                | -                |
|          | (-) Tax Expenses  | -                | -                |
|          | <b>Total Profit / (Loss) After Tax</b>                        | <b>-269.85</b>   | <b>586.26</b>    |
| <b>3</b> | <b>Segment Assets</b>   |                  |                  |
|          | (a) Exercise note books & paper                               | 13,965.32        | 14,332.70        |
|          | (b) Software for Educational Content                          | 1,807.27         | 1,947.07         |
|          | (c) Unallocated   | -                | -                |
|          | <b>Total</b>  | <b>15,772.58</b> | <b>16,279.76</b> |
| <b>4</b> | <b>Segment Liabilities</b>                                    |                  |                  |
|          | (a) Exercise note books & paper                               | 5,283.01         | 5,602.79         |
|          | (b) Software for Educational Content                          | 552.19           | 454.82           |
|          | (c) Unallocated   | -                | -                |
|          | <b>Total</b>  | <b>5,835.20</b>  | <b>6,057.62</b>  |

- 38 World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on 24-03-2020 which has impacted the business activities of the Company. On account of this, the Company has prepared cash flow projections and also, assessed the recoverability of receivables, contract assets, factored assumptions used in annual impairment testing of goodwill and intangible assets having indefinite useful life, using the various internal and external information up to the date of approval of these financial statements. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets and does not anticipate any impairment to these financial and non-financial assets. The Company will continue to closely monitor any material changes to future economic conditions.
- 39 Previous year figures have been re-grouped/re-classified wherever considered necessary to make comparable with current year figures.

**As per our report of even date attached****For R I JAIN & Co**

Chartered Accountants

**Firm Registration No.: 103956W****For and on behalf of the Board of Directors****CA RajendraKumar Jain**

Proprietor

Membership No.: 039834

**Amrut P. Shah**

Chairman &amp; Managing Director

DIN: 00033120

**Shantilal P.Shah**

Whole-time Director

DIN: 00033182

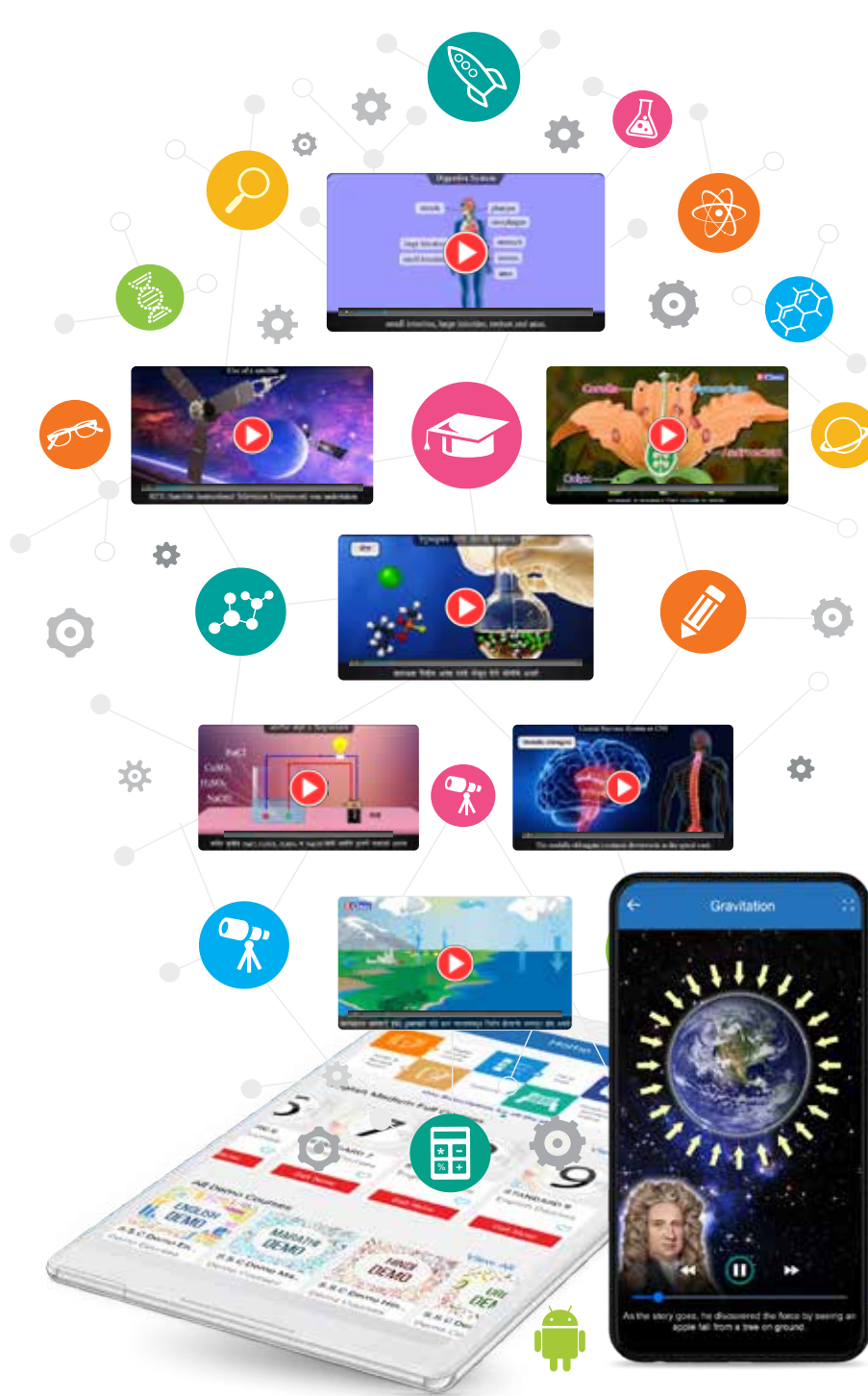
**Place : Mumbai****Date : 30th June, 2020****Rajesh B. Jain**

Chief Financial Officer

**Bhavesh Chheda**

Company Secretary





5000  
teachers  
trained

2000+  
Schools

10,00,000  
Students

1500+  
Dynamic digital  
content

10 +  
Years of  
experience.

# Digital Education

## Sundaram Multi Pap Ltd.

Manufacturer of Paper Stationery and Digital Educational Products

Plot No. 33 to 37, Sundaram Industrial Zone, Palghar (W) 401 404. Maharashtra, INDIA.

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