

# EDUCATION AND INNOVATION

**Sundaram Multi Pap Limited**  
Paper Stationery, Digital Education

**21<sup>ST</sup> ANNUAL REPORT**  
2014 -15

## **BOARD OF DIRECTORS**

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

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

Mr. Hasmukh A. Gada  
(Whole-Time Director) (up to 31<sup>st</sup> March, 2015)

Mr. Paresh Kumar P. Jain  
(Non-Executive, Independent Director)(up to 30<sup>th</sup> September, 2014)

Mr. Mahip D. Agarwal  
(Non-Executive, Independent Director)(up to 30<sup>th</sup> September, 2014)

Mr. Jagdish J. Kothari  
(Non-Executive, Independent Director) (up to 31<sup>st</sup> March, 2015)

Mr. Manikandam P. Kammenchery  
(Non-Executive, Independent Director)

Mr. Kaushal R. Sheth  
(Non-Executive, Independent Director)

Ms. Minjal V. Kadakia  
(Additional Non-Executive, Independent Director) (w.e.f. 30<sup>th</sup> March, 2015)

Mr. Manik R. Makwana  
(Company Secretary) (w.e.f. 1<sup>st</sup> January, 2015)

Mr. Rajesh B. Jain  
(Chief Financial Officer) (w.e.f. 1<sup>st</sup> April, 2015)

### **Auditors**

M/s Bhuta Shah & Co., Chartered Accountants, Mumbai

### **Education Business Advisor**

Mr. Krishan Khanna, Founder & Trustee of i-Watch

### **Bankers**

State Bank of India Ltd.  
IDBI Bank Ltd.

### **Registered Office**

5/6, Papa Industrial Estate, Suren Road, Andheri (E), Mumbai- 400 093, India

### **Plant**

P.I.D.C.O., Mahim Village, Palghar, Dist. Thane, Maharashtra, India

### **Paper Unit**

Village Sihora, P.O. Khandelwal Nagar, Kanhan – 441 401, Tah. Parseoni, Dist. Nagpur (M.S.), India

### **Registrar and Share Transfer Agent**

M/s Sharex Dynamic (India) Pvt. Ltd., Unit No.1, Luthra Ind. Premises, Andheri – Kurla Road, Safed Pool, Andheri (East), Mumbai- 400 072, India

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## NOTICE

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting of the Members of Sundaram Multi Pap Limited will be held on Wednesday, 30<sup>th</sup> September 2015 at 11.00 a.m. at Navinbhai Thakar Hall, Shradhanand Road, Vile Parle (East), Mumbai-400057 to transact the following businesses:

### Ordinary Business:

1. To consider and adopt:

(a) The Audited Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March, 2015, the reports of the Board of Directors and Auditors thereon; and

(b) The Audited Consolidated Financial Statement of the Company for the Financial Year ended 31<sup>st</sup> March, 2015.

2. To ratify the appointment of auditors of the Company, and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions of Companies Act, 2013 and Rules made thereunder, pursuant to the recommendation of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 30<sup>th</sup> September, 2014, the appointment of M/s. Bhuta Shah & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 101474W), as the Statutory Auditors of the Company to hold the office till the conclusion of the AGM to be held in the Calendar Year 2017 be and hereby ratified and the Board of Directors be and is hereby authorised to fix the remuneration payable to them for the financial year ending 31<sup>st</sup> March, 2016, as may be recommended by the Audit Committee in consultation with the Auditors"

### Special Business:

3. To appoint Ms. Minjal V. Kadakia (DIN:07135977) as an Independent Director and to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force), and Clause 49 of the Listing Agreement, Ms. Minjal V. Kadakia (DIN:07135977) who was appointed as an Additional Independent Director of the Company by the Board of Directors with effect from 30<sup>th</sup> March, 2015 and who holds office up to the date of this Annual General Meeting,

in terms of Section 161(1) of the Companies Act 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Ms. Minjal V. Kadakia (DIN:07135977) as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period up to 29<sup>th</sup> March, 2020, not liable to retire by rotation."

4. To re-appoint Mr. Amrut P. Shah (DIN : 00033120) as the Managing Director and to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section II of Part II of Schedule V thereto (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to the provisions of the Articles of Association of the Company and such other modifications, recommendations, approval and sanction if and when necessary, desirable and expedient in law Mr. Amrut P. Shah (DIN: 00033120), be and is hereby re-appointed as the Managing Director of the Company with effect from 1<sup>st</sup> April, 2015 for a period of three years, liable to retire by rotation, on a remuneration not exceeding ₹ 42 lacs p.a. and on other terms and conditions as set below:

1	<b>Designation</b>	Managing Director
2	<b>Tenure</b>	1 <sup>st</sup> April, 2015 for a period of three years, liable to retire by rotation.
3	<b>Remuneration:</b>	
	<b>Basic Pay</b>	Rs.42 lacs p.a. (will be paid exclusive of the perquisites, as mentioned below, which shall not be included in the computation of ceiling stated herein.)
	<b>Allowance &amp; Perquisite</b>	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.
	<b>Increments</b>	Increments may be given subject to the overall limits specified under Section 197 read with Schedule V of the Companies Act, 2013.
4	<b>General Terms:</b>	Mr. Amrut P. Shah, Managing Director shall be vested with majority of the powers of the Board as per the agreement entered into between Company and Mr. Amrut P. Shah.  a. Where in any financial year, during the currency of tenure of the Managing Director, the Company has adequate profits the Managing 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.  b. The Managing 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.



5. To re-appoint Mr. Shantilal P. Shah (DIN : 00033182) as the Whole-time Director and to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section II of Part II of Schedule V thereto (including any statutory modification(s) or re-enactment thereof for the time being in force), and such other modifications, recommendations, approval and sanction if and when necessary, desirable and expedient in law, Mr. Shantilal P. Shah (DIN: 00033182), be and is hereby re-appointed as the Whole Time Director of the Company with effect from 1<sup>st</sup> April, 2015 for a period of three years, liable to retire by rotation, on a remuneration not exceeding ₹ 42 lakhs p.a. and on other terms and conditions as set below:

<b>1</b>	<b>Designation</b>	Whole-time Director
<b>2</b>	<b>Tenure</b>	1 <sup>st</sup> April, 2015 for a period of three years, liable to retire by rotation.
<b>3</b>	<b>Remuneration:</b>	
	<b>Basic Pay</b>	Rs.42 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.)
	<b>Allowance &amp; Perquisite</b>	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.
	<b>Increments</b>	Increments may be given subject to the overall limits specified under Section 197 read with Schedule V of the Companies Act, 2013.
<b>4</b>	<b>General Terms:</b>	Mr. Shantilal P. Shah, Whole-Time Director shall handle the Marketing and Public Relation with the clients of the Company and Media.  a. 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.  b. 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.

6. To amend the Clause 152 pertaining to “Deeds how executed” in the Article of Association and to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to Section 14 and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder, including and statutory modification(s) or re-enactment(s) thereof for the time being in force, the Clause 152 pertaining to Deeds how executed in

the Article of Association of the Company be and is hereby substituted as under:

152. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and in the presence of one Director or any such other person as the Board may authorize and the Director or any such other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolutions the Board of Directors of the Company be and is hereby authorised to do all such acts as it may in its absolute discretion deem necessary.”

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

Sd/-  
**Manik R. Makwana**  
**Company Secretary**

**Place: Mumbai**  
**12<sup>th</sup> August, 2015**

**Registered Office:**  
**5/6, Papa Industrial Estate, Suren Road, Andheri (E),**  
**Mumbai - 400 093, Maharashtra, India**  
**CIN: L21098MH1995PLC086337**  
**E-mail: info@sundaramgroups.in**

**Notes:**

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

4. The instrument appointing the proxy, duly completed, must be deposited at the Company's Registered Office not less than FORTY-EIGHT (48) HOURS before the commencement of the meeting. A proxy form for the AGM is enclosed.

5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the company.

6. Members/proxies authorised representatives should bring the duly filled attendance slip, enclosed here with to attend the meeting.

7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

8. The Register of Contracts or Arrangements, in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

9. The Register of Members and the Share Transfer Book shall be closed from Thursday 24<sup>th</sup> September, 2015 to Wednesday 30<sup>th</sup> September, 2015 (both day inclusive)

10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to Company or Registrar and Transfer Agents (RTA).

11. Members are requested to address all correspondence to the Registrar and Share Transfer Agents, Sharex Dynamics (India) Pvt. Ltd., Unit No. 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072.

12. With a view to using the natural resources responsibly, we request shareholders to update their email address, with their Depository Participants to enable the Company to send communications electronically.

13. The Annual Report for 2014-15 is being sent through electronic mode only to the members whose e-mail addresses are registered with the Company / Depository Participant(s), unless any member has requested for a physical copy of the report. For members who have not registered their e-mail addresses, physical copies of the Annual Report for 2014-15 are being sent by the permitted

mode.

14. Members may also note that the Annual report (including the Notice of 21<sup>st</sup> AGM) for 2014-15 will be available on the Company's website, [www.sundaramgroups.in](http://www.sundaramgroups.in). The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days, except Saturday. Members who require communication in physical form in addition to e-communication or have any queries, may write to us at [info@sundaramgroups.in](mailto:info@sundaramgroups.in)

15. Relevant documents referred to in the accompanying Notice and the statements are open for inspection by the members at the registered office of the Company on all working days, except Saturday, during business hours up to the date of the meeting.

16. Mr. Amrut P. Shah (DIN: 00033120) Managing Director and Mr. Shantilal P. Shah (DIN: 00033182) Whole-time Director of the Company were re-appointed by the Board of Directors, subject to the approval of the members in the ensuing AGM, hence none of the Directors excluding the Independent Directors are liable to retire by rotation at the ensuing AGM. Additional information, pursuant to clause 49 of the listing agreement with the stock exchanges, in respect of the Directors seeking appointment / re-appointment at the AGM is furnished as annexure to the Corporate Governance Report. The Directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.

17. The Company has transferred the unpaid or unclaimed dividends declared up to Financial Years 2006-07, 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 30<sup>th</sup> September 2014 (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.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/RTA.

19. Members holding shares in single name and physical form may obtain Nomination Forms from the Company's Registrar and Transfer Agents. Members holding shares in

electronic form may obtain the Nomination Forms from their respective Depository Participants.

20. The members holding shares in the same name or in the same order of names, under different folios, are requested to notify the relevant details of the said holdings to M/s Sharex Dynamic (India) Pvt. Ltd. for consolidation of their shareholding in to a single folio.

21. In case of joint holder attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.

22. Non-Resident Indian Members are requested to inform RTA, immediately of:

- (a) Change in their residential status on return to India for permanent settlement.
- (b) Particulars of their bank account maintained in India with complete name, branch account type, account number and address of the bank with pin code number, if not furnished earlier.

23. Information and other instructions relating to e-voting are as under

(a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

(b) The facility for voting either through ballot form / polling paper shall also be made available at the venue of the AGM. The members who are attending the meeting who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting.

(c) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again

(d) The Company has engaged the services of Central Depository Services Limited (CDSL) as the agency to provide e-voting facility.

(e) The Board of Directors of the Company has appointed Mr. Hemanshu L. Kapadia proprietor of M/s. Hemashu Kapadia & Associates, Practicing Company Secretary, Mumbai as the Scrutinizer, failing him Mr. Vipin Mehta, a partner of VPP & Associates, Practicing Company Secretary, Mumbai in his personal capacity will act as Scrutinizer to scrutinize entire voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.

(f) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 23<sup>rd</sup> September, 2015.

(g) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. 23<sup>rd</sup> September, 2015, only shall be entitled to avail the facility of remote e-voting / Poll.

**The instructions for shareholders voting electronically are as under:**

(i) The voting period begins on 26<sup>th</sup> September, 2015 at 10.00 a.m. and ends on 29<sup>th</sup> September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23<sup>rd</sup> September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</p>



<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details</b>	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</li> </ul>

(viii) After entering these details appropriately, click on “SUBMIT” tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for “Sundaram Multi Pap Limited” on which you choose to vote.

(xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

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

**Sd/-  
Manik R. Makwana  
Company Secretary**

**Place: Mumbai  
12<sup>th</sup> August, 2015**

**Registered Office:  
5/6, Papa Industrial Estate, Suren Road, Andheri (E),  
Mumbai - 400 093, Maharashtra, India  
CIN: L21098MH1995PLC086337**

#### **STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)**

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as “the Act”) the following Explanatory Statement sets out the material facts relating to the Special Business under item No. 3 to 6 of the accompanying Notice dated 12<sup>th</sup> August 2015.

#### **Item No.3:**

The Board of Directors of the Company at its meeting held on 30<sup>th</sup> March, 2015 appointed Ms. Minjal V. Kadakia

(DIN: 07135977) as an Additional Independent Director of the Company with effect from 30<sup>th</sup> March 2015. Pursuant to provisions of Section 161(1) of the Companies Act, 2013, Ms. Minjal V. Kadakia (DIN: 07135977) holds office up to the date of this Annual General Meeting of the Company. The Company has received notice in writing under the provision of Section 160 of the Companies Act, 2013 from a member, along with a deposit of requisite amount proposing the candidature of Ms. Minjal V. Kadakia (DIN: 07135977) for the office of Director of the Company, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Ms. Minjal V. Kadakia (DIN: 07135977) (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under sub-Section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in Sub-Section (6) of Section 149 of the Companies Act, 2013. The resolution seeks the approval of members for the appointment of Ms. Minjal V. Kadakia (DIN:07135977) as an Independent Director of the Company for a period of five years up to 29<sup>th</sup> March, 2020 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She will not be liable to retire by rotation.

In the opinion of the Board, Ms. Minjal V. Kadakia (DIN:07135977), the Independent Director proposed to be appointed, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder and she is Independent of the Management. A copy of the draft letter for the appointment of Ms. Minjal V. Kadakia (DIN:07135977) as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during normal business hours on working days up to date of the Annual General Meeting.

Brief Profile and other details of Ms. Minjal V. Kadakia (DIN: 07135977) is given on Page 53 of this Annual Report.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Ms. Minjal V. Kadakia (DIN: 07135977) whose appointment is proposed in this resolution are in any way concerned or interested in the resolution.

The Board recommends the resolution set forth in Item no. 3 for the approval of the members.

#### **Item No.4**

Mr. Amrut P. Shah (DIN 00033120) was appointed as the Managing Director of the Company by the Board in its

meeting held on 31<sup>st</sup> March 2012 for period of three years w.e.f. 1<sup>st</sup> April 2012. Thus, his tenure as Managing Director of the Company was effective till 31<sup>st</sup> March 2015. The Board of Directors, on recommendation of the Nomination and Remuneration Committee, in their meeting held on 30<sup>th</sup> March 2015 has, subject to the necessary approvals, re-appointed Mr. Amrut P. Shah (DIN 00033120) as Managing Director of the Company with effect from 1<sup>st</sup> April 2015 for period of three years i.e. till 31<sup>st</sup> March 2018 on such terms and conditions including remuneration as set out in the agreement entered into on 7<sup>th</sup> April, 2015 between the Company and Mr. Amrut P. Shah (DIN 00033120) which are as follows:

1. This agreement will be effective from 1<sup>st</sup> April 2015.
2. Mr. Amrut P. Shah agrees to serve the Company as its Managing Director.
3. Mr. Amrut P. Shah will work under the superintendence, control and direction of the Board of the Company.
4. Mr. Amrut P. Shah 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 restricting the general powers of management as mentioned above, Mr. Amrut P. Shah shall exercise the following powers on behalf of the Company:
  - a. 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;
  - b. 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;
  - c. To make, sign, draw, accept, endorse, negotiate, sell and transfer on behalf of the Company all Cheques, Bills of Exchanges, Drafts, Hundies, Promissory Notes, Dock-Warrants, Delivery Orders, Railway Receipts, Bills of lading and other Mercantile Documents and other Negotiable Instruments and securities;
  - d. 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;
  - e. 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;
  - f. To receive and to give effectual receipts and discharges of moneys, funds, goods or property payable to or to be received by the Company;



g. 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;

h. 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;

i. 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;

j. 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;

k. 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;

l. 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;

m. 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;

n. 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;

o. 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;

p. Subject to the provisions of Sec 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;

q. Subject to the provisions of Sec 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;

r. 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;

s. 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;

t. 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, muddams, 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;

u. 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;

v. 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;

w. And generally 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. Mr. Amrut P. Shah (DIN: 00033120) may hold office as Managing Director of the Company for three (3) years starting from 1<sup>st</sup> April 2015 till 31<sup>st</sup> March 2018, except terminated as per point no.7, which may be renewed from time to time as per the discretion of the Board.

7. The Company or Mr. Amrut P. Shah (DIN: 00033120) 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.

8. Mr. Amrut P. Shah (DIN: 00033120) must devote his full time and attention to the Company's business.

9. Mr. Amrut P. Shah (DIN: 00033120) must always comply with the directions given and regulations made by the Board and he will faithfully serve the Company and use his best endeavours to promote its interests.

10. For the services provided, the Company will pay Mr. Amrut P. Shah the salary of not exceeding ₹ 42 lacs p.a. which will be as under:

<b>Basic Pay</b>	Rs.42 lacs p.a. (will be paid exclusive of the perquisites, as mentioned below, which shall not be included in the computation of ceiling stated herein.)
<b>Allowance &amp; Perquisite</b>	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.
<b>Increments</b>	Increments may be given subject to the overall limits specified under Section 197 read with Schedule V of the Companies Act, 2013.

11. Subject to the provisions of the Act, Mr. Amrut P. Shah (DIN: 00033120) as Director will be liable to retire by rotation, but his office of the Managing Director will come to an end if he ceases to hold office of Director for any reason.

12. While he holds the office of Managing Director or at any time thereafter, Mr. Amrut P. Shah (DIN: 00033120) will not reveal to any person, or use for his own or somebody else's benefit, any confidential information concerning Company's business or affairs or any trade secrets or processes of the Company. Mr. Amrut P. Shah (DIN: 00033120) shall, while he holds the office of the Managing Director, also use his best endeavours to prevent any other person from doing so.

13. Mr. Amrut P. Shah (DIN: 00033120) 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.

14. 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.

#### Item No. 5

Mr. Shantilal P. Shah (DIN 00033182) was appointed as the Whole time Director of the Company by the Board in its meeting held on 31<sup>st</sup> March 2012 for period of three years w.e.f. 1<sup>st</sup> April 2012. Thus, his tenure as Whole-time Director of the Company was effective till 31<sup>st</sup> March 2015. The Board of Directors, on recommendation of the Nomination and Remuneration Committee, in their meeting held on 30<sup>th</sup> March 2015 has, subject to the necessary approvals, re-appointed Mr. Shantilal P. Shah (DIN: 00033182) as Whole time Director of the Company with effect from 1<sup>st</sup> April 2015 for period of three years i.e. till 31<sup>st</sup> March 2018 on such terms and conditions including remuneration as set out in the Letter of Appointment dated 30<sup>th</sup> March 2015 which are as follows in brief:

#### Duration of Appointment:

The re-appointment is for an initial term of Three years commencing from 1<sup>st</sup> April, 2015 till 31<sup>st</sup> March, 2018 (liable to retire by rotation), subject to the approval of members.

#### 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 pro-actively 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 ₹ 42 lacs 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:

1. 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.
2. 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 2014-15. As a result the proposed remuneration of ₹ 42 lakhs p.a. 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. 4 & 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. 4 & 5 above:

#### I. GENERAL INFORMATION:

(1) Nature of Industry: **Paper and Stationery**

(2) Date of Commencement of commercial production: **13<sup>th</sup> March 1995**

(3) In case of new Company, expected date of Commencement of activities as per project approved by Financial Institutions appearing in the Prospectus: **Not Applicable**

(4) 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 lacs)

Particulars	2014-15	2013-14
Total Income	8,349.76	15,472.81
Profit before Interest, Depreciation & Amortization	138.63	1,924.96
Less : Interest	87.34	1,373.38
Depreciation & Amortization	330.68	484.12
<b>Profit / (Loss) before extraordinary item &amp; tax</b>	(279.39)	67.44
Less: Extra-ordinary item	1,469.43	-
<b>Profit / (Loss) before tax</b>	(1,748.82)	67.44
Less: Net provision for tax	--	71.63
Less: Short provision for earlier year	(74.16)	(14.44)
<b>Profit / (Loss) after tax</b>	(1,674.66)	10.25

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.

(5) Foreign Investments or Collaborations, if any:

The total holdings of Foreign Institutional Investors as on 31<sup>st</sup> March 2015 is 1,28,25,702 Equity shares of ₹1/- each constituting 5.95% of the Paid up Equity Share Capital. There is no foreign collaboration.

#### II. INFORMATION ABOUT THE APPOINTEE:

##### A) Mr. Amrut P. Shah:

##### (1) Background details:

Mr. Amrut P. Shah, (DIN: 00033120) Age 54, Promoter, is the CMD of the Company. He brings with him more than 30 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.

##### (2) Past Remuneration:

(₹ in lacs)

Period		Salary (p.a)
From	To	
01/04/2012	31/03/2013	120.00
01/04/2013	31/03/2014	20.00
01/04/2014	31/03/2015	20.00

##### (3) Recognition/Awards:

Mr. Amrut P. Shah is, inter alia, associated with the following bodies:



Sr. No.	Name of the Associations	Position
1	Maharashtra Book Manufacturing Association	Secretary
2	Mumbai Notebook Manufacturing Association	Secretary

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
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:

Mr. Amrut P. Shah is the Managing Director of our Company having almost 3 decades of experience in the industry. He functions under the control, superintendence and direction of the Board of Directors. 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.

#### (5) Remuneration proposed:

(₹ In lacs)

Period		Salary (p.a)
From	To	
01/04/2015	31/03/2018	42.00

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

Mr. Amrut P. Shah (DIN 00033120) 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

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 almost 3 decades. In Maharashtra it is one of the top two brands with 15% market share. The Company's existing capacity of conversion of paper into various paper stationery product stands at 25000 tonnes of paper and 4500 tonnes of boards per annum. Mr. Amrut P. Shah (DIN 00033120) 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. He has transformed his vision of e-learning by launching 'e-class', through its wholly owned subsidiary i.e. E-class Education System Ltd., which is 100 % syllabus based quality digital animation content for State Board K-10 Segment of Maharashtra State in both English, Marathi and Semi-English medium.

The turnover of our Company, as per the audited accounts, for the year ended 31.03.2015 was ₹ 8,349.76 lacs. There are 143 employees on the Payroll as on date. 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.

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

Mr. Shantilal P. Shah (DIN 00033182), Whole-time Director is related to Mr. Amrut P. Shah (DIN 00033120), Managing Director. Mr. Amrut P. Shah (DIN 00033120) does 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. Mr. Amrut P. Shah (DIN 00033120) holds 2,32,88,887 Equity Shares of ₹1/- each in the Company constituting 10.80% of total outstanding shares of the Company as on 31<sup>st</sup> March 2015.

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

Sr. no.	Name	Nature of Relationship	Shareholding in Company as on 31 <sup>st</sup> March, 2015
1	Shantilal P. Shah	Whole-time Director, KMP, Brother	1,47,87,157 (6.86%)
2	Raichand P. Shah	Plant Manager, Brother	2,68,98,304 (12.48%)

## B) Mr. Shantilal P. Shah

### (1) Background details:

Mr. Shantilal P. Shah (DIN 00033182), Age 45, 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.

### (2) Past Remuneration:

(₹ In lacs)

Period		Salary (p.a)
From	To	
01/04/2012	31/03/2013	60.00
01/04/2013	31/03/2014	10.00
01/04/2014	31/03/2015	10.00

### (3) Job Profile and Suitability:

Mr. Shantilal P. Shah (DIN 00033182) is the Whole-time Director of our Company. He functions under the control, superintendence and direction of the Board of Directors. 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.

### (4) Remuneration proposed:

(₹ In lacs)

Period		Salary (p.a)
From	To	
01/04/2015	31/03/2018	42.00

### (5) Comparative Remuneration Profile with respect to Industry, size of the Company, Profile of the position and person:

Mr. Shantilal P. Shah (DIN 00033182) 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 1<sup>st</sup> August, 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 stationery market in western India for the last 26 years. In Maharashtra it is one of the top two brands with 15% market share. The Company's existing capacity of conversion of paper into various paper stationery product stands at 25000 tonnes of paper and 4500 tonnes of boards per annum. Mr. Shantilal P. Shah (DIN 00033182) strived hard to create the brand 'SUNDARAM' in the market.

The turnover of our Company, as per the audited accounts, for the year ended 31.03.2015 is ₹ 8,349.76 lacs. There are 143 employees on the Payroll as on date. 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.

### (6) Pecuniary Relationship, directly or indirectly, with the Company or relationship with the Managerial Personnel, if any:

Mr. Shantilal P. Shah (DIN: 00033182), Whole-time Director, and Mr. Amrut P. Shah (DIN: 00033120), Managing Director of the Company, are related to each other. Mr. Shantilal P. Shah (DIN 00033182), does not have any other pecuniary relationship, directly or indirectly with the Company or managerial personnel except to the extent of his shareholding in the equity share capital of the Company and the salary drawn by him as Whole-time Director. Mr. Shantilal P. Shah holds 1,47,87,157 Equity Shares of ₹1/- each in the Company constituting 6.86% of total outstanding shares of the Company as on 31<sup>st</sup> March, 2015.

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

Sr. no.	Name	Nature of Relationship	Shareholding in Company (more than 2% as on 31 <sup>st</sup> March, 2015)
1	Amrut P. Shah	Chairman & Managing Director, KMP, Brother	2,32,88,887 (10.80%)
2	Raichand P. Shah	Plant Manager, Brother	2,68,98,304 (12.48%)

## III. Other Information:

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

The turnover of the Company for the year 2014-15 is ₹ 8,349.76 lacs as against ₹ 15,472.81 lacs for the year 2013-2014. The Company has incurred a net loss of ₹ 1,674.66 lacs as against the profit of ₹ 10.25 lacs for the year 2013-14. With the growing market players and tough competition in



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:**

The Company has already installed for the first time 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 strategy of increasing the capacity through the upgrades/expansion at its locations, wherever feasible, has been achieved and is in place assuring value to the stakeholders. 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. Further, it is continuous efforts of the Management to improve profitability of the Company.

## **(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 increasing the capacity through up gradation and expansion at its locations, wherever feasible, it is expected that the production level will increase tremendously 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 from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2018:**

(₹ in lakhs)

<b>Name &amp; Position</b>	<b>Salary* (p.a)</b>
Mr. Amrut P. Shah (DIN 00033120), Chairman and Managing Director	42.00
Mr. Shantilal P. Shah (DIN 00033182), Whole-time Director	42.00

\* Subject to necessary approvals

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 2014-15.

The remuneration package includes only Salary. The salary is the fixed component. There are no performance linked incentives. As per the agreement entered between the Company and the Directors as mentioned above, term of appointment is 3 years from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2018. The notice period is of 3 months/1month before the date on which the termination is come into effect. Severance fees are not applicable. No stock options have been issued.

Your Board recommends the Ordinary resolution as set out in Item No. 4 & 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 and Mr. Shantilal P. Shah, are disclosed in Corporate Governance report and in the additional information given pursuant to Clause 49 of the Listing Agreement regarding appointment of a new Director or /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) and Mr. Shantilal P. Shah (DIN: 00033182) whose appointment is proposed in these resolutions are in any way concerned or interested in the resolution.

### **Item No. 6**

The existing Clause 152 of Article of Association (AOA) requires the Company to affix the seal of the Company to any instrument in the presence of at least two Directors and of the Secretary or such other person as the Board may appoint for the purpose; and those two Directors and of the Secretary or other person shall sign the every instruments to which the seal of the Company is so affixed in their presence.

In the opinion of the Board, to facilitate smooth working and for the convenience of the company, the existing clause 152 needs to be replaced as given in the Item No. 6 of the Notice of the Annual General Meeting.

The proposed amended Clause 152 requires the Company to affix the Seal of the Company to any instrument in the presence of any one Director or such other person as the Board may authorize and that one Director or such other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

The Board recommends the Special Resolutions set out in Item No. 6 of the Notice for approval of the members.

None of the Directors and / or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution.

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

Sd/-

**Manik R. Makwana**  
Company Secretary

**Place: Mumbai**

**12<sup>th</sup> August, 2015**

**Registered Office:**

**5/6, Papa Industrial Estate, Suren Road, Andheri (E),  
Mumbai - 400 093, Maharashtra, India**

**CIN: L21098MH1995PLC086337**

**E-mail:info@sundaramgroups.in**

**BOARD OF DIRECTOR'S REPORT****Dear Shareholders,**

On behalf of the Board of Directors, it is our pleasure to present the 21<sup>st</sup> Annual Report together with the Audited Statement of Accounts of **Sundaram Multi Pap Limited** ("the Company") and its subsidiary for the year ended 31<sup>st</sup> March, 2015.

**FINANCIAL PERFORMANCE:**

The financial performance of Company for the year ended 31<sup>st</sup> March, 2015 is summarized below:

(₹ In Lacs)

Particulars	2014-15	2013-14
Total Income	8,349.76	15,472.81
Profit before Interest, Depreciation & Amortization	138.63	1,924.96
<b>Less : Interest</b>	87.34	1,373.38
Depreciation & Amortization	330.68	484.12
<b>Profit / (Loss) before extraordinary item &amp; tax</b>	(279.39)	67.44
Less: Extra-ordinary item	1,469.43	-
<b>Profit / (Loss) before tax</b>	(1,748.82)	67.44
Less: Net provision for tax	--	71.63
Less: Short provision for earlier year	(74.16)	(14.44)
<b>Profit / (Loss) after tax</b>	(1,674.66)	10.25
Add: Balance brought forward from previous year	4,380.32	4,395.29
Add: Depreciation adjusted against free reserves	(2,467.61)	--
Balance available for disposal	238.05	4,405.54
Less: Appropriation:		
Proposed Dividend	--	21.56
Dividend tax	--	3.66
Transfer to general reserve	--	--
Balance to be carried forward	238.05	4,380.32

**SUMMARY OF OPERATIONS:**

The revenue from the operations decreased by 54% to ₹ 8,349.76 Lacs for the year ended 31<sup>st</sup> March, 2015 as compared to ₹ 15,472.81 Lacs for the year ended 31<sup>st</sup> March, 2014. Steep decline in the trading sales has resulted in to low turnover. The Company has incurred a loss of ₹ 279.39 lacs before extra-ordinary items & tax for the year as compared to the profit of ₹ 67.44 lacs for the year ended 31<sup>st</sup> March, 2014. During the year the Company has incurred a loss of ₹ 1,469.43 lacs from the sale of non-moving inventories and other exceptional items. Thus, the Company has incurred a net loss of ₹ 1,674.66 Lacs for the year ended 31<sup>st</sup> March, 2015 as compared to the profit of ₹ 10.25 Lacs for the year ended 31<sup>st</sup> March, 2014.

**TRANSFER TO RESERVE:**

In view of the losses incurred by the Company, your Directors

**DIVIDEND:**

In view of the Loss incurred by your Company, Board of Directors does not recommend any dividend for the Financial Year 2014-15.

**MATERIAL CHANGES AND COMMITMENT:**

During the year under review the Company had approached the Bankers for the restructuring of loan, which was agreed upon by the bankers. As per the restructuring terms, the Company has pledged 1,49,99,900 Equity Shares of ₹ 10/- each of its Wholly Owned Subsidiary viz. E-class Education System Limited to SBICAP Trustee Company Limited (SBICAPTCL). The pledged shares are held by SBICAPTCL as a trustee for State Bank of India (Ahmedabad Branch) together with IDBI Bank Ltd (Ahmedabad Branch). Your Management is looking forward to clear all the debts and set free the said pledge by the end of Financial Year 2015-16.

There have been no such material changes or commitments affecting the financial position from the end of the Financial Year 2014-2015 till date of this report, as may be deemed to be material enough to affect the financial position of the Company, otherwise than in the normal course of business.

**CHANGES INCLUDING MATERIAL CHANGES DURING THE YEAR:**

During the year Company has closed down the Nagpur Paper unit due to non-implementation of projects and other technological obsolescence.

Further Company's registered office has been shifted from 903, Dev plaza, Opp. Andheri Fire Station, S.V. Road, Andheri West, Mumbai: 400058 to 5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093 w.e.f. 02/12/2014 for better efficiency at work place and to save the administration cost.

**CAPITAL/ FINANCE:**

During the year, the Company has not issued and allotted any fresh Share capital.

As on 31<sup>st</sup> March, 2015, the issued, subscribed and paid up share capital of your Company stood at ₹ 21,56,05,773/- (Rupees Twenty One Crores Fifty Six Lakhs Five Thousand Seven Hundred and Seventy Three Only), comprising 21,56,05,773 (Twenty One Crores Fifty Six Lakhs Five Thousand Seven Hundred and Seventy Three )Equity shares of ₹ 1/- (Rupee One Only)each.

**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.

**MEETING OF THE BOARD OF DIRECTORS:**

The Board met Nine (9) times during the Financial Year 2014-15 viz. on 24<sup>th</sup> May, 2014, 22<sup>nd</sup> July, 2014, 14<sup>th</sup> August, 2014, 27<sup>th</sup> October, 2014, 14<sup>th</sup> November, 2014, 1<sup>st</sup> December, 2014, 30<sup>th</sup> December, 2014, 12<sup>th</sup> February, 2015 and 30<sup>th</sup> March, 2015.

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.

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

As per the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Company has formed Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship 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/other-information/>)

#### **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 Financial Year and of the loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis;
- (e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The Company has received necessary declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed under the Section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered with the stock exchanges.

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

The Company has constituted a Nomination and Remuneration Committee with 3 Non-Executive Directors, all the three Directors are Independent Directors. The Chairman of the Committee is an Independent Director. The Company has framed a Nomination, Remuneration and Evaluation Policy. The information under section 134 (3) (e) of the Companies Act, 2013 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 is attached as Annexure-2 to this report.

#### **FORMAL ANNUAL EVALUATION MADE BY BOARD OF ITS OWN PERFORMANCE AND OF ITS COMMITTEE AND OF INDIVIDUAL DIRECTORS:**

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out annual performance evaluation of its own performance, the directors individually as well as evaluation of working of committees of Board of Directors.

Executive Directors were evaluated on the basis of targets / criteria given to them by the board from time to time as well as per their terms of appointment. Independent Directors, being evaluated by entire board except of Director being evaluated, on meeting their obligations connected with their independence criteria as well as adherence with the requirements of professional conduct, roles, functions and duties specifically applicable to Independent Directors as contained in Schedule IV to the Companies Act, 2013. Chairman and other Non-Independent Directors were being evaluated by Independent Directors, who also reviewed the performance of secretarial department. Performance evaluation of the Committees and that of its members in effectively discharging their duties, were also being carried out by board.

The overall performance of Chairman, Executive Directors and Non-Executive Directors of the Company is satisfactory. The review of performance was based on criteria of performance, knowledge, analysis, quality of decision making etc.

#### **AUDITORS:**

##### **A. STATUTORY AUDITORS**

#### **Ratification:**

M/s. Bhuta Shah & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 101474W), Statutory Auditors of the Company, were appointed as the Statutory Auditors of the Company to hold the office for a period of three years, from the conclusion of last Annual General Meeting of the Company held on 30<sup>th</sup> September, 2014. The said appointment needs to be ratified by the members of the Company at every Annual General Meeting during the said period and the Statutory Auditors have confirmed their



eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

As required above, the Board has, after considering the recommendations of its Audit Committee, incorporated a suitable resolution for your consideration and approval in the notice calling ensuing Annual General Meeting of the Company.

#### **Auditors Observations:**

The auditor has qualified opinion over the matter of provision for Gratuity and “Discontinuing Operations”. They have further emphasized over the matter of certain trade receivables and provisions not made for loans and advances given to wholly owned subsidiary company. For further details refer Independent Auditors Report on Pg no. 55 of the this Annual Report .

#### **Management's Response:**

Response for Gratuity:

The Company has made a provision of ₹ 7 Lacs for Gratuity on estimated basis. The Company has already appointed actuary to carry out actuarial valuation of gratuity. On receipt of report appropriate action would be taken.

Response for Note No. 42 : Paper Mill at Nagpur

The Company is advised that Accounting Standard (AS) 24 relates to “Discontinuing Operations”. The Company's matter falls under the sub-clause related to abandonment / termination of operations. Under para 15(b) related to “initial disclosure event”, discontinuing operation event takes place on the enterprise's board of directors or similar governing body has both (i) approved a detailed, formal plan for the discontinuance and (ii) made an announcement of the plan.

In case of your company the Board has not yet approved a detailed, formal plan for discontinuance.

In view of above mentioned facts and provisions of Accounting Standard (AS) 24, the Management is of the view that auditor's qualification in this regard is unwarranted / matter of caution. The Company has informed / made announcement to all its stakeholders. As and when initial disclosure event takes place your company will appropriately take necessary steps and make necessary disclosure.

The Auditor has emphasized over the matter of balance of certain trade receivables and advances. The amount are considered realizable. The management is taking necessary steps to recover the trade receivables.

The Auditor has emphasized over the matter of provision not made for loan and advances given to its wholly owned subsidiary company viz. E-class education System Limited. In view of the Management of your Company the loans and advances given by the Company to its wholly owned subsidiary viz. E-class Education System Limited amounting to ₹ 22.32 crores are outstanding as on 31<sup>st</sup> March, 2015. The subsidiary company is expecting a robust growth with good amount of margin in the near future. The management of the

Company is of the opinion that if the expectation of the subsidiary materializes in the near future, then a good amount of turn around can be seen in the subsidiary. Further the management of the Company is of the opinion that the diminution in the value of investment and loans and advances does not have any material impact on the financial statement of 31<sup>st</sup> March, 2015 and hence no provision was made by the Company.

#### **B. SECRETARIAL AUDITORS**

##### **Appointment:**

Pursuant to Section 204 of the Companies Act, 2013, your Company has appointed M/s. Hemanshu Kapadia & Associates, Practicing Company Secretaries, Mumbai as its Secretarial Auditors to conduct the Secretarial Audit for FY 2014-15. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit.

##### **Auditors Observations:**

The Company has complied with the provisions of the Section 205 of the Companies Act 1956. However there was a reported delay in the payment of Dividend.

##### **Management's Response:**

The Company had made a provision for the Dividend, approved by the members in the AGM held on 30<sup>th</sup> September, 2014, however due to unanticipated event the amount was utilized by the Company for the said event and hence there was a delay in the payment of dividend. As soon as the funds were available with the company, the dividend was paid to the shareholders.

##### **Secretarial Audit Report:**

The Report of Secretarial Auditor for FY 2014-15 is annexed to this report as **Annexure-3**.

#### **C. INTERNAL AUDITOR**

The Company continues to engage Prakash Muni & Associates (ICAI Firm Registration No. 111792W) as its Internal Auditor. 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.

#### **D. COST AUDITOR**

During the year under review Cost Audit was not applicable to the Company's products/ business.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

There was no loan given or guarantee given or investment made or security provided pursuant to Section 186 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

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

During the year, the Board of Directors, on the recommendation of the Audit Committee, in their meeting held on 30<sup>th</sup> March, 2015 has appointed Mr. Raichand P. Shah, brother of Mr. Amrut P. Shah, Chairman and Managing Director and Mr. Shantilal P. Shah, Whole-time Director, as the Plant Manager of the Company w.e.f 1<sup>st</sup> April, 2015. On such terms and conditions including remuneration as set out in the Letter of Appointment dated 30<sup>th</sup> March 2015. The company has not entered into any other transaction falling under Section 188 (1) of the Companies Act, 2013; therefore disclosure under this section is not applicable to the Company. Also policy on related party transaction has been disclosed on the website of the Company at (<http://www.sundaramgroups.in/wp-content/uploads/2015/02/05.-Related-party-transaction-policy.pdf>).

The Company has 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.

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

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

**(A) CONSERVATION OF ENERGY**(a) Steps taken on conservation of energy:

- Transparent roof in the factory premises
- Controlling the process parameter
- High efficient machinery aids in saving energy
- Plant is equipped with energy saving lamps
- Self power generation unit

(b) The steps taken by the company for utilizing alternate sources of energy:

The Company has installed the transparent roof in the working area at the factory premises. This leads to natural light in the factory premises and helps in saving the energy and electricity. The transparent roof drastically enables the company to reduce the artificial lightning.

The self-power generator enables the company to overcome the breakdown in the electricity supply and facilitates the continuous working of the production process without any hindrance.

(c) The capital investment on energy conservation equipments:

Capital Investments were incurred in the earlier years, but no investment was made on energy conservation equipments during the previous year.

**(B) TECHNOLOGY ABSORPTION**(a) The efforts made towards technology absorption:

- Fully auto book manufacturing machine
- Adoption of partly automation process

(b) The benefits derived from the machinery:

- Minimized the labour cost and the cycle time of work-in-progress
- Increase in the production.
- Better quality of products.
- Low amount of wastage.

(c) In case of imported technology:

No technology was imported by the Company during the last three years reckoned from the beginning of the financial year.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars	2014-15	2013-14
Earnings	-	₹ 2,94,38,630
Expenditures/Outgo	₹ 31,375	₹ 55,96,126

**BUSINESS RISK MANAGEMENT & RISK MANAGEMENT POLICY:**

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

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

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, Competition, Business risk, Technology obsolescence, Investments, Retention of talent and Expansion of facilities.

Risk Management framework shall primarily focus on the elements such as Risk to Company Assets and Property, Employees Related Risks, Foreign Currency Risks, Risks associated with Non-Compliance of Statutory enactments, Competition Risks, Operational Risks and various other types of risks which may affect the business or organization. Business risk, inter-alia, further includes Financial risk, Political risk, Fidelity risk, Legal risk.

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

Pursuant to Clause 4 of the SEBI Circular CIR/CFD/POLICY CELL/2/2014 dated 17<sup>th</sup> April, 2014; the provision



of Clause 49(VI) (C) of the Listing Agreement 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/wp-content/uploads/2015/02/02.-Risk-Management-Policy.pdf>)

#### **THE DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR RESIGNED DURING THE YEAR:**

During the year under review Mr. Jagdish J. Kothari (DIN: 00033271), Mr. Manikandam P. Kammenchery (DIN: 03323385) & Mr. Kaushal R. Sheth (DIN: 06949468) were appointed as the Independent Directors by the Shareholders in the AGM held on 30<sup>th</sup> September, 2014 for a term of five (5) years.

Mr. Manik R. Makwana was appointed as the Company Secretary & Compliance Officer and a Key Managerial Personnel of the Company w.e.f from 1<sup>st</sup> January, 2015.

Ms. Minjal V. Kadakia (DIN: 07135977) was appointed as the Additional Independent Women Director on the Board w.e.f 30<sup>th</sup> March, 2015. The Company has received notice in writing from Member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing candidature of Ms. Minjal V. Kadakia (DIN: 07135977), who holds the office of Director up to the date of ensuing AGM, as an Independent Director not liable to retire by rotation and to hold the office for the period of 5 years with effect from 30<sup>th</sup> March, 2015 till 29<sup>th</sup> March, 2020.

Mr. Rajesh B. Jain was appointed as the Chief Financial Officer and a Key Managerial Personnel of the Company w.e.f 1<sup>st</sup> April, 2015.

Mr. Paresh Kumar P. Jain (DIN: 05159799) and Mr. Mahip Agarwal (DIN: 03509204), who were liable to retire by rotation and being eligible, but did not offer themselves for re-appointment at the Annual General Meeting, vacated the position of Director w.e.f 30<sup>th</sup> September, 2014.

Mr. Jagdish J. Kothari (DIN: 00033271) Independent Director and Mr. Hasmukh A. Gada (DIN: 00033151), Whole-time Director & Chief Financial Officer of the Company demitted office as the Director with effect from 1<sup>st</sup> April, 2015.

The term of Mr. Amrut P. Shah (DIN: 00033120) as the Managing Director of the Company and of Mr. Shantilal P. Shah (DIN: 00033182) as the Whole-time Director of the Company expired on 31<sup>st</sup> March, 2015. Subject to the approval of the Members in the ensuing AGM, the Board has re-appointed Mr. Amrut P. Shah (DIN: 00033120) as Managing Director of the Company and Mr. Shantilal P. Shah (DIN: 00033182) as Whole-time Director of the Company

with effect from 1<sup>st</sup> April, 2015 for a term of three years. Therefore none of the Directors excluding the Independent Directors are liable to retire by rotation at the ensuing AGM.

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

During the year under review, the 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.

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

During the year under review no complaints has been received by Company under The Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013.

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE:**

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

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

Your Company has in place adequate systems of Internal Control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable Financial and Operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of internal policies. The Company has a well-defined delegation of power with authority limits for approving revenue as well as capital expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down to ensure adequacy of the control system, adherence to the management instructions and legal compliances. The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

#### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:**

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-5 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 not applicable to the Company as no Employees were employed during the year which crosses the limits given under the said rule.

#### **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:**

During the year Company have transferred unclaimed dividend amount of ₹ 54,699/- pertaining to Financial Year 2006-07, to Investor Education Protection Fund on 29/11/2014. Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 30/09/2014), with the Ministry of Corporate Affairs.

#### **STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES:**

As on 31<sup>st</sup> March, 2015 your Company has only one Wholly Owned 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.

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient feature of the financial statement of a company's subsidiary or subsidiaries, associate company or companies and joint venture or ventures is given as Annexure-4.

#### **CORPORATE GOVERNANCE:**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company has also implemented several best corporate governance practices as prevalent globally. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

#### **VIGIL MECHANISM:**

Pursuant to the requirement of the Companies Act 2013 and provisions of Listing Agreement applicable to the Company, your Company has adopted Vigil mechanism (Whistle Blower Policy) for satisfying the Company's Code of Conduct and Ethics, and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. The reportable matters may be

disclosed by the employees to the Management / Managing Director / Chairman of the Audit Committee. No complaint was received during the Financial Year 2014-15. During the year under review, no employee was denied access to the Audit Committee.

#### **HUMAN RESOURCES:**

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

#### **UNCLAIMED DIVIDEND:**

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	Total amount unclaimed (in ₹)
2007-08	181958
2008-09	54248
2009-10	67029
2010-11	52317
2011-12	48097
2012-13	97517
2013-14	51436

The Board of Directors sincerely likes to remind the concerned shareholders to claim their dividends. The Board also likes to inform to the shareholders that any dividend remaining unclaimed for seven years gets transferred to Investor Education & Protection Fund as per Section 125 of the Companies Act, 2013.

#### **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**

**Date: 12<sup>th</sup> August, 2015  
Place: Mumbai**

## Annexure-1 FORM MGT-9

<b>EXTRACT OF ANNUAL RETURN</b> <b>As on financial year ended 31.03.2015</b> <b>[Pursuant to Section 92(3) of the Companies act, 2013 read with</b> <b>[The Companies (Management and Administration) Rules, 2014] FORM NO. MGT-9</b>										
<b>A.REGISTRATION AND OTHER DETAILS:</b>										
CIN:-					L21098MH1995PLC086337					
Registration Date:					13-03-1995					
Name of the Company:					<b>Sundaram Multi Pap Limited</b>					
Category / Sub-Category of the Company					Indian- Non Government Company					
Address of the Registered office and contact details:					5/6 Papa Industrial Estate, Suren Road, Andheri (E), Mumbai - 400 093, Maharashtra, India. Tel: 022 6760 2200, Fax- 022 6760 2244					
Whether listed company					Yes					
Name, Address and Contact details of Registrar and Transfer Agent, if any					M/s. Sharex Dynamic (India) Pvt. Ltd., Unit No. 1, Luthra Ind. Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai- 400 072 Tel: 022 2851 5606, Fax: 022 2851 2885					
<b>B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:</b>										
<b>Qs No.</b>	<b>Name and Description of main products / services</b>				<b>NIC Code of the Product/ service</b>		<b>% to total turnover of the company</b>			
a.	Exercise Books & Paper (Paper & Paper Products)				17099		100%			
b.										
c.										
d.										
<b>C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>										
<b>Sr. No.</b>	<b>Name and address of the company</b>				<b>CIN/GLN</b>		<b>Holding/Subsidiary/Associate</b>		<b>% of shares held</b>	
a	E-Class Education System Limited				U80212MH2009PLC194231		SUBSIDIARY		100	
<b>D. SHARE HOLDING PATTERN</b>										
<b>i) Category-wise Share Holding</b>										
<b>Category of Shareholders</b>		<b>No. of Shares held at the beginning of the year 01/04/2014</b>				<b>No. of Shares held at the end of the year 31/03/2015</b>				<b>% Change during the year</b>
		<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>	<b>Demat</b>	<b>Physical</b>	<b>Total</b>	<b>% of Total Shares</b>	
<b>A. PROMOTER'S</b>										
<b>(1). INDIAN</b>										
<b>(a). individual</b>	117718959	0	117718959	54.60	76229348	0	76229348	35.36	19.24	
<b>(b). Central Govt.</b>	0	0	0		0	0	0	0	0	
<b>(c). State Govt(s).</b>	0	0	0		0	0	0	0	0	
<b>(d). Bodies Corpp.</b>	0	0	0		0	0	0	0	0	
<b>(e). FIINS / BANKS.</b>	0	0	0		0	0	0	0	0	
<b>(f). Any Other</b>	0	0	0	0	0	0	0	0	0	
<b>Sub-total (A) (1):-</b>	<b>117718959</b>	<b>0</b>	<b>117718959</b>	<b>54.60</b>	<b>76229348</b>	<b>0</b>	<b>76229348</b>	<b>35.36</b>	<b>19.24</b>	

<b>(2). FOREIGN</b>									
(a). Individual NRI / For Ind	.	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
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	117718959	0	117718959	54.60	76229348	0	76229348	35.36	19.24
<b>(B) (1). PUBLIC SHAREHOLDING</b>									
(a). Mutual Funds	0	0	0		0	0	0		0
(b). Banks / FI	2456585	0	2456585	1.14	125000	0	125000	0.06	-1.08
(c). Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(d). State Govt.	15828178	0	15828178	7.34	9000000	0	9000000	4.17	-3.17
(e). Venture Capital Funds	3000	0	3000	0.00	3000	0	3000	0.00	0.00
(f). Insurance Companies	0	0	0		0	0	0		0.00
(g). FIs	11997827	0	11997827	5.57	12825702	0	12825702	5.95	0.38
(h). Foreign Venture Capital Funds	0	0	0		0	0	0		0.00
(i). Others (specify)	0	0	0		0	0	0		0
Sub-total (B)(1):-	30285590	0	30285590	14.05	21953702	0	21953702	10.18	-3.86
<b>2. Non-Institutions</b>									
<b>(a). BODIES CORP.</b>									
(i). Indian	31772290	0	31772290	14.74	30660182	0	30660182	14.22	0.52
(ii). Overseas	0	0	0	0	0	0	0	0	0
(b). Individuals	0	0	0	0	0	0	0	0	0
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	13044353	1212062	14256415	6.61	37675203	1196958	38872161	18.03	11.42
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	19812824	112527	19925351	9.24	45442723	112527	45555250	21.13	11.64
(c). Other (specify)	0	0	0	0	0	0	0	0	0
Non Resident Indians	1352358	0	1352358	0.63	1416310	0	1416310	0.66	0.03
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	294810	0	294810	0.14	918820	0	918820	0.43	0.29
Trusts	0	0	0	0	0	0	0	0	0
Foreign Boodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	66276635	1324589	67601224	31.36	116113238	1309485	117422723	54.46	23.89
Total Public Shareholding (B)=(B)(1)+ (B)(2)	96562225	1324589	97886814	45.40	138066940	1309485	139376425	64.64	-19.24

C. Shares held by Custodian for GDRs & ADRs		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total (A+B+C)	214281184	1324589	215605773	100.00	214296288	1309485	215605773	100.00	0.00
(ii) Shareholding of Promoters									
Sr No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2014			Share holding at the end of the Year 31/03/2015				
		Lm mlQf _pcq	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in share holding during theyear	
1	HASMUKH A GADA (HUF)	1482000	0.69	0.00	1482000	0.69	0.00	0.00	
2	SHANTILAL P SHAH (HUF)	780000	0.36	0.16	780000	0.36	0.16	0.00	
3	HASMUKH ARJAN GADA	3187000	1.48	0.00	1887000	0.88	0.00	-0.6	
4	AMRUT P SHAH	35929325	16.66	5.10	23288887	10.80	3.74	-5.86	
5	AMRUT PREMJI SHAH (HUF)	552000	0.26	0.00	552000	0.26	0.00	0.00	
6	RAICHAND PREMJI SHAH	34808304	16.14	12.61	26898304	12.48	11.22	-3.66	
7	SHANTILAL PREMJI SHAH	20451537	9.49	7.86	14787157	6.86	4.70	-2.63	
8	MEENAXI HASMUKH GADA	1275000	0.59	0.13	525000	0.24	0.13	-0.35	
9	LAXMIBEN A GADA	945000	0.48	0.00	945000	0.48	0.00	0.00	
10	SHAH VIMLABEN AMRUT	3329512	1.54	0.00	1602000	0.74	0.00	-0.80	
11	NAYNA SHANTILAL SHAH	4510281	2.09	0.00	264000	0.12	0.00	-1.97	
12	HARDIK AMRUT SHAH	2190000	1.02	0.81	40000	0.02	0.00	-1.00	
13	RIDDHI CHIRAG GALA	611000	0.28	0.00	110000	0.05	0.00	-0.23	
14	CHETNA RAICHAND SHAH	1527000	0.71	0.00	1027000	0.48	0.00	-0.23	
15	NIDHI RAICHAND SHAH	861000	0.40	0.35	116000	0.05	0.00	-0.35	
16	RICHA RAICHAND SHAH	1347000	0.63	0.00	1392000	0.65	0.00	0.02	
17	YASH RAICHAND SHAH	1359000	0.63	0.28	359000	0.17	0.14	-0.46	
18	KRUNAL SHANTILAL SHAH	843000	0.39	0.00	43000	0.02	0.00	-0.37	
19	DIVIJ SHANTILAL SHAH	1731000	0.80	0.70	131000	0.06	0.00	-0.74	
(iii) Change in Promoters' Shareholding (please specify, if there is no change)									
Sr No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2014			Share holding at the end of the Year 31/03/2015				
		No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total Shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of Shares	% of total Shares of the Company	
1	AMRUT P. SHAH	35929325	16.66	01-04-2014	-	-	-		
				02-04-2014	-21386	Transfer	35907939	16.65	
				03-04-2014	-690000	Transfer	35217939	16.33	
				04-04-2014	-36060	Transfer	35181879	16.32	
				07-04-2014	-174159	Transfer	35007720	16.24	
				09-04-2014	-2000000	Transfer	33007720	15.31	
				10-04-2014	50000	Transfer	33057720	15.33	
				10-04-2014	-35944	Transfer	33021776	15.32	



				15-04-2014	-300000	Transfer	32721776	15.18
				15-04-2014	-2856666	Transfer	29865110	13.85
				15-04-2014	-175000	Transfer	29690110	13.77
				15-04-2014	-1700000	Transfer	27990110	12.98
				16-04-2014	-25000	Transfer	27965110	12.97
				21-04-2014	-25000	Transfer	27940110	12.96
				28-04-2014	-140000	Transfer	27800110	12.89
				30-04-2014	-280000	Transfer	27520110	12.76
				30-04-2014	-20000	Transfer	27500110	12.75
				30-04-2014	-16035	Transfer	27484075	12.75
				02-05-2014	-10000	Transfer	27474075	12.74
				02-05-2014	-120000	Transfer	27354075	12.69
				05-05-2014	-20000	Transfer	27334075	12.68
				06-05-2014	-20000	Transfer	27314075	12.67
				14-05-2014	-10000	Transfer	27304075	12.66
				23-05-2014	-30000	Transfer	27274075	12.65
				26-05-2014	-1000	Transfer	27273075	12.65
				11-06-2014	-400000	Transfer	26873075	12.46
				12-06-2014	-9000	Transfer	26864075	12.46
				13-06-2014	-10000	Transfer	26854075	12.46
				21-06-2014	-400668	Transfer	26453407	12.27
				28-06-2014	-49926	Transfer	26403481	12.25
				22-07-2014	-200000	Transfer	26203481	12.15
				28-07-2014	-1300000	Transfer	24903481	11.55
				12-08-2014	-560000	Transfer	24343481	11.29
				15-09-2014	-298824	Transfer	24044657	11.15
				18-09-2014	-384000	Transfer	23660657	10.97
				20-09-2014	58230	Transfer	23718887	11.00
				17-10-2014	-1000	Transfer	23717887	11.00
				03-11-2014	-9000	Transfer	23708887	11.00
				15-11-2014	-400000	Transfer	23308887	10.81
				26-11-2014	-5000	Transfer	23303887	10.81
				12-01-2015	-5000	Transfer	23298887	10.81
				16-01-2015	-3000	Transfer	23295887	10.80
				19-01-2015	-2000	Transfer	23293887	10.80
				20-01-2015	-2000	Transfer	23291887	10.80
				21-01-2015	-1000	Transfer	23290887	10.80
				30-01-2015	-2000	Transfer	23288887	10.80
	-Closing Balance	23288887	10.80	31-03-2015			23288887	
2	RAICHAND PREMJI SHAH	34808304	16.14	01-04-2014	-	-		
				25-04-2014	-1900000	Transfer	32908304	15.26
				08-05-2014	-10000	Transfer	32898304	15.26
				26-05-2014	-2500000	Transfer	30398304	14.10
				19-08-2014	-1000000	Transfer	29398304	13.64
				07-10-2014	-2500000	Transfer	26898304	12.48
	-Closing Balance	26898304	12.48	31-03-2015			26898304	12.48
3	SHANTILAL PREMJI SHAH	20451537	9.49	01-04-2014	-	-		
				03-04-2014	800000	Transfer	21251537	9.86
				09-04-2014	-1000000	Transfer	20251537	9.39
				10-04-2014	-783879	Transfer	19467658	9.03
				15-04-2014	-220000	Transfer	19247658	8.93
				15-04-2014	-750000	Transfer	18497658	8.58
				25-04-2014	-596120	Transfer	17901538	8.30
				20-05-2014	-500000	Transfer	17401538	8.07
				20-05-2014	1211128	Transfer	18612666	8.63
				21-06-2014	-133333	Transfer	18479333	8.57
				04-07-2014	-375000	Transfer	18104333	8.40
				11-08-2014	-1000000	Transfer	17104333	7.93
				11-08-2014	-200000	Transfer	16904333	7.84
				12-09-2014	-640000	Transfer	16264333	7.54
				19-09-2014	-1477176	Transfer	14787157	6.86
	-Closing Balance	14787157	6.86	31-03-2015			14787157	6.86
4	HASAMUKH ARJAN GADA	3187000	1.48	01-04-2014	-	-		
				04-06-2014	-244533	Transfer	2942467	1.36
				05-06-2014	-72774	Transfer	2869693	1.33
				19-06-2014	-290693	Transfer	2579000	1.20
				24-06-2014	-80000	Transfer	2499000	1.16
				24-06-2014	-100045	Transfer	2398955	1.11
				25-06-2014	-320000	Transfer	2078955	0.96
				09-09-2014	-100000	Transfer	1978955	0.92
				12-09-2014	-91955	Transfer	1887000	0.88
	-Closing Balance	1887000	0.88	31-03-2015			1887000	0.88
5	MEENAXI HASAMUKH GADA	1275000	0.59	01-04-2014	-	-		
				14-06-2014	-350000	Transfer	925000	0.43
				27-08-2014	-400000	Transfer	525000	0.24
	-Closing Balance	525000	0.24	31-03-2015			525000	0.24

4	SHAH VIMLABEN AMRUT	3329512	1.54	01-04-2014	-	-		
				15-04-2014	-465000	Transfer	2864512	1.33
				15-04-2014	-1236011	Transfer	1628501	0.76
				15-04-2014	-26501	Transfer	1602000	0.74
	-Closing Balance	1602000	0.74	31-03-2015			1602000	0.74
7	NAYNA SHANTILAL SHAH	4510281	2.09	01-04-2014	-	-		
				03-04-2014	-859661	Transfer	3650620	1.69
				07-04-2014	-50998	Transfer	3599622	1.67
				10-04-2014	-503033	Transfer	3096589	1.44
				18-04-2014	-2832589	Transfer	264000	0.12
	-Closing Balance	264000	0.12	31-03-2015			264000	0.12
8	HARDIK AMRUT SHAH	2190000	1.01	01-04-2014	-	-		
				19-08-2014	-750000	Transfer	1440000	0.67
				19-08-2014	-1400000	Transfer	40000	0.02
	-Closing Balance	40000	0.02	31-03-2015			40000	0.02
9	RIDDHI CHIRAG GALA	611000	0.28	01-04-2014	-	-		
				25-04-2014	-1000	Transfer	610000	0.28
				02-05-2014	-500000	Transfer	110000	0.05
	-Closing Balance	110000	0.05	31-03-2015			110000	0.05
10	CHETNA RAICHAND SHAH	1527000	0.71	01-04-2014	-	-		
				12-09-2014	-500000	Transfer	1027000	0.48
	-Closing Balance	1027000	0.48	31-03-2015			1027000	0.48
11	NIDHI RAICHAND SHAH	861000	0.40	01-04-2014	-	-		
				11-08-2014	-750000	Transfer	111000	0.05
				24-10-2014	5000	Transfer	116000	0.05
	-Closing Balance	116000	0.05	31-03-2015			116000	0.05
12	RICHA RAICHAND SHAH	1347000	0.63	01-04-2014	-	-		
				31-10-2014	30000	Transfer	1377000	0.64
				14-11-2014	15000	Transfer	1392000	0.65
	-Closing Balance	1392000	0.65	31-03-2015			1392000	0.65
13	YASH RAICHAND SHAH	1359000	0.63	01-04-2014	-	-		
				28-04-2014	-300000	Transfer	1059000	0.49
				19-08-2014	-700000	Transfer	359000	0.17
	-Closing Balance	359000	0.17	31-03-2015			359000	0.17
14	KRUNAL SHANTILAL SHAH	843000	0.39	01-04-2014	-	-		
				11-08-2014	-800000	Transfer	43000	0.02
	-Closing Balance	43000	0.02	31-03-2015			43000	0.02
15	DIVIJ SHANTILAL SHAH	1731000	0.80	01-04-2014	-	-		
				11-08-2014	-1600000	Transfer	131000	0.06
	-Closing Balance	131000	0.06	31-03-2015			131000	0.06

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

Qp. No	Name	No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015)	% of total Shares of the company	Date	Increase / Decrease in shareholding	Reason	No. of Shares	% of total Shares of the Company
1	B ARUNKUMAR CAPITAL AND CREDIT SERV	1387044	0.64	01-04-2014	-	-		
	-Closing Balance	1387044	0.64	31-03-2015	-	-	1387044	0.64
2	GENERAL INSURANCE CORPORATION OF INDIA	9000000	4.17	01-04-2014	-	-		
	-Closing Balance	9000000	4.17	31-03-2015	-	-	9000000	4.17
3	GANJAM TRADING COMPANY PRIVATE LIMITED	14999499	6.96	01-04-2014	-	-		
	-Closing Balance	14999499	6.96	31-03-2015	-	-	14999499	6.96
4	MAHESH HARKISHANDAS GANDHI	99380	0.05	01-04-2014	-	-		
				15-08-2014	6500000	Transfer	6599380	3.06
				12-09-2014	-65500	Transfer	6533880	3.03
				19-09-2014	-1500	Transfer	6532380	3.03
				24-09-2014	-10000	Transfer	6522380	3.03
				30-09-2014	-23000	Transfer	6499380	3.01
				07-11-2014	-374721	Transfer	6124659	2.84
				14-11-2014	-425279	Transfer	5699380	2.64
				09-01-2015	-100000	Transfer	5599380	2.60
				16-01-2015	-100000	Transfer	5499380	2.55
				20-02-2015	-350182	Transfer	5149198	2.39
				13-03-2015	-48523	Transfer	5100675	2.37

				20-03-2015	-68000	Transfer	5032675	2.33
	-Closing Balance	5032675	2.33	31-03-2015			5032675	2.33
5	INVENTURE MERCHANT BANKER SERVICES	3229500	1.50	01-04-2014				
				06-02-2015	-25000	Transfer	3204500	1.49
	-Closing Balance	3204500	1.49	31-03-2015			3204500	1.49
6	CITIGROUP GLOBAL MARKETS MAURITIUS	11994157	5.56	01-04-2014				
				06-02-2015	-48352	Transfer	11945805	5.54
				13-02-2015	-120103	Transfer	11825702	5.49
	-Closing Balance	11825702	5.49	31-03-2015			11825702	5.49
7	RENUDEVI SATISH CHOUDHARY	1300000	0.60	01-04-2014				
	-Closing Balance	1300000	0.60	31-03-2015			1300000	0.60
8	USHA D SHAH	2794176	1.30	01-04-2014				
				02-05-2014	-584176	Transfer	2210000	1.03
				30-06-2014	235090	Transfer	2445090	1.13
				27-03-2015	168027	Transfer	2613117	1.21
				31-03-2015	50000	Transfer	2663117	1.24
	-Closing Balance	2663117	1.24	31-03-2015			2663117	1.24
9	SURAJ PANKAJ BHAYANI	539952	0.25	01-04-2014				
				18-04-2014	500000	Transfer	1039952	0.48
				02-05-2014	-200000	Transfer	839952	0.39
				16-05-2014	41000	Transfer	880952	0.41
				23-05-2014	-50000	Transfer	830952	0.39
				30-05-2014	100000	Transfer	930952	0.43
				30-06-2014	70000	Transfer	1000952	0.46
				08-08-2014	50000	Transfer	1050952	0.49
				22-08-2014	15000	Transfer	1065952	0.49
				31-10-2014	50000	Transfer	1115952	0.52
				31-12-2014	37601	Transfer	1153553	0.54
				09-01-2015	100000	Transfer	1253553	0.58
				23-01-2015	75000	Transfer	1328553	0.62
				20-02-2015	31950	Transfer	1360503	0.63
				31-03-2015	300000	Transfer	1660503	0.77
	-Closing Balance	1660503	0.77	31-03-2015			1660503	0.77
10	SANJAYBHAI SAVJIBHAI BHARODIA	0		01-04-2014	-	-		
				31-12-2014	82003	Transfer	82003	0.04
				09-01-2015	95997	Transfer	178000	0.08
				16-01-2015	145154	Transfer	323154	0.15
				23-01-2015	169753	Transfer	492907	0.23
				30-01-2015	725181	Transfer	1218088	0.57
				06-02-2015	606966	Transfer	1825054	0.85
				13-02-2015	268417	Transfer	2093471	0.97
				20-02-2015	44392	Transfer	2137863	0.99
				13-03-2015	-1	Transfer	2137862	0.99
	-Closing Balance	2137862	0.99	31-03-2015			2137862	0.99

## (v) Shareholding of Directors and Key Managerial Personnel:

		Shareholding at the beginning of the year 01/04/2014		Cumulative Shareholding during the year 31/03/2015	
Sr.No	For Each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Amrut P. Shah (Chairman &amp; Managing Director, Promoter)*</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
2	<b>Shantilal P. Shah (Whole-time Director, Promoter)*</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

1	<b>Manik R. Makwana (Company Secretary, KMP)</b>				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
	At the End of the year	0.00	0.00	0.00	0.00
4	<b>Manikandam P. Kammenchery (Independent Director)</b>				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
	At the End of the year	0.00	0.00	0.00	0.00
5	<b>Kaushal R. Sheth (Independent Director)</b>				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
	At the End of the year	0.00	0.00	0.00	0.00
6	<b>Minjal V. Kadakia (Additional Independent Director)</b>				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
	At the End of the year	0.00	0.00	0.00	0.00
7	<b>Hasmukh A. Gada (Whole-time Director, CFO, KMP)* (Resigned w.e.f. 01-04-2015)</b>				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	+	-	-	-
8	<b>Jagdish J. Kothari (Independent Director) (Resigned w.e.f. 01-04-2015)</b>				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
	At the End of the year	0.00	0.00	0.00	0.00
9	<b>Paresh Kumar Jain (Independent Director) (Resigned w.e.f. 30-09-2014)</b>				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
	At the End of the year	0.00	0.00	0.00	0.00
10	<b>Mahip Agarwal (Independent Director) (Resigned w.e.f. 30-09-2014)</b>				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
	At the End of the year	0.00	0.00	0.00	0.00
* They are also the promoters therefore respective details of Shareholdings is given in point D(ii) & D(iii) above.					



V		INDEBTEDNESS					
Indebtedness of the Company including interest outstanding/accrued but not due for payment							
		Secured Loans excluding deposits		Unsecured Loans	Deposits	Total Indebtedness	
Indebtness at the beginning of the financial year							
i) Principal Amount		910667077.42		246263004.81	0	1156930082	
ii) Interest due but not paid		0		1075967.00	0	1075967	
iii) Interest accrued but not due		0		0	0	0	
Total (i+ii+iii)		910667077.42		247338971.81	0	1158006049	
Change in Indebtedness during the financial year							
Additions		382076289.73		19630560.50	0	401706850	
Reduction		494787172.45		55801819.00	0	550588991	
Net Change		-112710882.72		-36171258.50	0	-148882141	
Indebtedness at the end of the financial year							
i) Principal Amount		797956194.70		210091746.21	0	1008047941	
ii) Interest due but not paid		0		3262504.10	0	3262504	
iii) Interest accrued but not due		0		0	0	0	
Total (i+ii+iii)		797956194.70		213354250.31	0	1011310445	
VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL							
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:							
Sr. No.	Particulars of Remuneration		Name of MD/WTD/ Manager			Total Amount	
			Amrut P. Shah (Managing Director)	Shantilal P. Shah (Whole-time Director)	Hasmukh A. Gada (Whole-time Director & CFO)		
1	Gross salary		20,00,000	10,00,000	22,50,000	52,50,000	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		0	0	0	0	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0	0	0	0	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0	0	0	0	
2	Stock Option		0	0	0	0	
3	Sweat Equity		0	0	0	0	
4	Commission		0	0	0	0	
	- as % of profit		0	0	0	0	
	- others, specify...		0	0	0	0	
5	Others, please specify		0	0	0	0	
	Total (A)		0	0	0	0	
	Ceiling as per the Act		1,20,00,000	60,00,000	30,00,000		
			This remuneration is as per Schedule XIII of Companies Act, 1956 (Central Government Approval was obtained for the same)				
B. Remuneration to other directors:							
Sr. No.	Particulars of Remuneration		Name of Directors				Total Amount
	1. Independent Directors		Manikandam P. Kammenchery	Kaushal R. Sheth	Jagdish J. Kothari	Pareshkumar Jain	Mahip Agarwal
	•Fee for attending board / committee meetings		-	-	-	-	-
	• Commission		-	-	-	-	-
	• Others, please specify		-	-	-	-	-
			-	-	-	-	-
	Total (1)		-	-	-	-	-
	2. Other Non-Executive Directors		-	-	-	-	-
	•Fee for attending board / committee meetings		-	-	-	-	-
	• Commission		-	-	-	-	-
	• Others, please specify		-	-	-	-	-
	Total (2)		-	-	-	-	-
	Total (B)=(1+2)		-	-	-	-	-
	Total Managerial Remuneration		-	-	-	-	-
	Overall Ceiling as per the Act		-	-	-	-	-
			-	-	-	-	-
Note: During the year no remuneration was paid to Independent Directors.							

Particulars of Remuneration		Key Managerial Personnel	
		Manik R. Makwana * (Company Secretary)	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	98300	98300
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify...		
	Others, please specify	-	-
	Total	98300	98300

\* Appointed w.e.f. 1st January, 2015

#### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: (Not Applicable)

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

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

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

## Annexure – 2

### NOMINATION, REMUNERATION AND EVALUATION POLICY

#### **Purpose:**

The primary objective of the Policy is to provide a framework and set standards for the Nomination, Remuneration and Evaluation of the Directors, Key Managerial Personnel and officials comprising the Senior Management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

#### **Accountabilities:**

The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel. The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations & nominations to the Board.

#### **Definitions:**

A. Key Managerial Personnel: Key Managerial Personnel means-

1. Chief Executive Officer or the Managing Director or the manager;
2. Company Secretary;
3. Whole-time Director;
4. Chief Financial Officer; and
5. Such other officer as may be prescribed.

B. Senior Management: Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

#### **Objective of the Policy:**

As required under the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the listing agreement entered with Stock Exchanges, constituted a Board level committee titled "Nomination and Remuneration Committee" (herein after referred as the Committee) to oversee, inter-alia, matters relating to

- A. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- B. Formulate the criteria for determining qualifications positive attributes and independence of a director;
- C. Recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- D. Carry out Annual performance evaluation of every Director's performance including that of Independent Directors and
- E. Devise a policy on Board Diversity.

This Policy sets out the framework and guidelines that the said Committee is expected to observe in discharging its functions effectively as contemplated under aforesaid provisions i.e. to oversee process of identifying persons qualified to become directors of the Company, determining their qualifications, positive attributes and independence as well as identifying persons who may be appointed in senior management in accordance with the Company's internal requirements from time to time; in making its recommendations to the Board as to their appointment or removal as the case may be and to carry out evaluation of every director's performance including Independent Directors.

This Policy also contains the remuneration policy relating to the remuneration of the Directors, Key Managerial and Senior Managerial Personnel as well as policy on Board Diversity as recommended by the Committee and approved by the Board.

It is to be noted that framework and guidelines set out hereunder is subject to such periodical reviews and the Committee in consultation with Board of Directors and top management of the Company, may make such alterations as may be required from time to time to meet the exigencies arising out of statutory modifications or otherwise.

### **POLICY FOR NOMINATION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:**

#### **Nomination Criteria for Directors:**

In identifying and recommending the candidature for appointment as Director, the Committee will consider any or all of the following criteria:

1. Ethical standards of integrity and probity, maturity and balance of mind to perform the designated role, ability to bring exercise of independent judgment and judicious thinking, qualification, expertise as strategist, eminence in his field of expertise.
2. Possessing appropriate skills, experience and knowledge in one or more fields of Business including International Business, Strategy and Expansion, Engineering, Medicine, Finance, Law, Management, Sales, Marketing, Administration, Research, Corporate Governance, Technical Operations or other disciplines related to preferably the company's business.
3. Non-disqualified under the applicable provisions of Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force, as the case may be;
4. Ensure that the proposed Director consents to act as Director and can devote his time and energies towards the overall development and betterment of the Company's business.

5. Ensure that the proposed Director discloses his interest and Company's shareholding, if any and the Committee feels that such interest will not affect in discharging his duties towards the Company in pursuance of the said appointment.

6. Ensure that the candidature of the Director will be in line with and promote the objectives enshrined in Company's policy on Board Diversity.

#### **Additional Criteria for Appointment of Independent Directors:**

The Committee will consider whether the Director meets the criteria of Independence as well as other attributes as mentioned under the provisions of Section 149 of the Companies Act, 2013 read with applicable rules and Schedule IV thereunder and Clause 49 of the Listing Agreement, including any amendments made thereof from time to time.

#### **Nomination Criteria for KMPs / Senior Management Personnel:**

##### **The committee will consider:**

1. Ethical standards of integrity and probity, maturity and balance of mind to perform the designated role, qualification, expertise and experience.

2. Possessing adequate qualification, expertise and experience as prescribed by the Company for the position he / she is considered for appointment. The Committee for this purpose, if required, will avail the assistance of other top executives of the Company but however, has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

3. Ensure that the person discloses his interest and the Committee feels that such interest will not affect in discharging his duties towards the Company in pursuance of the said appointment.

4. Ensure that the Company shall not appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who is below the age of Twenty-one years or has attained the age of seventy years without the approval of shareholders by passing a special resolution with proper justification.

#### **Additional Responsibility of the Board:**

It is further to be noticed that it is the responsibility of the Board to obtain other relevant and applicable approvals and procedures as laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force and applicable as the case may be.

#### **Term / Tenure, Continuity and Renewal:**

The Term / Tenure of the Directors shall be governed as per

provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time. The terms of KMPs and other Senior Management employees shall be governed under their respective terms of appointment. As regards the continuity or renewal of appointment of Directors; their resignation and removal, the Committee will make its recommendations to the Board, based on the periodical evaluation process to be done under this document from time to time as well as subject to observation of provisions as contemplated under the Companies Act, 2013 and other applicable laws including listing agreement relating to disqualifications, resignation, removal and retirement. Directors, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company respectively. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### **Matters pertaining to Remuneration:**

This policy also sets out the following remuneration policy applicable to the remuneration payable to Directors, Key Managerial and other Senior Managerial Personnel and other employees of the Company.

##### **General:**

1. The Company's remuneration policy, in general, is driven by the success and performance of the individual employee as well as his expertise in critical areas of operations of the Company.

2. The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval and while recommending such remuneration, the Committee will consider, inter-alia, whether

- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the person of the quality or expertise required to run the company successfully;
- b) The remuneration is comparable and in proportion to the accepted industry standards;
- c) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- d) To the extent possible, such remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

3. The remuneration / compensation / commission etc. so recommended shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

4. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the



Board which should be within the slabs approved by the Shareholders in the case of Executive Directors.

5. Where if any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

6. Loans, advances and other similar kind of benefits to KMPs, Senior Management Personnel will be governed by Company's relevant policies as applicable to all the employees of the Company read with relevant provisions of all applicable laws in that connection.

### **Remuneration to Executive Directors, KMPs and Senior Management Personnel:**

#### **A. Fixed pay:**

The Executive Director/ KMPs shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc., shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and/or Central Government, wherever required. Besides, Managing Director may be eligible for commission such that the total remuneration payable shall not exceed 5% of the net profits for each financial year as determined under the provisions of the Companies Act, 2013. Remuneration payable to Senior Management Personnel will be governed by their respective terms of appointment.

#### **B. Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Directors including Managing Director and Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

#### **C. Provisions for excess remuneration:**

If any Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

### **Remuneration to Non-Executive / Independent Directors:**

#### **A. Sitting Fee:**

The Non- Executive / Independent Directors may receive remuneration by way of fee for attending meetings of Board or Committee thereof. Provided that the amount of such fee shall not exceed such amount per meeting as may be prescribed under the provisions of the Companies Act, 2013 and rules made thereunder (as amended from time to time and approved by the Board).

#### **B. Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

#### **Matters pertaining to Evaluation:**

The Company conducts its operations under the overall direction of the Board of Directors within the framework laid down by various statutes, more particularly by the Companies Act, 2013; the Articles of Association, listing agreement with stock exchanges, internal code of conduct and policies formulated by the Company for its internal execution. Therefore it is necessary for the company to carry out the evaluation of all the directors on an annual basis. As regards the evaluation process; the scheme of the Companies Act, 2013 read with Clause 49 of the listing agreement contemplates that:

- a) As required under Section 134(3)(p) of the Companies Act, the manner of formal evaluation made by Board of Directors of its own performance, that of its committees and individual Directors shall be disclosed in Board's Report;
- b) As required under Section 178(2), the Nomination and Remuneration Committee shall carry out evaluation of every Director's performance;
- c) As required under Clause VII of Schedule IV to the Companies Act, 2013; in the separate meeting held by the Independent Directors:
  - i. Performance of the non-independent directors and the Board as a whole shall be reviewed and
  - ii. Performance of the Chairperson of the Company (after taking into account views of Executive and Non-Executive Directors) shall be reviewed.
- d) Clause 49 (II) (5) (a) stipulates that the Nomination & Remuneration Committee shall lay down the evaluation criteria for performance evaluation of Independent Directors and
- e) Clause 49 (II)(5)(c) stipulates that the performance of Independent Directors shall be done by the entire Board.

As regards the evaluation criteria to be followed by Board for its evaluation of Committees and other Directors including Independent Director or Non-Independent Directors, the same are dealt in other documents

dealing with respective criteria of evaluations including the Duties, Responsibilities and key functions of Board as contemplated under the Act and Clause 49 of the listing agreement. In all these cases, be it by Board or by Independent Directors, the evaluation of each Director would be done based on parameters like:

- a) Well informed and understand the Company, its business and the external environment in which it operates;
- b) Prepare well and participate actively in the Board and its committee meetings;
- c) Effectively probe to Test the assumptions; rendering independent and unbiased opinion;
- d) Assertive in holding to their views and resisting pressure from others;
- e) Follow-up on matters about which they have expressed concern;
- f) Strive to attend all meetings of the Board of Directors, Committees and General meetings;
- g) Contributions in development of a Strategy, Business plan or risk management;
- h) Maintenance of good interpersonal and cordial relationship with other Board members, KMPs and Senior Management Personnel;
- i) Diplomatic and convincing way of presenting their views and listening to views of others;
- j) Up-to-date with the latest developments in areas such as the corporate governance framework, financial reporting and in the industry and market conditions etc.,
- k) Adhering to ethical standards, code of conduct of the Company and insider trading guidelines etc.,
- l) Making timely disclosures of their interest and disclosure of non-independence, when it exists;
- m) His/her contribution to enhance overall brand image of the Company.

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board will carry out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees of the Board as applicable to the Company. Method of Performance Evaluation will be decided by board from time to time, Such as Questionnaire method, Comparison Method or and other method as may be decided by board. The Committee also follows the same in evaluating

each Director of the Company. Further, the Executive Directors will be evaluated on the basis of targets / Criteria given to executive Directors by the board from time to time and Independent Directors would be evaluated by entire Board based on Professional Conduct, Roles, Functions and Duties as contemplated under Schedule IV of the Act, apart from their evaluation as Directors based on aforesaid criteria. The performance evaluation of the Chairman and the Non Independent Directors will be carried out by the Independent Directors who will also review the performance of the Secretarial Department.

**Annexure-3**  
**SECRETARIAL AUDIT REPORT**

For the Financial year ended March 31, 2015  
[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 – 400 093

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, 2015 (“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, 2015, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder (including the applicable provisions of Companies Act, 1956 in force during the Audit period);
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (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 Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit period);
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit period);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit period); and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit period);

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Ltd.

We have not examined compliance by the Company with the Secretarial Standards issued by the Institute of Company Secretaries of India as they had not been notified by the Central Government upto March 31, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. *Further, the Company had declared dividend during the Audit period and Complied with the provisions of Section 205A of the Companies Act, 1956 however there was delay in payment of dividend to all the shareholders.*

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

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

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

**We further report that** during the audit period, there were no instances of:

- i. Public/Rights/Preferential issue of shares / debentures/sweat equity.
- ii. Redemption / buy-back of securities.
- iii. Merger/amalgamation /reconstruction, etc.
- iv. Foreign Technical Collaborations.

For Hemanshu Kapadia & Associates  
Practising Company Secretaries

Hemanshu Kapadia  
Proprietor  
C.P. No.: 2285  
Membership No.: F3477

Date: **August 12, 2015**  
Place: **Mumbai**

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



## Annexure A

To,  
The Members,  
**Sundaram Multi Pap Limited**  
CIN: L21098MH1995PLC086337  
5/6, Papa Industrial Estate,  
Suren Road, Andheri (East),  
Mumbai – 400 093

Our report of even date is to be read along with the letter.

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

For Hemanshu Kapadia & Associates

Hemanshu Kapadia  
Proprietor  
C. P. No. 2285  
Membership No. F3477

Date: **August 12, 2015**

Place: **Mumbai**

**Annexure 4**  
**Statement containing salient features of the Financial Statement of Subsidiaries/  
Associate Companies/ Joint Ventures**

**Part “A”: Subsidiaries**

Name of the subsidiary	E-class Education System Limited
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 <sup>st</sup> April to 31 <sup>st</sup> March (Same As of Holding company)
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
3. Share capital	Authorized Capital: Rs.25,00,00,000 Issued & Paid-up Capital: ₹ 15,00,00,000.
4. Reserves & surplus	(₹ 17,82,75,737)
5. Total assets	₹ 23,97,75,876
6. Total Liabilities	₹ 26,80,51,613
7. Investments	NIL
8. Turnover	₹ 1,62,89,462
9. Profit before taxation	(₹ 5,92,17,910)
10. Provision for taxation	NIL
11. Profit after taxation	(₹ 5,92,17,910)
12. Proposed Dividend	NIL
13. % of shareholding	100%

Note: above mentioned detail is as on 31<sup>st</sup> March, 2015.

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

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

**Annexure-5**

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

(I)	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 2014-15 are as under				
	Director's/ KMP/ Manager's Name	Remuneration of Director/KMP for financial year 2014-15	% increase in Remuneration in the Financial Year 2014 – 15	Ratio to median remuneration	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Amrut P. Shah Chairman & Managing Director	₹ 20,00,000	Nil	20.59	Company has incurred a net loss of ₹ 1,674.66 Lacs for the year ended 31 <sup>st</sup> March, 2015 as compared to the profit of ₹ 10.25 Lacs for the year ended 31 <sup>st</sup> March, 2014.
2	Mr. Shantilal P. Shah Whole-time Director	₹ 10,00,000	Nil	10.29	
3	Mr. Hasmukh A. Gada Whole-time Director & CFO	₹ 22,50,000	Nil	23.16	
4	Mr. Manik R. Makwana Company Secretary	₹ 98,300	N.A.	1.01	

- Mr. Manik R. Makwana was appointed w.e.f. 01-01-2015.
- Non-executive Directors or Independent Directors are not paid any remuneration or sitting fees etc.

	Percentage increase in the median remuneration of employees in the financial year 2014-15 compared to 2013-14	Due to reduction in number of Employees median remuneration has not been increased during the year.
	Number of permanent employees on the rolls of the company as on 31-03-2015	143
	Explanation on the relationship between average increase in remuneration and the company performance	There was no increase in the overall remuneration of the Company, as the Company has incurred a loss of Rs. 1,674.66 Lacs for the year ended 31 <sup>st</sup> March, 2015 during the year
	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	In view of the losses incurred by the Company the management had decided not to increase the remuneration of Key Managerial Personnel during the Financial Year 2014-15
	Average percentile increase in salaries of Employees other than managerial Personnel	Nil
	Percentile increase in the managerial remuneration	Nil
	Comparison of above	Nil
	Key parameter for any variable component of remuneration availed by the Directors	Remuneration paid to Directors includes only Salary as fixed Component and no other variable Component.
	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess the highest paid director during the year	Not Applicable.

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

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

## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### INDUSTRY SCENARIO, STRUCTURE & DEVELOPMENTS:

#### • STATIONERY BUSINESS

Worldwide stationery industry is an absolute heterogeneous business which includes the paper industry as its primary segment. This industry has demands in schools, colleges, offices and any business irrespective of their industry natures. Most of the people might term this as a small industry but it is no more a small size business when taken the global front. The demands for these products have grown by many times in the last few years and there are some specific factors which act as the driving forces for the enhancement of the sector.

The constant changing trends of the products and continuous innovative styles adapted by the manufacturers are keeping the industry highly competitive. North America and European countries represent the most market demand for the products. Besides these markets; The Asian Pacific markets indicate largest growth potentials and are projected to grow further by many bounds in the nearing future, this region includes a group of growing economies and thus the sector is estimated to rise by a good number. Experts predict a compound annual growth rate of about 3.4% by the end of 2015 which is noted to be a positive mark for the phases beyond.

The global stationery market is forecasted to be worth \$155.4 billion by the end of 2015 and the emerging markets Asia and high demand regions in parts of America and Europe are projected to be the largest contributors. Countries like India and China are projected to have an industrial increase of double digits (an estimated 10 to 15%).

#### • E-LEARNING SEGMENT

There seems to be universal agreement that the worldwide E-Learning market will show fast and significant growth in the coming years. Asia has the world's highest regional growth rate for E-Learning of 17.3%. Revenues from the sale of E Learning are expected to be double by 2016 as compared to the previous years. The vast majority of these revenues will be generated from the sales of packaged content. Throughout India, Government-funded projects related to literacy development in rural areas are a major driver to the introduction of E-Learning.

Focusing specifically on the Indian Market, the E-Learning industry in India was valued at around INR 18.41 trillion in the year 2011-12. Increasing Internet penetration, low-cost existing coverage and rising demand are expected to help this market develop strongly in the near future. According to The research and Development report by experts, 'India's E-Learning Market Outlook to F.Y. 2018 – Increasing Technology Adoption to Drive Future Growth', estimates that the market should grow at a Compound Annual Growth Rate (CAGR) of 17.4% over the period F.Y. 2013 to F.Y. 2018.

In addition to technology adoption, the Indian E-Learning content market is expected to grow at a CAGR of 18.4% from FY 2014 to FY 2018. The strong Government initiatives pushing student enrolments in higher education and distance learning will keep propelling market expansion at an ever-increasing rate.

### DEMAND AND MARKET OPPORTUNITY OF EXERCISE BOOK MANUFACTURING:

The demand for exercise books is more during the first two quarters of the financial year. Similarly, registers, writing pads etc. are essential in every office, institutions, organizations, etc. Sources like schools, colleges, offices (mainly government agencies) are prime client base for the industry. There are many sorts of stationery products; Paper stationery products include notebooks, exercise books; flip over pads and plastic cover books play a vital part in further increasing the business of these paper stationery products.

Products like notebooks and other school and college usable products are most sold in the educational category. There are some products which are widely used in the official background such as the noting pads, files and folders and printing sheets.

Going by the market research, paper market is gaining huge demands in the recent years and the stationery products segment has primly been positively impacted globally due to the increase in numbers of educational institutions and offices. Commercial organizations are creeping up due to the business development that is happening throughout the world.

The past few years have recorded immense growth in both export and import quantity for the products resulting in profitable trends of the sector. The requirements for these stationery products especially the office stationery segment has risen due to the usage of computers.

### SEGMENT WISE PERFORMANCE OF THE COMPANY:

- **Exercise Books & Papers:** Sales during the financial year ended 31<sup>st</sup> March, 2015 was ₹ 8,492.13 Lacs as against the ₹ 15,637.25 Lacs during the previous financial year i.e. year ending as on 31<sup>st</sup> March, 2014.



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

During the year under review, the Company recorded total revenue of ₹ 161.88 lacs as against ₹ 228.63 Lacs in the F.Y, 2013-14. Delay in the implementation of project and intense competition from the other market players mainly resulted in to decline in sales.

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

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

Our Company is in the Business of School & Office stationery as well as E-learning segment. The enormous size of School and paper stationery industry of India makes it one of the most important sectors of Indian Economy. Increasing importance of education, education policy of the government, preference of consumer for branded and quality products, growing number of offices and schools, increasing income of the people, 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. Big corporate have entered in this segment and are playing important role as well. In spite of many corporate are moving towards paperless offices, the paper market is growing. The demand of the e-learning segment is also because of improving industrial infrastructure, technologies and innovative ideas.

The key drivers for E-learning market are: Increasing Government initiatives to promote the vision of Digital India, Universal digital literacy, universally accessible digital resources. The strong Government initiatives pushing student enrolments in higher education and distance learning will keep propelling market expansion at an ever-increasing rate. The rapid adoption of mobile technology is going to play a major role in the way the entire digital experience is valued and consumed. The mobile ecosystem -- devices, carriers, app markets and so on has become the fastest-growing industry ever recorded.

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

Education is the second highest expenditure segment among middle class households after food and grocery, and stationery stands at sixth position. Increasing inclination towards reading & writing, rising penetration of Internet, huge base of educated middle class population with increasing discretionary incomes and improving educational systems is driving growth in sales of stationery products. Also, the Government's spend on education laying emphasis on building more schools had increased the demand for the stationery products in India. Further, the demand for the branded quality products at the quantitative prices is the biggest challenge for the organized sector creating an opportunity to research and develop quality products.

With extreme precautions, and the good quality products offered and new marketing strategies are followed, the government has also come out with various incentives for SME's. Particularly for stationary industry if we quote would be the education enhancement schemes which are giving growth to this sector. The Indian stationery market is also influenced by macro economic development, national income and lasts but not the least the ever-growing Indian population.

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

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

**RISK AND CONCERN:**

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

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

**CAUTIONARY STATEMENT:**

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

## CORPORATE GOVERNANCE REPORT

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

Company's philosophy on Corporate Governance is to ensure fairness, transparency, accountability and responsibility to all stakeholders. Your Company believes in a Code of Governance, which fulfills the Motto of "Service to Society through commercial activities." We have implemented a Corporate Governance Code to ensure proper quality, customer satisfaction, prompt payment to suppliers, good employee-employer relationship, legal compliance, proper debt servicing, maximizing value to equity shareholders and responsibility to the nation by timely payment of taxes.

### **COMPOSITION OF BOARD OF DIRECTORS:**

Your Company's Board consists of 5 Directors of which 2 Directors are Executive Director and 3 Directors are Non-Executive, Independent Directors including One Women Director. The Composition of Board is in conformity with Clause 49 of the Listing Agreement and Provisions of Companies Act, 2013. As on 31<sup>st</sup> March, 2015 Board consists of:

Q. No.	Name of Director(s)	Category	No. of Board Meeting Attended	Attendance at the AGM held on 30-09-2014	No. of Other Directorships	No. of Membership(s)/ Chairmanship(s) of Board Committees in other Companies as on 31/03/2015	
						Chairman	Member
1.	Mr. Amrut P. Shah (DIN: 00033120)	CMD	9	Yes	3	0	0
2.	Mr. Shantilal P. Shah (DIN: 00033182)	WTD	9	Yes	3	0	2
3.	Mr. Hasmukh A. Gada (DIN: 00033151)	WTD	9	Yes	2	0	0
4.	Mr. Jagdish J. Kothari (DIN: 00033271)	NED (I)	5	No	1	2	0
5.*	Mr. Paresh Kumar P. Jain (DIN: 05159799)	NED (I)	3	Yes	1	0	0
6.*	Mr. Mahip D. Agarwal (DIN: 03509204)	NED (I)	3	No	2	0	0
7.	Mr. Manikandam P. Kammenchery (DIN: 03323385)	NED (I)	6	No	2	0	2
8.	Mr. Kaushal R. Sheth (DIN: 06949468)	NED (I)	6	Yes	0	0	0
9.#	Ms. Minjal Kadakia (DIN: 07135977)	NED (I)	N.A	N.A	0	0	0

**(CMD: Chairman & Managing Director, WTD: Whole-time Director, NED: Non-Executive Director, I: Independent Director)**

\* Mr. Paresh Kumar P. Jain (DIN: 05159799) and Mr. Mahip Agarwal (DIN: 03509204) ceased to be Director with effect from 30<sup>th</sup> September 2014 and consequently his membership in the Committee also ceased.

# Ms. Minjal Kadakia was appointed as the Additional Independent Women Director on the Board w.e.f. 30<sup>th</sup> March, 2015  
**(Note: Above mentioned Detail is as on 31<sup>st</sup> March, 2015 or as on the date of resignation. Composition of Board may be altered later on.)**

Number of Board Meetings held during the financial year 2014-15 was nine. The dates on which these Meetings were held are 24<sup>th</sup> May, 2014, 22<sup>nd</sup> July, 2014, 14<sup>th</sup> August, 2014, 27<sup>th</sup> October, 2014, 14<sup>th</sup> November, 2014, 1<sup>st</sup> December, 2014, 30<sup>th</sup> December, 2014, 12<sup>th</sup> February, 2015 and 30<sup>th</sup> March, 2015.

During the year, information as mentioned in **Annexure X** of Clause 49 of the Listing Agreement 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.

#### **AUDIT COMMITTEE:**

##### **Composition Of Audit Committee:**

Sr. No.	Name	Category	Designation	No.of Meetings held	No.of Meetings attended
1*	Mr. Paresh Kumar P. Jain (DIN:05159799)	NED (I)	Chairman	5	2
2*	Mr. Mahip Kumar D. Agarwal (DIN:03509204)	NED (I)	Member	5	2
3#	Mr. Jagdish J. Kothari (DIN:00033271)	NED (I)	Member / Chairman	5	3
4.##	Mr. Manikandam P. Kammenchery (DIN:03323385)	NED (I)	Member	5	3
5.##	Mr. Kaushal R. Sheth (DIN:06949468)	NED (I)	Member	5	3

\* Mr. Paresh Kumar P. Jain (DIN: 05159799) and Mr. Mahip Agarwal (DIN: 03509204) ceased to be Director with effect from 30<sup>th</sup> September 2014. Two Meetings were held during their tenure.

# Mr. Jagdish J. Kothari (DIN: 00033271), Non-Executive Independent Director was appointed as the Chairman of the Audit Committee w.e.f 27<sup>th</sup> October, 2014.

## Mr. Manikandam P. Kammenchery (DIN: 03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) were inducted as the members of the committee from 27<sup>th</sup> October, 2014. Three meetings were held after their appointment.

**(Note: Above mentioned Detail is as on 31st March, 2015 or as on the date of resignation. Committee may be reconstituted later on.)**

The Company Secretary is the Secretary of Audit Committee.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

Terms of reference of this committee includes the matter specified for Audit Committee under clause 49 of the Listing Agreement & Section 177 of the Companies Act, 2013 which are briefly described below:

##### **Terms of reference of Audit Committee:**

The major tasks performed by the audit committee may be grouped under the following heads:

Statutory audit, internal audit, reporting and other aspects

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

Detailed terms of reference are also placed on the website of the company at <http://www.sundaramgroups.in/wp-content/uploads/2015/02/Audit-Committee.pdf>

##### **Audit & other duties:**

1. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.



2. Discussion with internal auditors of any significant findings and follow up there on.
3. Review and recommend to the Board the appointment/re-appointment of the Statutory Auditors and Internal Auditors considering their independence and effectiveness and their replacement and removal.
4. To recommend to the Board the remuneration of the Statutory Auditors and internal auditors.
5. To grant approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board.

• **No. Of Audit Committee Meetings:**

The total number of meetings held during the year was five - 24<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014, 12<sup>th</sup> February, 2015 and 25<sup>th</sup> March, 2015.

**NOMINATION AND REMUNERATION COMMITTEE:**

• **Composition Of Nomination And Remuneration Committee:**

Sr. No.	Name	Category	Designation	No.of held	Meetings	No.of attended	Meetings
1*	Mr. Paresh Kumar P. Jain (DIN:05159799)	NED (I)	Chairman		3		1
2*	Mr. Mahip Kumar D. Agarwal (DIN:03509204)	NED (I)	Member		3		1
3**	Mr. Jagdish J. Kothari (DIN:00033271)	NED (I)	Member / Chairman		3		2
4.#	Mr. Manikandam P. Kammenchery (DIN:03323385)	NED (I)	Member		3		2
5.#	Mr. Kaushal R. Sheth (DIN:06949468)	NED (I)	Member		3		2

\* Mr. Paresh Kumar P. Jain (DIN: 05159799) and Mr. Mahip Agarwal (DIN: 03509204) ceased to be Director with effect from 30<sup>th</sup> September 2014. One Meeting was held during their tenure.

\*\* Mr. Jagdish J. Kothari (DIN: 00033271), Non-Executive Independent Director was appointed as the Chairman of the Nomination and Remuneration Committee w.e.f 27<sup>th</sup> October, 2014.

# Mr. Manikandam P. Kammenchery (DIN: 03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) were inducted as the members of the committee from 27<sup>th</sup> October, 2014. Two meetings were held after their appointment.

***(Note: Above mentioned Detail is as on 31<sup>st</sup> March, 2015 or as on the date of resignation. Committee may be reconstituted later on.)***

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement as amended from time to time which are briefly described below.

• **Terms of Reference:**

1. Succession planning of the Board of Directors and Senior Management Employees;
2. Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Employees and their remuneration;
3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Devising a policy on Board diversity;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization.

Detailed terms of reference are also placed on the website of the company at <http://www.sundaramgroups.in/wp-content/uploads/2015/02/Nomination-and-Remuneration-Committee1.pdf>

• **No. of Meetings of Nomination and Remuneration Committee:**

The total number of meetings held during the year was three - 14<sup>th</sup> August, 2014, 30<sup>th</sup> December, 2014 and 25<sup>th</sup> March, 2015.

• **Policy For Selection And Appointment of Directors and their Remuneration:**

Policy on Nomination, Remuneration and Evaluation has been annexed to the Board Report.

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

Name of the Director	Designation	Salary for the year ended 31/03/2015 (in Rs.)
Mr. Amrut P. Shah	Chairman & Managing Director	20,00,000
Mr. Shantilal P. Shah	Whole-time Director	10,00,000
Mr. Hasmukh A. Gada	Whole-time Director	22,50,000

No sitting fees were paid to Non- Executive Directors for the Financial Year 2014-15.

The remuneration package of Executive Directors includes only salary which is a fixed component. There are no performance linked incentives. As per the agreement entered between the Company and the Executive Directors as mentioned above, term of appointment is three years from the date of appointment. The notice period is of 3 months before the date on which the termination is come in to effect. Severance fees are not applicable. No stock option has been issued.

**STAKEHOLDERS RELATIONSHIP COMMITTEE:**

• **Composition Of Stakeholders Relationship Committee:**

Sr. No.	Name	Category	Designation	No.of Meetings held	No.of Meetings attended
1*	Mr. Paresh Kumar P. Jain (DIN:05159799)	NED (I)	Chairman	4	2
2*	Mr. Mahip Kumar D. Agarwal (DIN:03509204)	NED (I)	Member	4	2
3#	Mr. Jagdish J. Kothari (DIN:00033271)	NED (I)	Member / Chairman	4	2
4.##	Mr. Manikandam P. Kammenchery (DIN:03323385)	NED (I)	Member	4	2
5.##	Mr. Kaushal R. Sheth (DIN:06949468)	NED (I)	Member	4	2

\* Mr. Paresh Kumar P. Jain (DIN: 05159799) and Mr. Mahip Agarwal (DIN: 03509204) ceased to be Director with effect from 30<sup>th</sup> September 2014. Two Meetings were held during their tenure.

# Mr. Jagdish J. Kothari (DIN: 00033271), Non-Executive Independent Director was appointed as the Chairman of the Stakeholders Relationship Committee w.e.f 27<sup>th</sup> October, 2014.

## Mr. Manikandam P. Kammenchery (DIN: 03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) were inducted as the members of the committee from 27<sup>th</sup> October, 2014.

***(Note: Above mentioned Detail is as on 31<sup>st</sup> March, 2015 or as on the date of resignation. Committee may be reconstituted later on.)***

• **Terms of reference:**

1. Transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
2. Issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
3. Issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
4. Issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
5. To grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
6. To issue and allot debentures, bonds and other securities, subject to such approvals as may be required;

7. To approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
8. To authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
9. Monitoring expeditious redressal of investors / stakeholders grievances;
10. All other matters incidental or related to shares, debenture.

**No. of Meetings:**

The total number of meetings held during the year was four – 24<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014 and 12<sup>th</sup> February, 2015.

**COMPLIANCE OFFICER:**

Mr. Manik R. Makwana was appointed as a Company Secretary and Compliance Officer of the Company with effect from 1st January, 2015.

Mr. Manik R. Makwana, Company Secretary and Compliance officer is the Compliance officer for complying with the requirements of Securities Laws and Listing Agreement with Stock Exchange.

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

The number of complaints received and resolved to the satisfaction of investors during the year under review and their break-up are as under:

Type of Complaints	Number of Complaints
Non-Receipt of Annual Report	8
Non-Receipt of Dividend warrants	7

As on March 31, 2015 no complaints were outstanding.

**VIGIL MECHANISM:**

The Company has adopted the Whistle Blower Policy for Directors and employees to report concerns about suspected violation of any law that applies to the Company, Company's Code of Conduct and Ethics. The Whistle Blower Policy is appended to Board's Report.

**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/>.

**INDEPENDENT DIRECTORS' MEETING:**

During the year under review, the Independent Directors met on March 25, 2015, inter alia to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- Evaluation of the quality, content and timelines 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.

**FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:**

The Company has formulated 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 programs. The details of such familiarization programs are disclosed in the website of the Company.

**COMPLIANCE WITH ACCOUNTING STANDARDS:**

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

**PREVENTION OF INSIDER TRADING**

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

**GENERAL BODY MEETINGS**

Financial Year	Date of Meetings	Whether Special Resolution passed	Time	Venue
2011-2012	27.09.2012	Yes	10.00 A.M	Navinbhai Thakar Hall, Shradhanand Road, Vile Parle (E), Mumbai – 400 057
2012-2013	27.09.2013	No	10.00 A.M	
2013-2014	30.09.2014	Yes	10.00 A.M	

The following are the particulars of Special Resolution passed in the previous three Annual General Meetings:

Date	Particulars
27.09.2012	i) Re-appointment of Mr. Amrut P. Shah as Managing Director of the Company. ii) Re-appointment of Mr. Shantilal P. Shah as Whole-time Director of the Company. iii) Re-appointment of Mr. Hasmukh A. Gada as Whole-time Director of the Company. iv) Payment of the Total Remuneration to the Executive Directors in Excess of the Limits of 10% of the net profit as prescribed under section 309(3) of the Companies Act, 1956 and calculated in the manner as provided under Section 198 of the Act. v) Appointment of Mr. Raichand P. Shah under Section 314 (1) of the Companies Act, 1956 read with the Director's Relative(Office or Place of Profit) Rules, 2011 and The Companies (Central Government's) General Rules and Forms, 1956 as the Plant Manager of plant of the Company situated at Palghar.
30.09.2014	i) Adoption of new set of Article of Association of the Company

**Special Resolution(s) Passed through Postal Ballot:**

During the year, the members of the Company have approved the following resolutions through postal ballot:

Special Resolutions	Votes cast in favour		Votes cast against		Date of declaration of results
	No. of votes	%	No. of votes	%	
Authority to the Board of Directors or Committee thereof to borrow money in excess of aggregate of its Paid up Share Capital and Free Reserves up to Rs. 500 crores.	65,313,012	99.96	28,112	0.04	September 11, 2014
Authority to the Board of Directors or a Committee thereof to Sell, Lease, Mortgage or otherwise dispose of the whole or substantially the whole of the undertaking(s), the Movable and Immovable properties of the company both present or future.	65,278,559	99.90	62,565	0.10	September 11, 2014
To make Loans or Investments and to give guarantee or to provide security in connection with a loan made under Section 186 of the Companies Act, 2013	65,311,512	99.96	28,712	0.04	September 11, 2014

The Company successfully completed the process of obtaining approval of its shareholders for special resolutions on the items detailed above, vide postal ballot.

Mr. Hemanshu L. Kapadia, Proprietor of M/s Hemanshu Kapadia & Associates, Practicing Company Secretary, Mumbai, was appointed as the scrutinizer for carrying out the postal ballot process in a fair and transparent manner.

#### **Procedure for Postal Ballot:**

In compliance with clause 35B of the Listing Agreement and Section 110(1) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, to enable members to cast their vote electronically, the Company had provided an option to the Members to vote on the postal ballot by way of e-voting as well as voting through Postal Ballot Form.

The company had availed e-voting platform of Central Depositories System Limited (CDSL) to provide E-voting facility to its Members.

Notice of Postal ballot was dispatched to the Members of the Company whose names were appearing in the register of members as on cut-off date i.e. 1<sup>st</sup> August, 2014.

E-voting was open from 9<sup>th</sup> August, 2014 till 8<sup>th</sup> September, 2014, E-voting ended on 8<sup>th</sup> September, 2014 at 5.00 pm.

Result of Postal ballot was declared by Chairman as on 11th September, 2014. Same was submitted to the stock exchanges where shares of the Company are listed and same was also place on the website of the Company at [www.sundaramgroups.in](http://www.sundaramgroups.in).

#### **Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large:**

During the period under review, the Company had not entered into any material transaction with any of its related parties. None of the transactions with any of related parties were in conflict with the Company's interest.

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 on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

The Company has complied with the requirement of regulatory authorities on matters related to capital market and no penalties/ stricture have been imposed against the Company during the last three years.

#### **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 Clause 49 of the Listing Agreement. The Company is yet to adopt the non-mandatory requirements of Clause 49 of the Listing Agreement.

#### **Means of Communication:**

Quarterly Results	The quarterly results of the Company are published in accordance with the requirement of the Listing Agreement with the stock Exchange
Newspapers wherein results normally published	1. The Free Press Journal (English) 2. Navshakti (Marathi)
Website	<a href="http://www.sundaramgroups.in">www.sundaramgroups.in</a>
Whether it also displays official news releases	N.A.
Annual Report	Annual Reports are sent to each shareholder at their address registered or on their e-mail address registered with the Company/R&TA/Depositories. Corporate Governance Certificate, as required under clause 49 of the Listing Agreement, obtained from Auditors of the Company and Management Discussion & Analysis Report are attached to this report.
The presentations made to institutional investors or to the analysts	N.A.



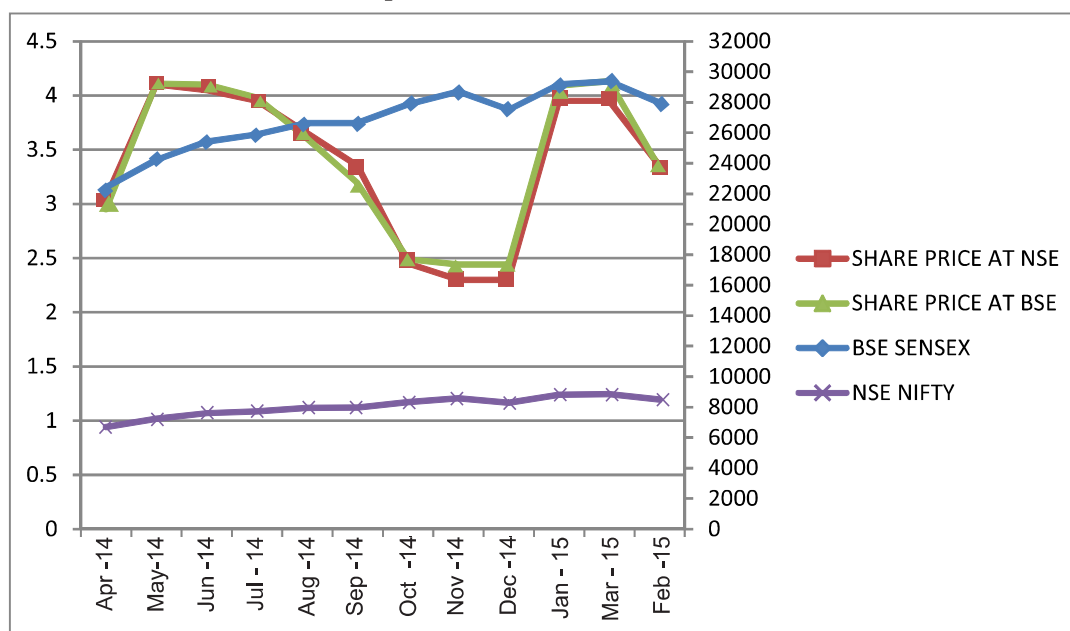
**General Shareholder information:**

AGM Date	: 30 <sup>th</sup> September, 2015
Time	: 11.00 A.M
Venue	: Navinbhai Thakar Hall, Shradhand Road, Vile Parle (E), Mumbai – 400 057, Maharashtra ,India
Financial Year	: April 1, 2014 to March 31, 2015
Book Closure Date	: 24th September, 2015 to 30th September, 2015 (Both Days Inclusive)
Dividend	: not declared for financial year 2014-15
Listing of Stock Exchanges	: Bombay Stock Exchange Ltd. National Stock Exchange Ltd.
Stock Code	: BSE – 533166                      NSE – SUNDARAM
Demat ISIN No.	: INE108E01023

Listing fees have been paid to Bombay Stock Exchange Ltd and National Stock Exchange Ltd., for the Financial Year 2015-16

**Market Price Data**

	<b>BSE LIMITED</b>			<b>NSE LIMITED</b>		
	<b>Price</b>			<b>Price</b>		
<b>MONTHS</b>	<b>High (Rs.)</b>	<b>Low (Rs.)</b>	<b>Volume Traded</b>	<b>High (Rs.)</b>	<b>Low (Rs.)</b>	<b>Volume Traded</b>
Apr-14	2.95	1.76	3,42,18,186	3.05	2.00	2,43,06,472
May-14	4.11	2.91	69,65,552	4.10	3.05	1,95,65,981
Jun-14	4.10	3.17	94,35,145	4.05	3.20	1,25,83,385
Jul-14	3.98	3.11	43,12,517	3.95	3.15	60,50,143
Aug-14	3.60	2.40	36,46,458	3.65	2.45	54,32,218
Sep-14	3.19	2.06	35,74,474	3.35	2.10	70,83,959
Oct-14	2.49	1.29	55,56,543	2.45	1.30	53,74,359
Nov-14	2.44	1.61	55,43,468	2.30	1.65	45,69,054
Dec-14	2.44	1.72	33,21,900	2.30	1.75	18,91,236
Jan-15	4.09	2.34	93,98,639	3.95	2.40	51,33,932
Feb-15	4.13	3.06	34,33,473	3.95	3.00	25,33,911
Mar-15	3.33	2.00	30,31,859	3.35	2.00	13,58,010

**Shares Price Comparison with BSE SENSEX and NSE NIFTY:****Registrar and Transfer Agents:**

M/s. Sharex Dynamics (India) Pvt Ltd., Unit No. 1, Luthra Ind. Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai-400 072

**Share Transfer System:**

Stakeholder Relationship Committee constituted by the Board considers and approves all physical form shares related issues, transfers, transmission, transposition, remat of shares, deletion of name of deceased shareholder(s) from share certificates, issue of duplicate/ renewed/subdivided/ consolidated/replaced share certificate(s) etc. The transfer formalities are attended to on fortnightly basis by the nominated Registrars & Share Transfer Agents.

**Shareholding Pattern: Shareholding Pattern as on 31<sup>st</sup> March, 2015**

Category	No. of Shares held	% of Holding
<b>A. PROMOTER'S HOLDING</b>		
1 Promoters		
Indian Promoters	7,62,29,348	35.36
Foreign Promoters	-	-
2 Person acting in Concert	-	-
<b>Sub Total (A)</b>	<b>7,62,29,348</b>	<b>35.36</b>
<b>B. NON PROMOTER'S HOLDING</b>		
1 Institutional Investors		
a Mutual Funds and UTI	-	-
b Banks, Insurance Companies, Financial Institutions, Central/State Govt.Inst/Non Govt. Inst	91,28,000	4.23
c Foreign Institutional Investors	1,28,25,702	5.95
<b>Sub Total (B 1)</b>	<b>2,19,53,702</b>	<b>10.18</b>
<b>2. OTHERS</b>		
a Corporate Bodies	3,06,60,182	14.22
b Indian Public	8,44,27,411	39.16
c NRI's / OCB's	14,16,310	0.66
d Any Other: Clearing Member	9,18,820	0.43
<b>Sub Total (B 2)</b>	<b>11,74,22,723</b>	<b>54.46</b>
<b>GRAND TOTAL (A)+(B 1)+(B 2)</b>	<b>21,56,05,773</b>	<b>100</b>

**Distribution of Shareholding as on 31<sup>st</sup> March, 2015:**

No. of Equity shares held	No. of Share Holders	% of total Shareholders	No. of Shares held	% of Total Share Capital
Upto 5000	7518	80.87	9235787	4.28
5001-10000	693	7.45	5567065	2.58
10001-20000	451	4.85	6900034	3.20
20001-30000	167	1.80	4315358	2.00
30001-40000	71	0.76	2545035	1.18
40001-50000	84	0.90	3975356	1.84
50001-100000	135	1.45	9832223	4.56
100000-ABOVE	177	1.90	173234915	80.35
<b>Total</b>			<b>215605773</b>	<b>100</b>

As on 31<sup>st</sup> March 2015, out of 21,56,05,773 shares issued 21,42,96,288 Equity Shares (99.39% of total equity capital) were held in dematerialized form.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity  
The Company has not issued any ADRs or GDRs.

Plant Location: P.I.D.C.O., Mahim Village, Palghar, Dist. Thane, Maharashtra, India

**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:

**M/s Sharex Dynamic (India) Pvt. Ltd,**

Address: Unit No. 1, Luthra Ind. Premises,  
Andheri-Kurla Road,  
Safed Pool, Andheri (East),  
Mumbai- 400 072

Tel Nos : 022-28515606, 28515644

Fax No. : 022-28512885

E-mail : sharexindia@vsnl.com

(OR) directly to the Company to:

**The Managing Director / Company Secretary  
Sundaram Multi Pap Ltd.**

Address: 5/6 Papa Industrial Estate,  
Suren Road, Andheri (E)  
Mumbai – 400 093.

Tel Nos.: 022- 67602200

Fax Nos.: 022- 67602244/55

E-mail.: [amrut@sundaramgroups.in](mailto:amrut@sundaramgroups.in)  
[manik@sundaramgroups.in](mailto:manik@sundaramgroups.in)

**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 and the same has been posted on the website of the Company; [www.sundaramgroups.in](http://www.sundaramgroups.in), in the compliance with the provisions of Listing Agreement with the Stock Exchanges.

All the Board Members and Senior Management Personnel of the Company have affirmed compliance with the applicable code of conduct for the year ended 31<sup>st</sup> March, 2015. The declaration from Mr. Amrut P. Shah, Managing Director, regarding the affirmation of the compliance for the year ended 31<sup>st</sup> March, 2015, is enclosed and forms part of this report.

### 13. OTHER REQUIREMENTS:

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.

### CEO / CFO CERTIFICATE UNDER CLAUSE 49 (IX)

To,  
The Board of Directors  
Sundaram Multi Pap Limited

1. We, Amrut P. Shah, Chairman & Managing Director, and Rajesh B. Jain, Chief Financial Officer of the Company have reviewed financial statements and the cash flow statement of Sundaram Multi Pap Limited for the year ended 31st March, 2015 and 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.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee:

- (i) That there are no significant changes in internal control over financial reporting during the year;
- (ii) That there are no significant changes in accounting policies during the year; and
- (iii) That there are no instances of significant fraud of which we have become aware.

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

Sd/-  
**Rajesh B. Jain**  
**Chief Financial Officer**

**Place: Mumbai**  
**Date: 12<sup>th</sup> August, 2015**

### DECLARATION

As provided under Clause 49 (II) (E) of the Listing Agreement with the Stock Exchanges, all Board members and Senior Management Personnel have affirmed with Code of Conduct for the year ended March 31, 2015

For **SUNDARAM MULTIPAP LIMITED**

**Place: Mumbai**  
**Date: 12<sup>th</sup> August, 2015**

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

**Information pursuant to Clause 49 of the Listing Agreement regarding appointment of a new Director or /re-appointment of Directors:****1. Mr. Amrut P. Shah (Managing Director):**

He brings with him more than 25 years' 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 is the Founder as well as Director of the Company since 1995. His current responsibility is providing and making strategies and enhancing Growth of the Company and also increasing the Shareholder's Wealth.

Mr. Amrut P. Shah's leadership development and knowledge management initiatives have differentiated the company from competitors.

Name of the Companies other than Sundaram Multi Pap Limited in which Mr. Amrut P. Shah was Director during the year 2014-15:

<b>Name of the Company</b>	<b>Nature of Interest</b>	<b>Committee name &amp; Position</b>
E-class Education System Limited	Director	--
Sundaram Bio-Tech Private Limited	Director	--
Sundaram Recycling Limited	Director	--

**2. Mr. Shantilal P. Shah (Whole-time Director):**

He is a great marketing brain in the paper stationery industry that 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 products vis-à-vis the competitors' products. He is Promoter as well as Director of the Company. His role is to enhance sales in domestic as well as international Market.

Name of the Companies other than Sundaram Multi Pap Limited in which Mr. Shantilal P. Shah was Director during the year 2014-15:

<b>Name of the Company</b>	<b>Nature of Interest</b>	<b>Committee name &amp; Position</b>
E-class Education System Limited	Director	Member of Audit Committee & Nomination and Remuneration Committee.
Sundaram Bio-Tech Private Limited	Director	--
Sundaram Recycling Limited	Director	--

**3. Minjal Vipul Kadakia (Independent Director):**

A marketing professional with over 7 years' experience in product planning and management, marketing activations, vendor management, business development and client servicing. Enthusiastic learner, knowledgeable about the current social media and new marketing trends. Ability to lead and work as part of a team in order to improve the organization's performance in the targeted market segments. She had served as General Manager in Books Division in Spenta Multimedia Publishing during the year 2013-14. She had also performed services as senior manager in Digital marketing division in Sony BMG Music Entertainment Limited, Mumbai as well as Rajshri Media (P) Limited. She represented as product manager in Times Music during the year 2003-2008.

During the Financial Year 2014-15, Ms. Minjal V. Kadakia was not Director in any other Company except in Sundaram Multi Pap Limited, with effect from 30<sup>th</sup> March 2015.

**Membership in Committees in Sundaram Multi Pap Limited:**

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholder Relationship Committee



## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members of  
**SUNDARAM MULTI PAP LIMITED,**

We have examined the compliance of the conditions of Corporate Governance by Sundaram Multi Pap Limited (“the Company”) for the year ended 31<sup>st</sup> March 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

Mumbai, 21<sup>st</sup> May 2015

For **Bhuta Shah & Co.**  
Chartered Accountants  
Firm Reg. No.101474W

**CA. Shailesh Bhuta**  
Partner Membership No: 033958

Mumbai, 21<sup>st</sup> May 2015

## INDEPENDENT AUDITORS' REPORT

To the Members of  
**SUNDARAM MULTIPAP LIMITED**

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SUNADARAM MULTI PAP LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility on Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the

Assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### Basis for Qualified Opinion

- (a) Note 40 to the standalone financial statements which describe provision for Gratuity is not determined by using actuarial techniques, which constitutes a departure from the Accounting Standard - 15 "Employee Benefits (revised 2005)".
- (b) Note 42 to the standalone financial statements which described that the Company has announced a plan to permanently close down Nagpur Paper Unit; however the Company has not given separate disclosure for discontinuing operation, which constitutes a departure from the Accounting Standard - 24 "Discontinuing Operations".

### Qualified Opinion

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

### Emphasis of Matters

We draw attention to the following matters in the notes to financial statements:

- (a) Note 31 in the standalone financial statements which

indicate that, balances of certain trade receivables and advances are subject to confirmation and reconciliation. However, the management does not expect any material variation affecting the current year's financial statements on account of such reconciliation/adjustments. Accordingly, no provision has been made in the financial statements

(b) The investment in E-Class Education System Limited, a wholly owned subsidiary of the Company whose net worth has been fully eroded, is carried at Rs 150,000,000/- in the Balance Sheet as at March 31, 2015. Further, loans and advances given to this subsidiary amounting to Rs 223,231,138/- are outstanding as at March 31, 2015. The said investment and loans and advances, in wholly owned subsidiary are in the nature of strategic investment. Accordingly, no provision has been made in the financial statements.

Our opinion is not modified in respect of these matters.

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

1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.

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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) except for the effect of matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31 March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

(f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. Company does not have any pending litigations which would impact its financial position;
- ii. the Company did not have any long-term contracts

including derivative contracts for which there were any material foreseeable losses; and  
iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Bhuta Shah & Co.  
Chartered Accountants  
Firm Reg. No.: 101474W

CA. Shailesh Bhuta  
Partner  
Membership No.: 033958  
Mumbai, 21 May, 2015

**Annexure to the Independent Auditors' Report**

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

i) In respect of its fixed Assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.

ii) In respect of its Inventories:

(a) As explained to us, the inventories have been physically verified during the year by the Management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:

(a) The Terms of arrangement does not stipulate any repayment schedule and the loan are repayable on demand. In the absence of stipulations, the regularity of the receipts of principal amounts and interest has not been commented upon.

(b) As there is no stipulation on the repayment of loan, therefore the question to take reasonable steps to recover overdue amount does not arise.

iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal control system.

v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing, undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Central Sales-tax, Wealth Tax, Service Tax, Excise Duty, Value added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Central Sales Tax, Wealth Tax, Service Tax, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

(c) Details of dues of Excise duty which have not been deposited as on March 31, 2015 on account of disputes is given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (INR)
Central Excise Law	Excise duty	Commissioner of Central Excise (Appeals) - IV	FY 2012-13	4,190,537/-

There were no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes.

(d) The Company has been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provision of the Companies Act 1956 (1 of 1956) and rules made there under within time.

viii) The Company does not have any accumulated losses at the end of the financial year and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

ix) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, there were several instances in which the Company had defaulted in repayment of dues to banks but the same were regularized in due course of time. However, total default in repayment of dues to banks and financial institutions amounting to INR 2,064,441 is not regularized as

at 31<sup>st</sup> March 2015. The Company has not issued any debentures.

x) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not given any guarantee for loan taken by others from bank and financial institutions.

xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.

xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the company has been noticed or reported during the year.

For **Bhuta Shah & Co.**  
Chartered Accountants  
Firm Reg. No.: 101474W

**CA. Shailesh Bhuta**  
Partner  
Membership No.: 033958

**Mumbai, 21 May, 2015**



**SUNDARAM MULTI PAP LIMITED****BALANCE SHEET AS AT 31st MARCH, 2015**

Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
		₹	₹
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	3	215,605,773	215,605,773
Reserves And Surplus	4	912,840,045	1,365,873,063
		<b>1,128,445,818</b>	<b>1,581,478,836</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	5	468,470,386	197,451,667
Deferred Tax Liabilities (Net)	6	36,133,774	36,133,774
Long Term Provisions	7	3,391,297	2,691,297
		<b>507,995,457</b>	<b>236,276,738</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	8	363,661,175	879,775,519
Trade Payables	9	94,370,945	140,495,914
Other Current Liabilities	10	222,242,426	145,641,756
Short-Term Provisions	11	4,004,198	2,522,479
		<b>684,278,744</b>	<b>1,168,435,668</b>
<b>Total Equity &amp; Liabilities</b>		<b>2,320,720,019</b>	<b>2,986,191,242</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	12	942,420,128	1,285,106,135
Intangible Assets	12A	20,055,954	24,067,146
		<b>962,476,082</b>	<b>1,309,173,281</b>
Non-Current Investments	13	150,050,000	150,050,000
Long Term Loans And Advances	14	4,107,629	13,589,063
		<b>1,116,633,711</b>	<b>1,472,812,344</b>
<b>Current Assets</b>			
Inventories	15	640,427,495	607,507,243
Trade Receivables	16	217,444,294	489,525,745
Cash And Cash Equivalents	17	6,065,239	6,109,612
Short-Term Loans And Advances	18	339,994,777	410,089,296
Other Current Assets	19	154,503	147,003
		<b>1,204,086,308</b>	<b>1,513,378,899</b>
<b>Total Assets</b>		<b>2,320,720,019</b>	<b>2,986,191,242</b>

Significant Accounting Policies

1 to 43

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For Bhuta Shah &amp; Co.

Chartered Accountants

Firm Reg. No.: 101474W

For and on behalf of the Board of Directors

CA. Sailesh Bhuta

Partner

Membership No.: 033958

Amrut P. Shah

Chairman &amp; Managing Director

Shantilal P. Shah

Whole-time Director

Rajesh B. Jain

Chief Financial Officer

Manik R. Makwana

Company Secretary

Mumbai, 21<sup>st</sup> May, 2015

SUNDARAM MULTI PAP LIMITED			
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015			
Particulars	Note No.	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>INCOME</b>		₹	₹
Revenue From Operations	20	833,024,596	1,540,861,926
Other Income	21	1,951,021	6,419,319
<b>Total Income (I)</b>		<b>834,975,617</b>	<b>1,547,281,245</b>
<b>EXPENSES</b>			
Cost Of Materials Consumed	22	593,380,127	682,961,133
Purchase Of Stock-In-Trade		208,637,484	555,754,896
Changes In Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	23	(113,902,459)	(74,862,954)
Employee Benefits Expenses	24	36,109,154	34,844,042
Finance Costs	25	121,645,753	137,338,796
Depreciation And Amortization Expenses	26	33,067,973	48,412,915
Other Expenses	27	96,888,655	156,087,681
<b>Total Expenses (II)</b>		<b>975,826,687</b>	<b>1,540,536,509</b>
<b>Profit/ (Loss) before exceptional items and tax (I) - (II)</b>		<b>(140,851,070)</b>	<b>6,744,736</b>
Exceptional items	28	(34,030,716)	-
<b>Profit Before Tax</b>		<b>(174,881,786)</b>	<b>6,744,736</b>
<b>TAX EXPENSES/ BENEFITS:</b>			
(1) Current Tax		-	4,609,000
(2) Deferred Tax		-	2,554,482
(3) Short / (Excess) Provision Of Earlier Years		(7,416,195)	(1,443,884)
<b>Total Tax Expenses</b>		<b>(7,416,195)</b>	<b>5,719,598</b>
<b>Profit For The Year</b>		<b>(167,465,591)</b>	<b>1,025,138</b>
Earnings Per Share: (Face Value of ₹ 1/- each)			
(1) Basic		(0.78)	0.01
(2) Diluted		(0.78)	0.01

Significant Accounting Policies

1 to 43

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For Bhuta Shah &amp; Co.

Chartered Accountants

Firm Reg. No.: 101474W

For and on behalf of the Board of Directors

CA. Sailesh Bhuta

Partner

Amrut P. Shah

Chairman &amp; Managing Director

Shantilal P. Shah

Whole-time Director

Membership No.: 033958

Mumbai, 21<sup>st</sup> May, 2015

Rajesh B. Jain

Chief Financial Officer

Manik R. Makwana

Company Secretary

SUNDARAM MULTI PAP LIMITED					
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015					
Particulars		Year Ended 31ST MARCH, 2015		Year Ended 31ST MARCH, 2014	
		Amount in ₹		Amount in ₹	
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>				
	<b>Net Profit / (Loss) Before Tax And Extraordinary Items</b>		(174,881,786)		6,744,736
	<i>Adjustment For :</i>				
	Depreciation	33,067,973		48,412,915	
	Interest Income	(36,198,505)		(29,808,487)	
	Dividend Income	(7,500)		(7,500)	
	Preliminary Expenses W / Off	-		-	
	Interest Paid	157,844,258		167,147,283	
	(Profit)/ Loss On Sale Of Assets (Net)	(83,456,086)		1,675,042	
			<b>71,250,141</b>		<b>187,419,253</b>
	<b>Operating Profit Before Working Capital Changes</b>		<b>(103,631,645)</b>		<b>194,163,989</b>
	<i>Adjustment For :</i>				
	Trade Receivables	272,081,451		318,044,523	
	Inventories	(32,920,252)		(63,766,774)	
	Loans & Advances	127,169,206		15,795,881	
	Other Current Assets	(7,500)		153,183	
	Trade Payables	(46,124,969)		(173,395,347)	
	Other Liabilities & Provisions	77,300,670		4,308,682	
			<b>397,498,606</b>		<b>101,140,148</b>
	<b>Cash Generated From Operations</b>		<b>293,866,961</b>		<b>295,304,137</b>
	Direct Taxes Paid (Net)		1,080,532		(10,017,561)
	<b>Net Cash Flow Operating Activities</b>		<b>294,947,493</b>		<b>285,286,576</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>				
	Purchase Of Tangible Fixed Assets (Net)	(5,792,038)		(24,851,887)	
	Sale Of Tangible Fixed Assets	117,309,923		2,668,442	
	Purchase Of Equity Shares Of subsidiary	-		-	
	Dividend Received	7,500		7,500	
	<b>Net Cash Generated From / (Utilised in) Investing Activities</b>		<b>111,525,385</b>		<b>(22,175,945)</b>
<b>C.</b>	<b>Cash Flow From Financing Activities :</b>				
	Loan given to Subsidiary	(37,253,394)		(62,394,909)	
	(Repayment) of / Proceeds From Borrowings	(245,095,626)		(34,075,920)	
	Interest Received	36,198,505		29,808,487	
	Interest Paid	(157,844,258)		(167,147,283)	
	Dividend Paid (Incl. Of Tax)	(2,522,479)		(38,023,928)	
	<b>Net Cash Generated From / (Utilised in) Financing Activities</b>		<b>(406,517,251)</b>		<b>(271,833,553)</b>
	<b>Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b>		<b>(44,373)</b>		<b>(8,722,922)</b>
	<b>Cash And Cash Equivalents At Beginning Of The Year</b>	6,109,612		14,832,534	
	<b>Cash And Cash Equivalents At End Of The Year</b>	6,065,239		6,109,612	
	<b>Net Increase/ (Decrease)</b>		<b>(44,373)</b>		<b>(8,722,922)</b>

**Note:**

- 1 Cash And Cash Equivalents Consists Of Cash On Hand And Balance With Banks.
- 2 The Above Cash Flow Statement Has Been Prepared Under The Indirect Method As Set Out In Accounting Standard - 3 "Cash Flow Statement" Issued By The Institute Of Chartered Accountants Of India.
- 3 Previous Year's Figures Have Been Re-Grouped / Re-Arranged, Wherever Considered Necessary.

As per our report of even date attached

**For Bhuta Shah & Co.**  
Chartered Accountants  
Firm Reg. No.: 101474W

For and on behalf of the Board of Directors

**CA. Sailesh Bhuta**  
Partner  
Membership No.: 033958

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

**Shantilal P. Shah**  
Whole-time Director

Mumbai, 21<sup>st</sup> May, 2015

**Rajesh B. Jain**  
Chief Financial Officer

**Manik R. Makwana**  
Company Secretary

**Note 1.**

We designs, manufactures and markets 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.

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

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

**Note .2**

**SIGNIFICANT ACCOUNTING POLICIES:**

**i. Accounting Conventions:**

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (GAAP) under historical cost convention on accrual basis except for certain financial instrument which are measured at fair values to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 (“the Ac”) read with rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**ii. Use of Estimates:**

Preparation of financial statements in conformity of with Indian GAAP requires that the Management of the Company to makes estimates and assumptions that affect the reported amount of income and expenses of the period, the reported balances of assets and liabilities and the assumptions relating to contingent liabilities as on the date of the financial statements. Examples of such estimates include the useful life of tangible and intangible fixed assets, provision for doubtful debts/advances, future obligation in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known and if material, their effects are disclosed in the notes to the financial statements.

**iii. Valuation of 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.

**iv. 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

**v. Depreciation / Amortization:**

Depreciation on tangible fixed assets is provided on the straight line method as per useful life prescribed in Schedule II of the Act Depreciation on addition/deletion of assets during the year is provided on pro-rata basis. Brand will be amortized over a period of five subsequent years on a systematic basis as decided by the management at the rate of 20% in each year.

**vi. Revenue Recognition:**

The Company recognizes revenue on sale of products upon dispatch to the customer or when delivered to the ocean carrier for export sales, which is when risks and rewards of ownership are passed to the customer. Sales are shown net of returns, discounts, excise duty and sales tax.

- 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.
- c) The Company recognizes revenue on sale of products upon dispatch to the customer or when delivered to the ocean carrier for export sales, which is when

**vii. Export Incentives:**

Considering the uncertainty in respect of actual income realizable, which depends on the market conditions, the benefits accruing under the Duty Entitlement Pass Book Scheme are recognized on the basis of actual realization.

**viii. Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the rate of exchange in force at the time transactions are affected. 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 foreign currency items are carried at cost.

**ix. Investments:**

Non Current Investments are stated at cost. Provision for diminution in the value is made only if such a decline is other than temporary.

Current investments are carried at lower of cost or fair value/market value, determined on individual basis.

**x. 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.

ii) Defined benefit plan:

The Company's gratuity benefit scheme is a defined benefit plan. The Company contributes to a gratuity fund which has taken a group policy with Life Insurance Corporation of India for future payments of gratuity to retiring employees. The premium has been so adjusted as to cover the liability under the scheme in respect of all employees at the end of their future anticipated services with the company.

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.

**xi. Borrowing Cost:**

Borrowing Costs that are attributable to acquisition or construction of a qualifying asset are capitalized as a part of the cost of such asset. A Qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss.

**xii. Leases:**

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as expenses on accrual basis in accordance with respective lease agreements.

**xiii. Earning per share:**

Basic earning per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing profit/(loss) after tax as adjusted for



## **SUNDARAM MULTIPAP LIMITED**

### **FINANCIAL YEAR 2014 – 15**

for dividend, interest and other charges charges to expense or income relating to the dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings 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. Taxes on Income:**

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

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

#### **xv. Impairment of Fixed Assets:**

At each Balance Sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

#### **xvi. Contingent Liability:**

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of 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.

#### **xvii. Financial Derivatives Hedging Transaction:**

In respect of derivatives contract, premium paid, provision for losses on restatement and gains/losses on settlement are recognized in statement of Profit and Loss. The 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.

**SUNDARAM MULTI PAP LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**NOTE 3 : SHARE CAPITAL**

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<b><u>Authorized Capital</u></b> 250,000,000 (P.Y. 250,000,000) Equity Shares of ₹ 1/- Each	250,000,000	250,000,000
	<b>250,000,000</b>	<b>250,000,000</b>
<b><u>Issued, Subscribed &amp; Paid-up Capital</u></b> 215,605,773 (P.Y. 215,605,773) Equity Shares of ₹ 1/- Each Fully Paid	215,605,773	215,605,773
<b>Total of Issued, Subscribed And Fully Paid Up Share Capital</b>	<b>215,605,773</b>	<b>215,605,773</b>

- a) Reconciliation of the number of shares outstanding and the amount of share capital as at 31 March 2015 and 31 March 2014 is set out below:

Particulars	2014-15		2013-14	
	Equity Shares		Equity Shares	
	Number	Amount	Number	Amount
Shares Outstanding At The Beginning Of The Year	215,605,773	215,605,773	215,605,773	215,605,773
Shares Issued During The Year	-	-	-	-
Shares Bought Back During The Year	-	-	-	-
Shares Outstanding At The End Of The Year	<b>215,605,773</b>	<b>215,605,773</b>	<b>215,605,773</b>	<b>215,605,773</b>

- b) **Rights, preferences and restrictions attached To Equity Shareholders:**

The Company has only one class of Equity Shares having a face value Of ₹ 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. The dividend is proposed by the board Of directors and is subject to the approval of the members at the ensuing annual general meeting. The board of directors have a right to deduct from the dividend payable to any member any sum due from him to the Company.

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.

- c) 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, 2015 is 76,229,348 equity shares i.e. 35.36% of the equity share capital of the Company. Previous year march 31, 2014 is 117,718,959 equity shares i.e. 54.60 %.
- d) **The Details Of Share Holders Holding More Than 5% Shares:**

Name Of Shareholder	As at 31 March, 2015		As at 31 March, 2014	
	No. Of Shares held	% of Holding	No. Of Shares held	% of Holding
Amrut P Shah	23,288,887	10.80	35,929,325	16.66
Raichand P Shah	26,898,304	12.48	34,808,304	16.14
Shantilal P Shah	14,787,157	6.86	20,451,537	9.49
Citigroup Global Markets Mauritius	11,825,702	5.48	11,994,157	5.56
Ganjam Trading Pvt Ltd	14,999,499	6.96	14,999,499	6.96

- e) The Company has allotted 143,737,182 (FV - ₹ 1/-) equity shares by way of Bonus issue in the Financial Year 2012-13 in the ratio 1:2.

## NOTE 4 : RESERVES &amp; SURPLUS

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<b>(a) Capital Reserve</b>		
Opening Balance	700,000	700,000
Add: Additions during the year	-	-
<b>Capital Reserve - Closing Balance</b>	<b>700,000</b>	<b>700,000</b>
<b>(b) Securities Premium Reserve</b>		
Opening Balance	466,413,981	466,413,981
Add: Additions during the year	-	-
<b>Securities Premium Reserve - Closing Balance</b>	<b>466,413,981</b>	<b>466,413,981</b>
<b>(c) Revaluation Reserve</b>		
Opening Balance	443,754,167	-
Add/ (Less): Revaluation of Land *	(38,806,813)	443,754,167
<b>Revaluation Reserve - Closing Balance</b>	<b>404,947,354</b>	<b>443,754,167</b>
<b>(d) General Reserve</b>		
Opening Balance	16,972,914	16,972,914
Add: Transfer From Statement Of Profit And Loss	-	-
<b>General Reserve - Closing Balance</b>	<b>16,972,914</b>	<b>16,972,914</b>
<b>(e) Surplus In The Statement Of Profit And Loss</b>		
Opening Balance	438,032,001	439,529,342
Less: Depreciation Adjusted Against Free Reserves	(246,760,614)	-
Add: Net Profit/ (Loss) For The Year	(167,465,591)	1,025,138
<b>Balance Available For Appropriation</b>	<b>23,805,796</b>	<b>440,554,480</b>
Less: Appropriations		
Proposed Dividend	-	2,156,057
Dividend Distribution Tax	-	366,422
<b>Net Surplus In The Statement Of Profit And Loss</b>	<b>23,805,796</b>	<b>438,032,001</b>
<b>Total Of Reserves And Surplus</b>	<b>912,840,045</b>	<b>1,365,873,063</b>

\*The Company has revalued its Land at Palghar on 31st May 2013

## NOTE 5 : LONG TERM BORROWINGS

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<b><u>Term Loan</u></b>		
<b>Secured</b>		
<b>From Banks</b>		
State Bank Of India *	389,106,588	180,000,000
Industrial Development Bank of India *	39,000,000	-
Yes Bank **	20,000,000	-
Vehicle Loans ***	173,440	909,516
<b>From Others</b>		
Vehicle Loans \$	3,826,067	-
<b><u>Deferred Payment Liabilities</u></b>		
<b>Unsecured</b>		
Sales Tax Deferred Loan @	13,554,850	13,679,510
Loan From Sicom+	2,064,441	2,064,441
<b><u>Deposits</u></b>		
<b>Unsecured</b>		
Deposits	745,000	798,200
<b>Total Of Long Term Borrowings</b>	<b>468,470,386</b>	<b>197,451,667</b>

+ In case of delay/ default as on the Balance Sheet date in repayment of loans and interest with respect to above :

- (1) Period of Default : Earlier Years
- (2) Amount : ₹ 2,064,441

\* **Corporate Loan-State Bank Of India (SBI)**

Secured primarily by first charge (Hypothecation and mortgage) over the Fixed assets (immovable and movable) of the company as well as personal guarantee of three directors and collaterally secured by extension of hypothecation charge over entire current assets of the company. Further, additional collateral security carrying first pari-passu charge in the form of pledge of promoter's shares to the extent of 100% of E-Class Education System Ltd. has also been given. The said Loan carries floating rate of interest ranging of 3% above base rate. The repayment of the Loan shall commence from September 2015 and to be fully repaid by March 2020.

**Funded Interest Term Loan (FITL) and Working Capital Term Loan (WCTL) - SBI and Industrial Development Bank of India (IDBI).**

Secured primarily by first pari passu charge over the entire current assets (present and future) of the company as well as personal guarantee of three directors and collaterally secured by second pari - passu charge (hypothecation and mortgage) over the fixed assets (movable and immovable) of the Company, with IDBI bank. Further, additional collateral security carrying first pari-passu charge in the form of pledge of promoter's shares to the extent of 100% of E-Class Education System Ltd. has also been given. The said Loans carries floating rate of interest ranging between 2.75% to 3% above base rate. The repayment of WCTL shall commence from September 2015 and to be fully repaid by September 2016. The repayment of FITL shall commence from December 2015 and to be fully repaid by March 2020.

\*\* Secured by subservient charge over current and movable fixed assets of the company as well as personal guarantee of three directors and pledge of shares of the Company carrying floating rate of interest of 2% above base rate and repayable by June, 2018.

\*\*\* Secured by Hypothecation of respective vehicles purchased carrying interest ranging from 10.75% To 13.25% and repayable by May-2016.

\$ Secured by Hypothecation of respective vehicles purchased carrying interest ranging from 12% and repayable by March-2021.

@ Repayment shall commence from the financial year 2015-16 upto 2024-25.

5.1 Out the above loans, three Directors of the Company have given their personal guarantee for secured loans (except vehicle loan) aggregating to ₹.448,106,588/-

**NOTE 6 : DEFERRED TAX LIABILITIES (NET)**

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<b>Liabilities</b>		
Depreciation	45,739,409	37,006,966
(A)	45,739,409	37,006,966
<b>Assets</b>		
Employee Benefits / Expenses Allowable on Payment Basis	1,100,306	873,192
Unabsorbed Depreciation *	8,505,329	-
(B)	9,605,635	873,192
Less: Opening Net Deferred Tax Liability	36,133,774	33,579,292
(C)		
<b>Net Deferred Tax Liability Charged To Statement Of Profit And Loss</b>	<b>(D) = A-B-C</b>	<b>(0)</b>
<b>Net Deferred Tax Liability</b>	<b>(E) = C+D</b>	<b>36,133,774</b>
	<b>36,133,774</b>	<b>36,133,774</b>

\* The Company has recognised deferred tax asset of ₹ 8,505,329/- (as at March 31,2014, ₹ Nil ) on unabsorbed depreciation to the extent there is deferred tax liability on timing differences that will reverse in the future.

**NOTE 7 : LONG TERM PROVISIONS**

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<b><u>Provision For Employees Benefit</u></b>		
Provision For Gratuity	3,391,297	2,691,297
<b>Total of Long Term Provisions</b>	<b>3,391,297</b>	<b>2,691,297</b>

**Note : 8 SHORT TERM BORROWINGS**

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<b><u>Loan Repayable On Demand</u></b>		
<b><u>From Banks</u></b>		
<b>Secured</b>		
Cash Credit From State Bank Of India **	126,380,657	513,333,132
Cash Credit From Industrial Development Bank Of India **	25,355,622	101,365,758
From Public Financial Institutions	-	22,688,699
<b>Unsecured</b>		
From Banks	-	6,560,460
<b><u>Loans &amp; Advances From Related Parties</u></b>		
<b>Unsecured</b>		
Loan From Directors ###	59,554,200	40,040,035
<b><u>Deposit</u></b>		
<b>Unsecured</b>		
Intercompany Deposits###	152,370,696	195,787,435
<b>Total Of Short Term Borrowings</b>	<b>363,661,175</b>	<b>879,775,519</b>

\*\* Secured primarily by first pari passu charge over stock and book debts of the Company with other working capital lender and personal guarantee of three Directors and collaterally secured by second pari - passu charge (hypothecation and mortgage) over the fixed assets (movable and immovable) of the company. Further, additional collateral security carrying first pari-passu charge in the form of pledge of promoter's shares to the extent of 100% of E-Class Education System Ltd. has also been given. The said loan carries interest rate ranging between 2.75% to 3% above base rate.

### It consist of loan from three Directors and are interest free. Further, all the loans are provided by the director from their own funds.

## All inter corporate deposits are taken against pledge of Promoters Equity Shares held in the Company.

**NOTE 9 : TRADE PAYABLES**

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
Micro, Small And Medium Enterprises (Refer Note 33)	-	-
Others	94,370,945	140,495,914
<b>Total Of Trade Payables</b>	<b>94,370,945</b>	<b>140,495,914</b>

**NOTE 10 : OTHER CURRENT LIABILITIES**

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<b><u>Current Maturities Of Long-Term Borrowings (Refer Note 5)</u></b>		
From Banks	192,893,879	82,014,168
From other Financial Institutions	-	2,361,310
Vehicle Loans	1,219,942	1,434,034
Sales Tax Deferred Loan	124,660	-
Advance From Customers	11,900,791	24,722,358
Interest Accrued But Not Due On Borrowings	-	2,056,519
Unpaid Dividend	501,713	13,521,559
<b><u>Other Payables</u></b>		
Outstanding Expenses	11,490,088	11,927,544
Outstanding Statutory Liabilities	4,111,353	7,604,264
<b>Total Of Other Current Liabilities</b>	<b>222,242,426</b>	<b>145,641,756</b>

**NOTE 11 : SHORT TERM PROVISIONS**

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<b><u>Others</u></b>		
Proposed Dividend	-	2,156,057
Provision For Dividend Distribution Tax	-	366,422
Provision For Income Tax	4,004,198	-
<b>Total Of Short Term Provisions</b>	<b>4,004,198</b>	<b>2,522,479</b>



**SUNDARAM MULTI PAP LTD.**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

NOTE 12 &amp; 12A : FIXED ASSETS AS ON 31st March 2015

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
	As on 1st April, 2014	Additions During the Year	Deductions During the Year	As on 31st March, 2015	For the Year	Adjustment as per the Companies Act, 2013. (Refer note 10.1)	Deductions During the Year	As on 31st March, 2015
<b>A. Tangible Assets: (Owned)</b>								
Freehold Land	630,479,748	-	45,336,700	585,143,048	-	-	-	585,143,048
Building	235,966,060	-	17,552,233	218,413,827	4,900,403	46,487,881	(4,672,436)	125,959,590
Plant & Machinery	552,413,206	226,354	288,882,984	263,756,576	14,637,418	183,477,200	274,438,835	191,190,628
Furniture & Fixture	73,687,287	2,432	-	73,689,719	5,264,051	16,352,166	-	23,851,907
Vehicles	27,274,475	5,250,000	-	32,524,475	3,636,221	(1,082,813)	-	15,227,293
Office Equipments	6,107,999	313,252	-	6,421,251	618,688	(473,820)	-	1,047,662
<b>Total Tangible Assets</b>	<b>1,525,928,775</b>	<b>5,792,038</b>	<b>351,771,917</b>	<b>1,179,948,896</b>	<b>29,056,781</b>	<b>246,760,614</b>	<b>269,766,399</b>	<b>942,420,128</b>
<b>B. Intangible Assets:</b>								
Brand	72,930,746	-	-	72,930,746	4,011,192	-	-	20,055,954
<b>Total Intangible Assets</b>	<b>72,930,746</b>	<b>-</b>	<b>-</b>	<b>72,930,746</b>	<b>4,011,192</b>	<b>-</b>	<b>-</b>	<b>20,055,954</b>
<b>TOTAL (A+B)</b>	<b>1,598,859,521</b>	<b>5,792,038</b>	<b>351,771,917</b>	<b>1,252,879,642</b>	<b>33,067,973</b>	<b>246,760,614</b>	<b>269,766,399</b>	<b>962,476,082</b>
<b>Previous Year</b>	<b>1,107,596,423</b>	<b>498,215,348</b>	<b>6,952,250</b>	<b>1,598,859,521</b>	<b>243,882,092</b>	<b>48,412,918</b>	<b>2,608,768</b>	<b>1,309,173,280</b>

(Amount in ₹)

**10.1 Adoption of useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013**

Effective from 1 April, 2014 the Company has charged depreciation based on revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act 2013 as per para 7(b) of notes to part C. Based on transitional provision provided in note 7(b) to Schedule II, where the remaining useful life of an asset is nil the carrying amount of the asset should be recognised in the retained earnings. Such carrying amount as on 1 April, 2014 for the Company was ₹ 2,46,760,614/-.

## NOTE 13 : NON CURRENT INVESTMENTS

	₹ As at 31st March, 2015	₹ As at 31st March, 2014
<b>Trade Investments</b>	-	-
<b>Others (valued at Cost)</b>		
<b>Investment In Unquoted Equity Instruments</b>		
i <b>Subsidiary</b>		
15,000,000 Equity Shares Of ₹10/- Each Fully Paid Up Of E-Class Education System Ltd. (Previous Year 15,000,000 Shares)	150,000,000	150,000,000
ii <b>Others</b>	50,000	50,000
5,000 Equity Shares Of ₹10/- Each Fully Paid Up of Abhyudaya Co-operative Bank Ltd. (Previous Year 5,000 Shares)		
<b>Total Of Non Current Investment</b>	<b>150,050,000</b>	<b>150,050,000</b>
<b>Aggregate amount of quoted investments</b>	-	-
<b>Aggregate amount of unquoted investments</b>	150,050,000	150,050,000
<b>Total Of Non Current Investment</b>	<b>150,050,000</b>	<b>150,050,000</b>

## NOTE 14 : LONG TERM LOANS AND ADVANCES

	₹ As at 31st March, 2015	₹ As at 31st March, 2014
<b>Advance For Capital Assets</b>		
Unsecured, Considered Good	-	9,284,729
<b>Security Deposits</b>		
Unsecured, Considered Good	4,107,629	4,304,334
<b>Total Of Long Term Loans And Advances</b>	<b>4,107,629</b>	<b>13,589,063</b>

## NOTE 15 : INVENTORIES

	₹ As at 31st March, 2015	₹ As at 31st March, 2014
Raw Materials	106,344,239	166,882,137
Work-In-Progress	105,135,306	170,975,002
Finished Goods	48,350,188	18,610,835
Stock-in-trade	357,096,552	207,093,750
Stores & Spares	23,501,210	43,945,519
<b>Total Of Inventories</b>	<b>640,427,495</b>	<b>607,507,243</b>

## NOTE 16 : TRADE RECEIVABLES

	₹ As at 31st March, 2015	₹ As at 31st March, 2014
<b>Debts Overdue Beyond 6 Months</b>		
Unsecured, Considered Good	166,795,288	360,456,232
<b>Others</b>		
Unsecured, Considered Good	50,649,006	129,069,513
<b>Total Of Trade Receivables</b>	<b>217,444,294</b>	<b>489,525,745</b>

## NOTE 17 : CASH AND CASH EQUIVALENTS

	₹ As at 31st March, 2015	₹ As at 31st March, 2014
<b>Cash-In-Hand</b>		
Cash Balance	2,103,486	3,425,008
<b>Sub Total (A)</b>	<b>2,103,486</b>	<b>3,425,008</b>
<b>Bank Balance</b>		
In Current Accounts	3,290,382	1,974,513
In Deposit Accounts	118,771	153,611
In Dividend Account	552,600	556,480
<b>Sub Total (B)</b>	<b>3,961,753</b>	<b>2,684,604</b>
<b>Total Of Cash And Cash Equivalent (A) + (B)</b>	<b>6,065,239</b>	<b>6,109,612</b>

Includes Deposit with Banks of Rs. 118,771/- (Previous Year: Rs.153,611/-) with original maturity of more than 12 months

## NOTE 18 : SHORT TERM LOANS AND ADVANCES

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<b><u>Loans &amp; Advances To Related Parties</u></b>		
<b>Unsecured, Considered Good</b>		
Loan To Subsidiary - E-Class Education System Ltd. (Refer note-18.1)	223,231,138	185,977,745
<b><u>Others</u></b>		
<b>Unsecured, Considered Good</b>		
Advance To Suppliers	28,063,397	87,333,454
Advance Income Tax (Net Off Provision For Tax)	12,955,052	2,615,191
Balance With Revenue Authorities	3,356,033	4,185,217
Prepaid Expenses	567,847	4,228,482
Advance To Employees	364,590	710,840
Other Advances	71,456,720	125,038,367
<b>Total Of Short Term Loans And Advances</b>	<b>339,994,777</b>	<b>410,089,296</b>

## NOTE 18.1 : DISCLOSURE REQUIRED BY CLAUSE 32 OF LISTING AGREEMENT

	₹		₹	
	As at 31st March, 2015		As at 31st March, 2014	
	Balance	Maximum outstanding during the year	Balance	Maximum outstanding during the year
Loans & Advances To Related Parties include loans to subsidiaries				
<b>Loan To Subsidiary - E-Class Education System Ltd.</b>	223,231,138	223,231,138	185,977,745	185,977,745

## NOTE 19 : OTHER CURRENT ASSETS

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
Dividend Receivable	15,000	7,500
Interest Receivable	139,503	139,503
<b>Total Of Other Current Assets</b>	<b>154,503</b>	<b>147,003</b>

## SUNDARAM MULTI PAP LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

## NOTE 20 : REVENUE FROM OPERATIONS

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b><u>Sale of Products</u></b>		
Local Sales	852,366,118	1,114,332,270
Trading Sales	5,317,124	426,881,248
Export Sales	-	29,799,658
	<b>857,683,242</b>	<b>1,571,013,176</b>
<b><u>Other Operating Revenues</u></b>		
Advertisement Income	900,000	2,000,000
	<b>858,583,242</b>	<b>2,000,000</b>
<b>Less: Excise Duty</b>	<b>25,558,646</b>	<b>32,151,250</b>
<b>Total Of Revenue From Operations</b>	<b>833,024,596</b>	<b>1,540,861,926</b>

## NOTE 21 : OTHER INCOME

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Dividend Income	7,500	7,500
Rent Received	-	864,000
Exchange Fluctuation On Exports	1,943,521	4,527,179
Royalty Income	-	1,000,000
Miscellaneous Income	-	20,640
<b>Total Of Other Income</b>	<b>1,951,021</b>	<b>6,419,319</b>

## NOTE 22 : COST OF MATERIAL CONSUMED

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>Raw Material Consumed</b>		
Opening Stock	166,882,137	179,565,055
Add: Purchases	671,546,086	664,443,337
Raw Material Sales	(160,661,213)	(14,973,393)
Transport Inwards	21,957,356	20,808,271
	<b>699,724,366</b>	<b>849,843,270</b>
Less: Closing Stock	106,344,239	166,882,137
<b>Total Of Cost Of Material Consumed</b>	<b>593,380,127</b>	<b>682,961,133</b>

## NOTE 23 : CHANGES IN INVENTORIES OF FINISHED GOODS,WORK-IN-PROGRESS AND STOCK-IN-TRADE

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>Inventory (at Commencement)</b>		
Finished Goods	18,610,835	79,278,958
Work In Progress	170,975,002	178,950,871
Stock-in-Trade	207,093,750	63,586,805
<b>Less: Inventory (at Close)</b>		
Finished Goods	48,350,188	18,610,835
Work In Progress	105,135,306	170,975,002
Stock-in-Trade	357,096,552	207,093,750
<b>Total Of Changes In Inventories Of Finished Goods,Work-In-Progress And Stock-in-Trade</b>	<b>(113,902,459)</b>	<b>(74,862,954)</b>

## NOTE 24 : EMPLOYMENT BENEFITS EXPENSES

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Salaries & Wages	28,778,867	27,044,100
Contribution To Provident Fund, Gratuity And Other Funds	1,686,303	1,208,349
Director's Remuneration	5,250,000	6,000,000
Staff Welfare	393,984	591,593
<b>Total Of Employment Benefits Expenses</b>	<b>36,109,154</b>	<b>34,844,042</b>

## NOTE 25 : FINANCE COSTS

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Interest Expenses	149,112,550	165,477,994
Other Borrowing Costs	8,731,708	1,723,292
<b>Less: Interest Capitalised</b>	-	54,002
	<b>157,844,258</b>	<b>167,147,283</b>
<b>Less :-Interest Income</b>	<b>36,198,505</b>	<b>29,808,487</b>
<b>Total Of Financial Costs</b>	<b>121,645,753</b>	<b>137,338,796</b>

## NOTE 26 : DEPRECIATION &amp; AMORTIZATION EXPENSES (Refer note.12)

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Depreciation	29,056,781	40,390,533
Amortisation Of Intangibles	4,011,192	8,022,382
<b>Total Of Depreciation &amp; Amortization Expenses</b>	<b>33,067,973</b>	<b>48,412,915</b>

**NOTE 27 : OTHER EXPENSES**

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>Note 27 A: Manufacturing Expenses</b>		
Power And Fuel	2,749,627	7,507,421
Job Work Expenses	12,833,794	12,713,717
Repair & Maintenance To Building	684,180	1,881,053
Repair & Maintenance To Machinery	2,781,657	2,366,943
Security Expenses	289,267	598,573
Service Tax	1,161,878	686,573
Stores & Packing Material Consumed	48,611,663	83,990,924
Other Manufacturing Exp	35,150	193,688
<b>Sub Total Note 27 A</b>	<b>69,147,216</b>	<b>109,938,892</b>
<b>Note 27 B: Selling &amp; Distribution Expenses</b>		
Sales Promotion & Advertisement Expenses	321,479	2,772,313
Freight, Clearing & Forwarding Charges	2,785,120	5,935,577
Loading & Unloading Charges	2,336,235	1,443,978
Commission Charges	-	3,258,147
Tempo Expenses	2,698,921	3,078,416
<b>Sub Total Note 27 B</b>	<b>8,141,755</b>	<b>16,488,431</b>
<b>Note 27 C: Administrative Expenses</b>		
Rent Expenses	803,897	1,753,651
Insurance Expenses	3,398,795	8,965,366
Rates & Taxes Expenses	354,876	435,320
Wealth Tax	70,020	66,760
Motor Car Expenses	953,191	1,484,745
Travelling Expenses	780,487	1,927,178
Computer Maintenance	30,596	28,993
Conveyance Expenses	26,357	76,208
Postage & Courier	305,601	202,014
Legal, Professional & Consultancy Charges	2,615,533	4,391,500
Printing & Stationery	533,952	545,752
Auditors Remuneration (Refer Note - 32)	375,000	2,096,068
Donation	-	837,743
Electricity Expenses	724,560	1,031,328
Listing & Registration Fees	486,714	367,942
Loss On Sale Of Fixed Assets (Net)	-	1,675,042
Subscription Charges	39,180	33,804
Sundry Balance W/Off	7,160,768	2,672,267
Telephone Expenses	564,946	828,698
Sundry Expenses	375,211	239,979
<b>Sub Total Note 27 C</b>	<b>19,599,684</b>	<b>29,660,358</b>
<b>Total of Other Expenses (Note 27 A+ 27 B+ 27 C)</b>	<b>96,888,655</b>	<b>156,087,681</b>

**NOTE 28 : EXCEPTIONAL ITEMS**

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Profit on Sale of Fixed Assets	83,456,086	-
Loss on Sale of Non Moving Items	(116,379,845)	-
Reversal of Accrued Interest Receivable	(30,562,920)	-
Pre-Maturity of Keyman Insurance Policy	29,455,965	-
<b>Total of Exceptional Items</b>	<b>(34,030,716)</b>	<b>-</b>



## Notes forming part of Financial Statements

**Note 29**

**Contingent Liability:** In the opinion of the Board of directors, the Company has no contingent liability (PY : Nil)

**Note 30**

In the opinion of the management, current assets, loans, advances and deposits are approximately of the value stated, if realized in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

**Note 31**

Balances of certain trade receivables, trade payables and loans and advances are subject to confirmations / reconciliation and consequential adjustments, if any. The management does not expect any material variation affecting the current year's financial statements on account of such reconciliation / adjustments.

**Note 32****Auditors Remuneration:****(Amount in ₹)**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Audit fees	300,000	650,000
Tax Audit fees	75,000	180,000
Income Tax Matters	-	1,250,000
Others	-	16,068
<b>Total</b>	<b>375,000</b>	<b>2,096,068</b>

**Note 33****Disclosure under MSME Act, 2006:**

The Company has not received any 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 as required under the said act have not been given.

**Note 34****Segment Reporting:**

Primary Segment (Business):

The Company operates in single business segment of manufacture and sale of exercise note books and paper. Hence, further disclosure required as per Accounting Standard AS-17 “Segment Reporting” is not given.

**Note 35****Related Party Disclosures:**

a) List of related parties with whom the Company has entered into transactions during the year in the ordinary course of business:

<b>Relationship</b>	<b>Name</b>	<b>Nature</b>
<b>Wholly owned Subsidiary</b>	E Class Education System Limited	Company
<b>Key Management Personnel (KMP)</b>	Mr. Amrut P. Shah	Chairman & Managing Director
	Mr. Shantilal P. Shah	Whole-time Director
	Mr. Hasmukh A. Gada	Whole-time Director
	Mr. Manik R. Makwana (Appointed w.e.f from 01/01/2015)	Company Secretary
<b>Enterprise over which KMP are able to exercise significant influence</b>	Sundaram Bio-Tech Pvt Ltd	Company
<b>Relatives of KMP</b>	Mr. Raichand P. Shah	Brother of Amrut P. Shah & Shantilal P. Shah

**b) Transactions with Related Parties:**

<b>Particulars</b>	<b>Amount in ₹</b>		
	<b>Wholly Owned Subsidiary</b>	<b>KMP</b>	<b>Relatives of KMP</b>
Loan Given to E Class Education System Ltd	223,231,138 (139,719,074)	- ( - )	- ( - )
Repayment of Loan Given to E Class Education System Ltd	- (77,324,165)	- ( - )	- ( - )
Interest charged on Loan Given to E Class Education System Ltd	36,198,505 (23,009,388)	- ( - )	- ( - )

Particulars	Wholly Owned Subsidiary	KMP	Relatives of KMP
<b>Loan Taken</b>	- ( - )	126,621,391 (106,939,028)	- ( - )
<b><u>Details are as under:</u></b>			
Mr. Amrut P. Shah	- ( - )	93,001,023 (79,619,835)	- ( - )
Mr. Shantilal P. Shah	- ( - )	21,120,368 (14,819,193)	- ( - )
Mr. Hasmukh A. Gada	- ( - )	12,500,000 (12,500,000)	- ( - )
<b>Repayment of Loan taken</b>	- ( - )	94,765,101 (113,828,770)	- ( - )
<b><u>Details are as under:</u></b>			
Mr. Amrut P. Shah	- ( - )	74,616,699 (94,272,901)	- ( - )
Mr. Shantilal P. Shah	- ( - )	20,148,402 (19,555,869)	- ( - )
<b>Remuneration</b>	- ( - )	5,250,000 (6,000,000)	1,200,000 (400,000)
<b><u>Details are as under:</u></b>			
Mr. Amrut P. Shah	- ( - )	2,000,000 (2,000,000)	- ( - )
Mr. Shantilal P. Shah	- ( - )	1,000,000 (1,000,000)	- ( - )
Mr. Hasmukh A. Gada	- ( - )	2,250,000 (3,000,000)	- ( - )
Mr. Raichand P. Shah	- ( - )		1,200,000 (400,000)
Rent Paid to Mrs. Nayna S.Shah	- ( - )	- ( - )	189,000 (189,000)
Interest Paid to Mr. Hasmukh A. Gada	- ( - )	1,413,384 (201,370)	- ( - )

Figures in bracket reflects previous year's amount

## c) Outstanding Balances of Related Parties:

Amount in ₹

Particulars	Wholly Owned Subsidiary	KMP	Enterprise over which KMP are able to exercise significant influence	Relatives of KMP
Short term Loans and Advances / Recoverable	223,231,138 (185,977,745)	- ( - )	3,000 (3,000)	- ( - )
Short term Borrowings / Payable	( - ) ( - )	(59,554,200) (40,040,035)	- ( - )	46,902 (1,560,277)
Investments	150,000,000 (150,000,000)	- ( - )	- ( - )	- ( - )

Figures in bracket reflects previous year's amount.

**Note 36**

Computation of Basic and Diluted Earnings Per Share (EPS):

Particulars	Current Year	Previous Year
Net Profit/(Loss) After Tax available to equity shareholders (in ₹)	(167,465,591)	1,025,137
Weighted average number of equity shares for Basic and Diluted EPS	215,605,773	215,605,773
Basic and diluted earnings per share (Face Value ₹ 1) (in ₹)	(0.78)	0.01

**Note 37**

a) Details of Sales value of Products:

Class of Goods	Sale Value ₹	
	For the year ended 31.03.2015	For the year ended 31.03.2014
Class of goods		
Exercise Books	823,057,053	1,053,538,884
Paper	3,750,418	58,441,794
Trading	5,317,124	426,881,248
<b>Total</b>	<b>832,124,595</b>	<b>1,538,861,926</b>

The above figures are net of excise duty of ₹ 25,558,646 (P.Y. ₹ 32,151,250)

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

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014
Exercise Books	17,798,242	77,077,560	48,350,188	17,798,242
Paper	812,593	2,201,398	-	812,593
Trading of Copier Paper & Others	207,093,750	63,586,805	357,096,552	207,093,750
<b>Total</b>	<b>225,704,585</b>	<b>142,865,763</b>	<b>405,446,740</b>	<b>225,704,585</b>



## c) Details of Opening &amp; Closing Stock of Semi Finished Goods:

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014
Exercise Books	151,836,018	163,150,611	86,628,450	151,836,018
Paper	19,138,984	15,800,260	18,506,856	19,138,984
<b>Total</b>	<b>170,975,002</b>	<b>178,950,871</b>	<b>105,135,306</b>	<b>170,975,002</b>

**Note 38**

Value of Raw Material Consumed:

Particulars	For the year ended 31.03.2015		For the year ended 31.03.2014	
	Amount ₹	%	Amount ₹	%
<div> <div> <div></div> <div></div> </div> <div> <div></div> <div></div> </div> </div> (Paper & Paper Boards)			4,990,828	0.77%
(i) Imported				
(ii) Indigenous	593,380,127	100.00%	677,970,305	99.23%
<b>Total</b>	<b>593,380,127</b>	<b>100.00%</b>	<b>682,961,133</b>	<b>100.00%</b>

Raw Material Purchase (Breakup)	2014-15 (Amt in ₹)
Paper	572,174,943
Duplex Board	84,587,519
Others	14,783,624
<b>Total</b>	<b>671,546,086</b>

**Note 39**

Earnings &amp; Expenditure in Foreign Currency:

Amount in ₹

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
F.O.B. Value of Exports	-	29,438,630
<u>C.I.F Value of Imports:</u>		
Raw Materials	-	4,990,828
<u>Expenditure:</u>		
Traveling Expenses	31,375	470,900

**Note 40:****Employee benefits****1. Defined contribution plans:**

The Company makes Provident Fund contributions 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 contributions amounting to ₹12.66 Lacs (2014: ₹9.72 Lacs) have been charged to the Statement of Profit and Loss. The contributions payable to this plan by the Company is at rates specified in the rules of the scheme.

**2. 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.

During the year gratuity benefit expense of ₹7 lacs recognised in the Statement of profit and loss. Due to non-availability of Actuarial valuation report, the charge for the year and liability as on balance sheet date were derived based on the past trend of attrition, increase in compensation cost and other relevant factors.

**Note 41****Disclosure in respect of lease:**

The Company has entered into operating lease arrangements for office premises. The leases are non-cancellable and are for a period of 1<sup>st</sup> Nov-2014 to 31<sup>st</sup> Oct 2017 years and may be renewed for a further period of 2 years based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments by 8 to 10 % every year.

**Amount in ₹**

	2015	2014
Future minimum lease payments		
Not later than one year	1,020,000	Nil
Later than one year and not later than five years	3,467,880	Nil
Later than five years	-	Nil
Lease payments of ₹ 425,000 Nil (2014: Nil) recognised in the Statement of Profit and Loss.		

**Note 42**

On 14<sup>th</sup> November 2014, the Board of Directors announced a plan to permanently close down Nagpur Paper Unit subject to the completion of necessary formalities. This is not a separate segment as per AS 17, Segment Reporting. The disposal is consistent with the Company's long-term strategy to focus its activities at Palghar unit. The Company is actively seeking a buyer for the plant & machineries and other fixed assets at Nagpur unit and hopes to complete the sale by the end of March 2016. At 31<sup>st</sup> March 2015, the carrying amount of the assets of the Nagpur unit was ₹3279.31 lakhs (previous year ₹ 6000.42 lakhs) and its liabilities were ₹Nil lakhs (previous year ₹ Nil lakhs). In the opinion of the Board of Directors, the assets have a value on realization at least equal to the amounts at which they are states in the Balance Sheet.

**Note 43**

Previous year figures have been re-grouped/re-classified wherever considered necessary to compare with current year figures.

As per our report of even date attached

For **Bhuta Shah & Co.**  
Chartered Accountants  
Firm Regn. No. 101474W

**CA. Sailesh Bhuta**  
Partner  
Membership No. 033958

For and on behalf of the Board and Directors

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

**Rajesh B. Jain**  
Chief Financial Officer

**Shantilal P. Shah**  
Whole-time Director

**Manik R. Makwana**  
Company Secretary

**Mumbai, 21<sup>st</sup> May, 2015**

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF  
SUNDARAM MULTI PAP LIMITED

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SUNDARAM MULTI PAP LIMITED ("the Holding Company"), and its subsidiary E-Class Education System Limited (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act"), that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Basis for Qualified Opinion

(a) Note 40 to the consolidated financial statements which describe provision for Gratuity is not determined by the Holding Company by using actuarial techniques and no provision is made for gratuity by the subsidiary company, which constitutes a departure from the Accounting Standard - 15 "Employee Benefits (revised 2005)".

(b) Note 42 to the consolidated financial statements which described that the Company has announced a plan to permanently close down Nagpur Paper Unit; however the Company has not given separate disclosure for discontinuing operation, which constitutes a departure from the Accounting Standard – 24 "Discontinuing Operations".

### **Qualified Opinion**

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

### **Emphasis of Matter**

We draw attention to the following matters in the notes to the consolidated financial statements:

Note 31 in the consolidated financial statements which indicate that, balances of certain trade receivables and advances are subject to confirmation and reconciliation. However, the management does not expect any material variation affecting the current year's consolidated financial statements on account of such reconciliation / adjustments. Accordingly, no provision has been made in the consolidated financial statements.

Our opinion on the consolidated financial statements is not modified in respect of this matter.

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

1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' report of the Holding company and subsidiary company, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

- (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated financial statements;
- (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) except for the effect of matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. Company does not have any pending litigations which would impact its financial position;
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

For **Bhuta Shah & Co.**  
Chartered Accountants  
Firm Reg. No.: 101474W

**CA. Shailesh Bhuta**  
Partner  
Membership No.: 033958  
Mumbai, 21 May, 2015

**Annexure to the Independent Auditors' Report on the consolidated financial statements**

(Referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our Report of even date)

i) In respect of its fixed Assets of Holding company and subsidiary company:

(a) The respective companies have maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.

(b) The Holding Company and subsidiary company have a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the respective companies and the nature of their assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.

ii) In respect of its Inventories of the Holding Company and subsidiary company:

(a) As explained to us, the inventories were physically verified during the year by the Management of the respective companies at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management of the respective companies were reasonable and adequate in relation to the size of the respective companies and the nature of their business.

(c) In our opinion and according to the information and explanations given to us, the respective companies have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.

iii) According to the information and explanations given to us, the Holding Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans:

(a) The Terms of arrangement does not stipulate any repayment schedule and the loan are repayable on demand. In the absence of stipulations, the regularity of the receipts of principal amounts and interest has not been commented upon.

(b) As there is no stipulation on the repayment of loan, therefore the question to take reasonable steps to recover overdue amount does not arise.

The aforesaid subsidiary company have not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system in the Holding Company and subsidiary company, commensurate with the size of the respective companies and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal control system.

v) According to the information and explanations given to us, the Holding Company and subsidiary company has not accepted any deposit during the year.

vi) We have broadly reviewed the cost records maintained by the Holding company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

Based on the auditors' report issued in accordance with the Order on the aforesaid subsidiary, the maintenance of cost records under sub-section (1) of section 148 of the Act, is not applicable to the subsidiary company under Rule 3 of the Companies (Cost Records and Audit) Amendment Rules, 2014 since the overall turnover of the subsidiary company from all its products and services does not exceed rupees thirty five crore or more during the immediately preceding financial year.

vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Holding Company has generally been regular in depositing, undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Central Sales-tax, Wealth Tax, Service Tax, Excise Duty, Value added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

Based on the auditors' report issued in accordance with the Order on the aforesaid subsidiary, the subsidiary company is not regular in depositing, undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Service Tax; Value added Tax and other material statutory dues applicable to it with the appropriate authorities.



(b) There were no undisputed amounts payable by the Holding Company in respect of Provident Fund, Employees' State Insurance, Income-tax, Central Sales Tax, Wealth Tax, Service Tax, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at March 31<sup>st</sup>, 2015 for a period of more than six months from the date they became payable.

Based on the auditors' report issued in accordance with the Order on the aforesaid subsidiary, there were undisputed amounts payable in respect of Employees' State Insurance, Income-tax and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable, the same is tabulated as under:

Name of Statute	Nature of Dues	Period to which the Amount Relates	Amount Involved ₹
ESIC ACT, 1948	Employees State Insurance Corporation	August to March 2015	60,720/-
Maharashtra Profession Tax Act, 1975	Profession Tax	June to March 2015	49,625/-
Income Tax Act, 1961	Tax Deducted at Source on Professional Fees (194J)	April to March 2015 Before March 2014	1,86,681/- 2,53,634/-
	Tax Deducted at Source on Brokerage and Commission (194H)	December to Mar 2015 Before March 2014	23,971/- 839/-
	Tax Deducted at Source on Rent (194I)	May to March 2015 Before Mar 2014	63,738/- 1,15,264/-
	Tax Deducted at Source on Contractors (194C)	April to March 2015 Before March 2014	18,877/- 51,823/-
	Tax Deducted at Source on Interest (194A)	Before March 2014	23,43,891/-
	Tax Deducted at Source on Salary (192B)	April to March 2015 Before March 2014	94,931/- 4,31,812/-

(c) Details of dues of Excise duty which have not been deposited by the Holding Company as on March 31, 2015 on account of disputes is given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved ₹
Central Excise Law	Excise duty	Commissioner of Central Excise (Appeals) - IV	FY 2012-13	4,190,537/-

There were no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Value Added Tax and Cess which have not been deposited by the Holding Company as on March 31, 2015 on account of disputes.

Based on the auditors' report issued in accordance with the Order on the aforesaid subsidiary, there were no dues of Income-tax, Sales Tax, Wealth Tax, Service Tax, Custom duty, Excise duty, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes.

(d) The Holding Company has been generally regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provision of the Companies Act 1956 (1 of 1956) and rules made there under within time.

Based on the auditors' report issued in accordance with the Order on the aforesaid subsidiary, there are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.

viii) The Group does not have any accumulated losses at the end of the financial year and have incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.

ix) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, there were several instances in which the Holding Company had defaulted in repayment of dues to banks but the same were regularized in due course of time. However, total default in repayment of dues to banks and financial institutions amounting to ₹ 20,64,441 is not regularized as at 31 March 2015. The Holding Company has not issued any debentures.

Based on the auditors' report issued in accordance with the Order on the aforesaid subsidiary, the subsidiary company has neither obtained nor defaulted in the repayment of dues to the financial institutions, banks and debenture holders.

x) In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiary, the Holding Company and its aforesaid subsidiary have not given any guarantee for loan taken by others from banks and financial institutions.

xi) In our opinion and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiary, the Holding company and its aforesaid subsidiary has not obtained term loan during the year under consideration.

xii) To the best of our knowledge and according to the information and explanations given to us and based on the auditors' report issued in accordance with the Order on the aforesaid subsidiary, no fraud by the Holding Company and its subsidiary and no material fraud on the Holding Company and its subsidiary has been noticed or reported during the year.

For **Bhuta Shah & Co.**  
Chartered Accountants  
Firm Reg. No.: 101474W

**CA. Shailesh Bhuta**  
Partner  
Membership No.: 033958

**Mumbai, 21<sup>st</sup> May, 2015**

SUNDARAM MULTI PAP LIMITED			
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2015			
Particulars	Note No.	As at 31 st March, 2015	As at 31 st March, 2014
		₹	₹
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	3	215,605,773	215,605,773
Reserves And Surplus	4	734,564,308	1,246,404,765
		<b>950,170,081</b>	<b>1,462,010,538</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	5	468,470,386	207,706,510
Deferred Tax Liabilities (Net)	6A	36,133,774	36,133,774
Long Term Provisions	7	3,391,297	2,691,297
		<b>507,995,457</b>	<b>246,531,581</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	8	394,267,512	897,785,029
Trade Payables	9	97,307,176	146,443,840
Other Current Liabilities	10	233,520,333	166,502,546
Short-Term Provisions	11	4,004,198	2,522,479
		<b>729,099,219</b>	<b>1,213,253,894</b>
<b>Total Equity &amp; Liabilities</b>		<b>2,187,264,757</b>	<b>2,921,796,014</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	12A	947,829,489	1,293,624,128
Intangible Assets	12B	66,719,175	85,172,959
Capital Work-In-Progress		-	-
		<b>1,014,548,664</b>	<b>1,378,797,087</b>
Non-Current Investments	13	50,000	50,000
Deferred Tax Assets (Net)	6B	51,955,496	51,955,496
Long Term Loans And Advances	14	62,405,291	74,759,733
Other Non-Current Assets		-	-
		<b>1,128,959,450</b>	<b>1,505,562,316</b>
<b>Current Assets</b>			
Inventories	15	672,512,114	641,926,075
Trade Receivables	16	251,757,494	530,514,203
Cash And Cash Equivalents	17	13,052,597	15,288,365
Short-Term Loans And Advances	18	120,828,598	228,358,052
Other Current Assets	19	154,503	147,003
		<b>1,058,305,306</b>	<b>1,416,233,699</b>
<b>Total Assets</b>		<b>2,187,264,757</b>	<b>2,921,796,014</b>

Significant Accounting Policies

1 to 43

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For Bhuta Shah & Co.  
Chartered Accountants  
Firm Reg. No.: 101474W

For and on behalf of the Board of Directors

CA Sailesh Bhuta  
Partner  
Membership No.: 033958

Amrut P. Shah  
Chairman & Managing Director

Shantilal P. Shah  
Whole-time Director

Mumbai, 21<sup>st</sup> May, 2015

Rajesh B. Jain  
Chief Financial Officer

Manik R. Makwana  
Company Secretary

**SUNDARAM MULTI PAP LIMITED****CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015**

Particulars	Note No.	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>INCOME</b>		₹	₹
Revenue From Operations	20	849,212,565	1,563,725,037
Other Income	21	2,052,513	6,419,319
<b>Total Income (I)</b>		<b>851,265,078</b>	<b>1,570,144,356</b>
<b>EXPENSES</b>			
Cost Of Materials Consumed	22	598,655,083	688,053,566
Purchase Of Stock-In-Trade		208,637,484	555,754,896
Changes In Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade	23	(113,902,459)	(74,862,954)
Employee Benefits Expenses	24	42,988,516	47,211,740
Finance Costs	25	160,577,519	171,017,810
Depreciation And Amortization Expenses	26	52,903,834	69,148,909
Other Expenses	27	101,474,083	173,908,195
<b>Total Expenses (II)</b>		<b>1,051,334,060</b>	<b>1,630,232,162</b>
<b>Profit / (Loss) before exceptional items and tax (I) - (II)</b>		<b>(200,068,982)</b>	<b>(60,087,806)</b>
Exceptional items	28	(34,030,716)	-
<b>Profit Before Tax</b>		<b>(234,099,698)</b>	<b>(60,087,806)</b>
<b>TAX EXPENSES/ BENEFITS:</b>			
(1) Current Tax		-	4,609,000
(2) Deferred Tax		-	(27,398,319)
(3) Short / (Excess) Provision Of Earlier Years		(7,416,195)	(1,421,474)
<b>Total Tax Expenses</b>		<b>(7,416,195)</b>	<b>(24,210,793)</b>
<b>Profit For The Year</b>		<b>(226,683,503)</b>	<b>(35,877,013)</b>
Earnings Per Share: (Face Value Of ₹ 1/- Each)			
(1) Basic		(1.05)	(0.17)
(2) Diluted		(1.05)	(0.17)

**Significant Accounting Policies**

The accompanying notes form an integral part of the standalone financial statements

1 to 43

As per our report of even date attached

**For Bhuta Shah & Co.**  
Chartered Accountants  
Firm Reg. No.: 101474W

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

**CA Sailesh Bhuta**  
Partner  
Membership No.: 033958

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

**Shantilal P. Shah**  
Whole-time Director

Mumbai, 21<sup>st</sup> May, 2015

**Rajesh B. Jain**  
Chief Financial Officer

**Manik R. Makwana**  
Company Secretary

SUNDARAM MULTI PAP LIMITED				
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015				
Particulars		Year Ended 31ST MARCH, 2015		Year Ended 31ST MARCH, 2014
		Amount in ₹		Amount in ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>				
Net Profit/ (Loss) before Tax and Extraordinary items		(234,099,696)		(60,087,806)
Adjustment for :				
Depreciation & Amortisation	52,903,834		69,148,909	
Interest Income	(13,189,117)		(66,980,321)	
Dividend Income	(7,500)		(7,500)	
Preliminary Expenses W / off	-		-	
Interest Paid	196,776,024		200,826,297	
(Profit) / Loss on Sale of Fixed Assets	(83,456,086)		1,675,042	
		<b>153,027,156</b>		<b>204,662,427</b>
<b>Operating profit before working capital changes</b>		<b>(81,072,541)</b>		<b>144,574,621</b>
Adjustment for :				
Trade Receivables	278,756,709		318,015,610	
Inventories	(30,586,038)		(62,995,274)	
Loans & Advances	130,223,757		8,472,467	
Other Current Assets	(7,500)		153,183	
Trade Payables	(49,136,664)		(171,863,071)	
Other Liabilities & Provisions	67,717,786		6,637,939	
		<b>396,968,050</b>		<b>98,420,854</b>
<b>Cash generated from operations</b>		<b>315,895,510</b>		<b>242,995,475</b>
Direct Taxes Paid (Net)		<b>1,080,532</b>		<b>(10,039,971)</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>316,976,042</b>		<b>232,955,504</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Tangible Fixed Assets (Net)	(7,666,205)		(27,995,243)	
Sale of Tangible Fixed Assets	117,309,923		2,668,442	
Dividend Received	7,500		7,500	
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>109,651,218</b>		<b>(25,319,301)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Proceeds from Borrowings	(242,753,641)		(44,639,393)	
Interest Received	13,189,117		66,980,321	
Interest Paid	(196,776,024)		(200,826,297)	
Dividend Paid (Incl. of Tax)	(2,522,479)		(38,023,928)	
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>(428,863,027)</b>		<b>(216,509,298)</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)</b>		<b>(2,235,768)</b>		<b>(8,873,093)</b>
<b>Cash and Cash equivalents at beginning of the year</b>	15,288,365		24,161,458	
<b>Cash and Cash equivalents at end of the year</b>	13,052,597		15,288,365	
<b>Net Increase/ (Decrease)</b>		<b>(2,235,768)</b>		<b>(8,873,093)</b>

**Note:**

- 1 Cash and cash equivalents consists of Cash on hand and Balance with banks.
- 2 The above cash flow statement has been prepared under the indirect method as set out in Accounting Standard - 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.
- 3 Previous year's figures have been re-grouped/re-arranged wherever necessary.

As per our report of even date attached

For and on behalf of the Board of Directors

For **Bhuta Shah & Co.**  
Chartered Accountants  
Firm Regn. No. 101474W

**CA. Sailesh Bhuta**  
Partner

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

**Shantilal P. Shah**  
Whole-time Director

Membership No.: 033958

Mumbai, 21<sup>st</sup> May, 2015

**Rajesh B. Jain**  
Chief Financial Officer

**Manik R. Makwana**  
Company Secretary



**Note 1.**

**Stationery:** We designs, manufactures and markets 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 13<sup>th</sup> March, 1995 with the Registrar of Companies, Maharashtra, at Mumbai and the Certificate of Commencement of Business was obtained on 10<sup>th</sup> April, 1995.

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

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

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

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

**Note 2.**

**SIGNIFICANT ACCOUNTING POLICIES:**

**I. PRINCIPLES OF CONSOLIDATION:**

The Consolidated Financial Statements relate to Sundaram Multi Pap Limited (the Company) and its wholly owned subsidiary E-Class Education System Limited.

**Basis of Preparation:**

The Consolidated Financial Statements have been prepared in accordance with the principles and procedure required for the preparation and presentation of consolidated financial statement as laid down under the Accounting Standard (AS) 21 – “Consolidated Financial Statements” notified by the Companies (Accounting Standard) Rules, 2006. The Consolidated Financial Statement comprises the financial statement of the company and its Subsidiary.

**Principles of Consolidation:**

The Financial Statements of the Company and its wholly owned Subsidiary Company have been combined on a line-by-line basis by adding together book values of like items of Assets, Liabilities, Income and Expenses after eliminating intra-group balances and transaction and unrealized gain/loss.

**II.SIGNIFICANT ACCOUNTING POLICIES :**

**a. Accounting Conventions:**

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (GAAP) under historical cost convention on accrual basis except for certain financial instrument which are measured at fair values to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 (“the Ac”) read with rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**b. Use of Estimates:**

Preparation of financial statements in conformity of with Indian GAAP requires that the Management of the Company to makes estimates and assumptions that affect the reported amount of income and expenses of the period, the reported balances of assets and liabilities and the assumptions relating to contingent liabilities as on the date of the financial statements. Examples of such estimates include the useful life of tangible and intangible fixed assets, provision for doubtful debts/advances, future obligation in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known and if material, their effects are disclosed in the notes to the financial statements.

**c. Fixed Assets:**

Tangible fixed assets are stated at cost of acquisition less accumulated depreciation and impairment and include amounts added on revaluation if any. The cost of Tangible Asset comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition net of any recoverable taxes less accumulated amortization and impairment, if any.

**d. 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

**e. Depreciation / Amortization:**

Depreciation on tangible fixed assets is provided on the straight line method as per useful life prescribed in Schedule II of the Act. Depreciation on addition/deletion of assets during the year is provided on pro-rata basis. Brand will be amortized over a period of five subsequent years on a systematic basis as decided by the management at the rate of 20% in each year

**f. Investment:**

Non Current Investments are stated at cost. Provision for diminution in the value is made only if such a decline is other than temporary. Current investments are carried at lower of cost or fair value/ market value, determined on individual basis.

**g. Valuation of 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.

**h. Revenue Recognition:**

- i. The Company recognizes revenue on sale of products upon dispatch to the customer or when delivered to the ocean carrier for export sales, which is when risks and rewards of ownership are passed to the customer. Sales are shown net of returns, discounts, excise duty and VAT.
- ii. Dividend income on investment is accounted for in the year in which the right to receive the payment is established.
- iii. Interest income is recognized on the time proportion basis taking into account amount outstanding and interest rate applicable..

**i. Export Incentives:**

Considering the uncertainty in respect of actual income realizable, which depends on the market conditions, the benefits accruing under the Duty Entitlement Pass Book Scheme, are recognized on the basis of actual realization.

**j. 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:**

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.

**SUNDARAM MULTI PAP LIMITED**  
**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 3 : SHARE CAPITAL**

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b>Authorized Capital</b>		
250,000,000 (P.Y. 250,000,000) Equity Shares of ₹ 1/- Each	250,000,000	250,000,000
	<b>250,000,000</b>	<b>250,000,000</b>
<b>Issued, Subscribed &amp; Paid-up Capital</b>		
215,605,773 (P.Y. 215,605,773) Equity Shares of ₹ 1/- Each Fully Paid	215,605,773	215,605,773
<b>Total of Issued, Subscribed And Fully Paid Up Share Capital</b>	<b>215,605,773</b>	<b>215,605,773</b>

- a) Reconciliation of the number of shares outstanding and the amount of Share capital as at 31<sup>st</sup> March 2015 and 31<sup>st</sup> March 2014 is set out below:

Particulars	2014-15		2013-14	
	Equity Shares		Equity Shares	
	Number	Amount	Number	Amount
Shares Outstanding At The Beginning Of The Year	215,605,773	215,605,773	71,868,591	71,868,591
Shares Issued During The Year	-	-	143,737,182	143,737,182
Shares Bought Back During The Year	-	-	-	-
Shares Outstanding At The End Of The Year	<b>215,605,773</b>	<b>215,605,773</b>	<b>215,605,773</b>	<b>215,605,773</b>

- b) **Rights, preferences and restrictions attached To Equity Shareholders:**

The Company has only one class of Equity Shares having a face value of ₹.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. The dividend is proposed by the board Of directors and is subject to the approval of the members at the ensuing annual general meeting. The board of directors have a right to deduct from the dividend payable to any member any sum due from him to the Company.

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.

- c) 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, 2015 is 76,229,348 equity shares i.e. 35.36% of the equity share capital of the Company. Previous year march 31, 2014 is 117,718,959 equity shares i.e. 54.60 %.
- d) E-class is wholly owned subsidiary of Sundaram Multi Pulp Limited
- e) **The Details Of Share Holders Holding More Than 5% Shares**

Name Of Shareholder	As at 31 March, 2015		As at 31 March, 2014	
	No. Of Shares held	% of Holding	No. Of Shares held	% of Holding
Amrut P Shah	23,288,887	10.80	35,929,325	16.66
Raichand P Shah	26,898,304	12.48	34,808,304	16.14
Shantilal P Shah	14,787,157	6.86	20,451,537	9.49
Citigroup Global Markets Mauritius	11,825,702	5.48	11,994,157	5.56
Ganjam Trading Pvt Ltd	14,999,499	6.96	14,999,499	6.96

- f) The Company has allotted 143,737,182 (FV - ₹ 1/-) equity shares by way of Bonus issue in the Financial Year 2012-13 in the ratio 1:2.

ii) **Defined benefit plan:**

The Company's gratuity benefit scheme is a defined benefit plan. The Company contributes to a gratuity fund which has taken a group policy with Life Insurance Corporation of India for future payments of gratuity to retiring employees. The premium has been so adjusted as to cover the liability under the scheme in respect of all employees at the end of their future anticipated services with the company.

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.

**k. Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the rate of exchange in force at the time transactions are affected. 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 foreign currency items are carried at cost.

**l. Borrowing Cost:**

Borrowing Costs that are attributable to acquisition or construction of a qualifying asset are capitalized as a part of the cost of such asset. A Qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit & Loss.

**m. Provision for Taxes:**

Provision for current tax is determined in accordance with the Income Tax laws prevailing for the relevant assessment years.

1. In E-class education syatem Limited Deferred tax arising due to timing difference between the book profit and tax profit for the year has been not accounted for. As per AS 22,Deferred Tax assets should be recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. The company does not have such virtual certainty hence no DTA is recognized.

2. Deferred tax asset arising due to timing difference between the book profit and tax profit for the year has not been accounted for. Deferred Tax Liability arising from timing differences is not recognized in the opinion that the company is suffering from the losses and there will not be any tax effect flowing to the company in future

**n. Impairment of Fixed Assets:**

At each balance sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

**o. Leases:**

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as expenses on accrual basis in accordance with respective lease agreements.

**p. 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 & 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.

**q. Contingent Liability:**

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of 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.

## NOTE 4 : RESERVES &amp; SURPLUS

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b>(a) Capital Reserve</b>		
Opening Balance	700,000	700,000
Add: Additions during the year	-	-
<b>Capital Reserve - Closing Balance</b>	<b>700,000</b>	<b>700,000</b>
<b>(b) Securities Premium Reserve</b>		
Opening Balance	466,413,981	466,413,981
Add: Additions during the year	-	-
<b>Securities Premium Reserve - Closing Balance</b>	<b>466,413,981</b>	<b>466,413,981</b>
<b>(c) Revaluation Reserve</b>		
Opening Balance	443,754,167	-
Add: Revaluation of Land *	(38,806,813)	443,754,167
<b>Revaluation Reserve - Closing Balance</b>	<b>404,947,354</b>	<b>443,754,167</b>
<b>(d) General Reserve</b>		
Opening Balance	16,972,914	16,972,914
Add: Transfer From Statement Of Profit And Loss	-	-
<b>General Reserve - Closing Balance</b>	<b>16,972,914</b>	<b>16,972,914</b>
<b>(e) Surplus In The Statement Of Profit And Loss</b>		
Opening Balance	318,563,704	356,963,196
Less: Depreciation Adjusted Against Free Reserves	(246,350,144)	-
Add: Net Profit/ (Loss) For The Year	(226,683,501)	(35,877,013)
<b>Balance Available For Appropriation</b>	<b>(154,469,941)</b>	<b>321,086,183</b>
Less: Appropriations		
Proposed Dividend	-	2,156,057
Dividend Distribution Tax	-	366,422
<b>Net Surplus In The Statement Of Profit And Loss</b>	<b>(154,469,941)</b>	<b>318,563,704</b>
<b>Total Of Reserves And Surplus</b>	<b>734,564,308</b>	<b>1,246,404,765</b>

\*The Company has revalued its Land at Palghar on 31st May 2013

## NOTE 5 : LONG TERM BORROWINGS

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b><u>Term Loan</u></b>		
<b>Secured</b>		
<b>From Banks</b>		
State Bank Of India *	389,106,588	180,000,000
Industrial Development Bank of India *	39,000,000	-
Yes Bank **	20,000,000	-
Vehicle Loans ***	173,440	909,516
<b>From Others</b>		
Vehicle Loans \$	3,826,067	-
<b><u>Deferred Payment Liabilities</u></b>		
<b>Unsecured</b>		
Sales Tax Deferred Loan ***	13,554,850	13,679,510
Loan From Sicom	2,064,441	2,064,441
<b><u>Deposits</u></b>		
<b>Unsecured</b>		
Deposits	745,000	798,200
<b>Total Of Long Term Borrowings</b>	<b>468,470,386</b>	<b>207,706,510</b>

+ In case of delay/default as on the Balance Sheet date in repayment of loans and interest with respect to above :

(1) Period of Default : Earlier Years

(2) Amount : ₹ 2,064,441

**\* Corporate Loan-State Bank Of India (SBI)**

Secured primarily by first charge (Hypothecation and mortgage) over the Fixed assets (immovable and movable) of the Company as well as personal guarantee of three directors and collaterally secured by extension of hypothecation charge over entire current assets of the company. Further, additional collateral security carrying first pari-passu charge in the form of pledge of promoter's shares to the extent of 100% of E-Class Education System Ltd. has also been given. The said Loan carries floating rate of interest ranging of 3% above base rate. The repayment of the Loan shall commence from September 2015 and to be fully repaid by March 2020.

**Funded Interest Term Loan (FITL) and Working Capital Term Loan (WCTL) - SBI and Industrial Development Bank of India (IDBI).**

Secured primarily by first pari passu charge over the entire current assets (present and future) of the Company as well as personal guarantee of three directors and collaterally secured by second pari - passu charge (hypothecation and mortgage) over the fixed assets (movable and immovable) of the Company, with IDBI bank. Further, additional collateral security carrying first pari-passu charge in the form of pledge of promoter's shares to the extent of 100% of E-Class Education System Ltd. has also been given. The said Loans carries floating rate of interest ranging between 2.75% to 3% above base rate. The repayment of WCTL shall commence from September 2015 and to be fully repaid by September 2016. The repayment of FITL shall commence from December 2015 and to be fully repaid by March 2020.

\*\* Secured by subservient charge over current and movable fixed assets of the company as well as personal guarantee of three directors and

\*\*\* Secured by Hypothecation of respective vehicles purchased carrying interest ranging from 10.75% To 13.25% and repayable by May-2016.

\$ Secured by Hypothecation of respective vehicles purchased carrying interest ranging from 12% and repayable by March-2021.

@ Repayment shall commence from the financial year 2015-16 upto 2024-25.

5.1 Out the above loans, three Directors of the Company have given their personal guarantee for secured loans (except vehicle loan) aggregating to ₹448,106,588/-

**NOTE 6 : DEFERRED TAX ASSETS AND LIABILITIES (NET)****(A) Classified on a Company wise basis:**

	As at 31 st March, 2015	As at 31 st March, 2014
(i) Deferred tax asset	51,955,496	51,955,496
(ii) Deferred tax liability	(36,133,774)	(36,133,774)
<b>Net Deferred Tax Asset</b>	<b>15,821,722</b>	<b>15,821,722</b>

**(B) Major components of deferred tax arising on account of timing differences are**

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b>Liabilities</b>		
Depreciation	50,515,226	41,782,783
<b>(A)</b>	<b>50,515,226</b>	<b>41,782,783</b>
<b>Assets</b>		
Employee Benefits / Expenses Allowable on Payment Basis	1,100,306	873,192
Unabsorbed Depreciation and business losses	65,236,642	56,731,313
<b>(B)</b>	<b>66,336,948</b>	<b>57,604,505</b>
Less: Opening Net Deferred Tax Liability	(15,821,722)	11,576,597
<b>(C)</b>		
<b>Net Deferred Tax Liability / (Asset) Charged To Statement Of Profit And Loss = A-B-C</b>	<b>(0)</b>	<b>(27,398,319)</b>

**NOTE 7 : LONG TERM PROVISIONS**

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b>Provision For Employees Benefit</b>		
Provision For Gratuity	3,391,297	2,691,297
<b>Total Of Long Term Provisions</b>	<b>3,391,297</b>	<b>2,691,297</b>



Note : 8 SHORT TERM BORROWINGS		
	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b><u>Loan Repayable On Demand</u></b>		
<b><u>From Banks</u></b>		
Secured		
Cash Credit From State Bank Of India **	126,380,657	513,333,132
Cash Credit From Industrial Development Bank Of India **	25,355,622	101,365,758
From Public Financial Institutions	-	37,698,209
<b><u>Unsecured</u></b>		
From Banks	-	6,560,460
<b><u>Loans &amp; Advances From Related Parties</u></b>		
<b><u>Unsecured</u></b>		
Loans From Directors ###	90,160,538	43,040,035
<b><u>Deposit</u></b>		
<b><u>Unsecured</u></b>		
Intercompany Deposits##	152,370,696	195,787,435
<b>Total Of Short Term Borrowings</b>	<b>394,267,512</b>	<b>897,785,029</b>

\*\* Secured primarily by first pari passu charge over stock and book debts of the Company with other working capital lender and personal guarantee of three Directors and collaterally secured by second pari - passu charge (hypothecation and mortgage) over the fixed assets (movable and immovable) of the company. Further, additional collateral security carrying first pari-passu charge in the form of pledge of promoter's shares to the extent of 100% of E-Class Education System Ltd. has also been given. The said loan carries interest rate ranging between 2.75% to 3% above base rate.

### It consist of loan from three Directors and are interest free. Further, all the loans are provided by the director from their own funds.

## All inter corporate deposits are taken against pledge of Promoters Equity Shares held in the Company.

## NOTE 9 : TRADE PAYABLE

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
Micro, Small And Medium Enterprises (Refer Note 33)	-	-
Others	97,307,176	146,443,840
<b>Total Of Trades Payable</b>	<b>97,307,176</b>	<b>146,443,840</b>

## NOTE 10 : OTHER CURRENT LIABILITIES

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b><u>Current Maturities Of Long-Term Borrowings (Refer Note 5)</u></b>		
From Banks	192,893,879	82,014,168
From other Financial Institutions	1,000,000	12,220,374
Vehicle Loans	1,219,942	1,434,034
Sales Tax Deferred Loan	124,660	-
Advance From Customers	13,029,648	26,096,265
Interest Accrued But Not Due On Borrowings	-	2,056,519
Unpaid Dividend	501,713	13,521,559
<b><u>Other Payables</u></b>		
Outstanding Expenses	18,117,763	17,258,524
Outstanding Statutory Liabilities	5,852,728	11,421,103
Trade Deposits	780,000	480,000
<b>Total Of Other Current Liabilities</b>	<b>233,520,333</b>	<b>166,502,546</b>

## NOTE 11 : SHORT TERM PROVISIONS

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b><u>Others</u></b>		
Proposed Dividend	-	2,156,057
Provision For Dividend Distribution Tax	-	366,422
Provision For Income Tax	4,004,198	-
<b>Total Of Short Term Provisions</b>	<b>4,004,198</b>	<b>2,522,479</b>

**SUNDARAM MULTI PAP LIMITED**  
**CONSOLIDATED NOTES FORMING PART OF FINANCIAL STATEMENTS**

NOTE 12 : FIXED ASSETS AS ON 31st March 2015

(Amount in ₹)

PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
	As on 1st April, 2014	Additions During the Year	Deductions During the Year	As on 31st March, 2015	For the Year	Adjustment as per the Companies Act, 2013. (Refer note 10.1)	Deductions During the Year	As on 31st March, 2015
<b>A. Tangible Assets: (Owned)</b>								
Freehold Land	630,479,748	-	45,336,700	585,143,048	-	-	-	585,143,048
Building	235,966,060	-	17,552,233	218,413,827	4,900,403	46,487,881	(4,672,436)	125,959,590
Plant & Machinery	552,413,206	226,354	288,882,984	263,756,576	14,637,418	185,477,200	274,438,835	191,190,628
Furniture & Fixture	81,560,664	2,432	-	81,563,096	6,012,022	17,139,118	-	28,618,939
Vehicles	27,274,475	5,250,000	-	32,524,475	3,636,221	(1,082,813)	-	15,227,294
Office Equipments	10,300,234	614,299	-	10,914,533	799,904	1,219,720	-	1,689,992
<b>Total Tangible Assets</b>	<b>1,537,994,387</b>	<b>6,093,085</b>	<b>351,771,917</b>	<b>1,192,315,555</b>	<b>29,985,968</b>	<b>249,241,106</b>	<b>269,766,399</b>	<b>947,829,491</b>
<b>B. Intangible Assets:</b>								
Brand	72,930,746	-	-	72,930,746	4,011,192	-	-	20,055,954
Knowledge Based Content	117,355,453	1,573,120	-	118,928,573	18,729,031	(2,870,210)	-	40,369,325
Website	1,122,192	-	-	1,122,192	177,643	(20,752)	-	511,971
<b>Total Intangible Assets</b>	<b>191,408,391</b>	<b>1,573,120</b>	<b>-</b>	<b>192,981,511</b>	<b>22,917,866</b>	<b>(2,890,962)</b>	<b>-</b>	<b>60,937,249</b>
<b>TOTAL (A+B)</b>	<b>1,729,402,778</b>	<b>7,666,205</b>	<b>351,771,917</b>	<b>1,385,297,066</b>	<b>52,903,834</b>	<b>246,350,144</b>	<b>269,766,399</b>	<b>1,008,766,740</b>
<b>Previous Year</b>	<b>1,234,996,324</b>	<b>501,358,704</b>	<b>6,952,250</b>	<b>1,729,402,778</b>	<b>69,148,913</b>	<b>-</b>	<b>2,608,766</b>	<b>1,378,797,085</b>

\* The above amount refers to new computer product underdevelopment, hence no depreciation is charged.

**10.1 Adoption of useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013**

Effective from 1 April, 2014 the Company has charged depreciation based on revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act 2013 as per para 7(b) of notes to part C. Based on transitional provision provided in note 7(b) to Schedule II, where the remaining useful life of an asset is nil the carrying amount of the asset should be recognised in the retained earnings. Such carrying amount as on 1 April, 2014 for the Company was ₹246,350,144/-.

## NOTE 13 : NON CURRENT INVESTMENTS

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b>Trade Investments</b>		
<b><u>Others (valued at Cost)</u></b>		
<b><u>Investment In Unquoted Equity Instruments</u></b>	50,000	50,000
5,000 Equity Shares Of ₹10/- Each Fully Paid Up of Abhyudaya Co-Operative Bank Ltd. (Previous Year 5,000 Shares)		
<b>Total Of Non Current Investment</b>	<b>50,000</b>	<b>50,000</b>
<b>Aggregate amount of quoted investments</b>	-	-
<b>Aggregate amount of unquoted investments</b>	50,000	50,000
<b>Total Of Non Current Investment</b>	<b>50,000</b>	<b>50,000</b>

## NOTE 14 : LONG TERM LOANS AND ADVANCES

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b><u>Advance For Capital Assets</u></b>		
Unsecured, Considered Good	-	9,284,729
<b><u>Security Deposits</u></b>		
Secured, Considered Good	3,573,995	3,720,525
Unsecured, Considered Good	4,761,230	5,882,094
<b><u>Other Loans &amp; Advances</u></b>	54,070,066	55,872,385
<b>Total Of Long Term Loans And Advances</b>	<b>62,405,291</b>	<b>74,759,733</b>

## NOTE 15 : INVENTORIES

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
Raw Materials	138,428,858	201,300,970
Work-In-Progress	105,135,306	170,975,002
Finished Goods	48,350,188	18,610,835
Trading Goods	357,096,552	207,093,750
Stores & Spares	23,501,210	43,945,519
<b>Total Of Inventories</b>	<b>672,512,114</b>	<b>641,926,075</b>

## NOTE 16 : TRADE RECEIVABLES

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b><u>Debts Overdue Beyond 6 Months</u></b>		
Unsecured, Considered Good	166,795,288	360,456,232
<b><u>Others</u></b>		
Unsecured, Considered Good	84,962,206	170,057,971
<b>Total Of Trade Receivables</b>	<b>251,757,494</b>	<b>530,514,203</b>

## NOTE 17 : CASH AND CASH EQUIVALENTS

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b><u>Cash-In-Hand</u></b>		
Cash Balance	2,542,893	7,069,762
<b>Sub Total (A)</b>	<b>2,542,893</b>	<b>7,069,762</b>
<b><u>Bank Balance</u></b>		
In Current Accounts	3,834,453	2,004,631
In Deposit Accounts*	6,122,652	5,657,492
In Dividend Accounts	552,600	556,480
<b>Sub Total (B)</b>	<b>10,509,705</b>	<b>8,218,603</b>
<b>Total Of Cash And Cash Equivalent (A) + (B)</b>	<b>13,052,597</b>	<b>15,288,365</b>

\* Includes Deposit with Banks of ₹ 6,122,652/- (Previous Year: Rs 5,657,492) with original maturity of More Than 12 Months

## NOTE 18: SHORT TERM LOANS AND ADVANCES

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
<b>Others</b>		
Advance To Suppliers	29,266,202	88,233,160
Advance Income Tax (Net Off Provision For Tax)	12,955,052	2,615,191
Balance With Revenue Authorities	6,047,452	7,508,244
Prepaid Expenses	567,847	4,252,251
Advance To Employees	364,590	710,840
Other Advances	71,627,455	125,038,367
<b>Total Of Short Term Loans And Advances</b>	<b>120,828,598</b>	<b>228,358,052</b>

## NOTE 19 : OTHER CURRENT ASSETS

	₹	₹
	As at 31 st March, 2015	As at 31 st March, 2014
Dividend Receivable	15,000	7,500
Interest Receivable	139,503	139,503
<b>Total Of Other Current Assets</b>	<b>154,503</b>	<b>147,003</b>

## NOTE 20 : REVENUE FROM OPERATIONS

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>Sale of Products</b>		
Local Sales	868,554,087	1,137,195,381
Trading Sales	5,317,124	426,881,248
Export Sales	-	29,799,658
	<b>873,871,211</b>	<b>1,593,876,287</b>
<b>Other Operating Revenues</b>		
Advertisement Income	900,000	2,000,000
	<b>874,771,211</b>	<b>1,595,876,287</b>
<b>Less: Excise Duty</b>	<b>25,558,646</b>	<b>32,151,250</b>
<b>Total Of Revenue From Operations</b>	<b>849,212,565</b>	<b>1,563,725,037</b>

## NOTE 21 : OTHER INCOME

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Dividend	7,500	7,500
Rent Received	-	864,000
Exchange Fluctuation On Exports	1,943,521	4,527,179
Royalty Income	-	1,000,000
Miscellaneous Income	101,492	20,640
<b>Total Of Other Income</b>	<b>2,052,513</b>	<b>6,419,319</b>

## Note 22 : COST OF MATERIAL CONSUMED

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>Raw Material Consumed</b>		
Opening Stock	201,300,970	214,755,388
Add: Purchases	674,486,828	668,764,270
Raw Material Sales	(160,661,213)	(14,973,393)
Transport Inwards	21,957,356	20,808,271
	<b>737,083,941</b>	<b>889,354,536</b>
Less: Closing Stock	138,428,858	201,300,970
<b>Total Of Cost Of Material Consumed</b>	<b>598,655,083</b>	<b>688,053,566</b>

**NOTE 23 : CHANGES IN INVENTORIES OF FINISHED GOODS,WORK-IN-PROGRESS AND STOCK-IN-TRADE**

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>Inventory (at Commencement)</b>		
Finished Goods	18,610,835	79,278,958
Work In Progress	170,975,002	178,950,871
Stock-in-Trade	207,093,750	63,586,805
<b>Less: Inventory (at Close)</b>		
Finished Goods	105,135,306	170,975,002
Work In Progress	48,350,188	18,610,835
Stock-in-Trade	357,096,552	207,093,750
<b>Total Of Changes In Inventories Of Finished Goods,Work-In-Progress And Stock-in-Trade</b>	<b>(113,902,459)</b>	<b>(74,862,954)</b>

**NOTE 24 : EMPLOYMENT BENEFITS EXPENSES**

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Salaries & Wages	33,343,329	35,232,071
Contribution To Provident Fund, Gratuity And Other Funds	1,948,078	1,476,268
Director's Remuneration	7,262,419	9,770,565
Staff Welfare	434,690	732,836
<b>Total Of Employment Benefits Expenses</b>	<b>42,988,516</b>	<b>47,211,740</b>

**NOTE 25 : FINANCE COSTS**

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Interest Expenses	151,787,362	177,844,991
Other Borrowing Costs	8,790,157	1,772,330
Less: Interest Capitalised	-	54,002
(a) <b>Total</b>	<b>160,577,519</b>	<b>179,563,319</b>
Less :-Interest Income	(d) -	8,545,509
<b>Total Of Financial Costs</b>	<b>160,577,519</b>	<b>171,017,810</b>

**NOTE 26 : DEPRECIATION & AMORTIZATION EXPENSES**

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Depreciation	29,985,968	41,529,567
Amortisation Of Intangibles	22,917,866	27,619,342
<b>Total Of Depreciation &amp; Amortization Expenses</b>	<b>52,903,834</b>	<b>69,148,909</b>

**NOTE 27 : OTHER EXPENSES**

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<b>Note 27 A: Manufacturing Expenses</b>		
Power And Fuel	2,749,627	7,507,421
Job Work Expenses	13,694,794	16,246,671
Repair & Maintenance To Building	735,754	2,008,834
Repair & Maintenance To Machinery	2,781,657	2,366,943
Security Expenses	289,267	598,573
Service Tax	1,161,878	686,573
Other Manufacturing Exp	35,150	193,688
Stores & Packing Material Consumed	48,611,663	83,990,924
<b>Sub Total Note 27 A</b>	<b>70,059,790</b>	<b>113,599,627</b>
<b>Note 27 B: Selling &amp; Distribution Expenses</b>		
Sales Promotion & Advertisement Expenses	683,856	6,347,491
Freight, Clearing & Forwarding Charges	2,814,876	5,978,256
Loading & Unloading Charges	2,336,235	1,443,978
Commission Charges	253,362	3,266,537
Tempo Expenses	2,698,921	3,078,416
<b>Sub Total Note 27 B</b>	<b>8,787,250</b>	<b>20,114,678</b>
<b>Note 27 C: Administrative Expenses</b>		
Rent Expenses	1,471,593	4,180,799
Insurance Expenses	3,443,421	9,022,231
Rates & Taxes Expenses	354,876	435,320
Wealth Tax	70,020	66,760
Motor Car Expenses	1,097,153	1,944,490
Travelling Expenses	831,327	2,181,972
Computer Maintenance	88,796	44,888
Conveyance Expenses	96,608	161,688
Postage & Courier	412,723	315,105
Legal, Professional & Consultancy Charges	2,976,043	10,241,106
Printing & Stationery	741,167	671,709
Auditors Remuneration (Refer Note - 32)	400,000	2,206,068
Donation	5,000	844,743
Electricity Expenses	885,290	1,257,868
Listing & Registration Fees	536,578	417,734
Loss On Sale Of Fixed Assets (Net)	-	1,675,042
Subscription Charges	39,180	43,554
Sundry Balance W/Off	7,864,712	2,700,685
Telephone Expenses	923,371	1,349,180
Stamp Duty	320	96,850
Sundry Expenses	388,866	336,098
<b>Sub Total Note 27 C</b>	<b>22,627,044</b>	<b>40,193,890</b>
<b>Total of Other Expenses ( 27 A+ 27 B + 27 C )</b>	<b>101,474,083</b>	<b>173,908,195</b>

**NOTE 28 : EXCEPTIONAL ITEMS**

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Profit on Sale of Fixed Assets	83,456,086	-
Loss on Sale of Non Moving Items	(116,379,845)	-
Reversal of Accrued Interest Receivable	(30,562,920)	-
Pre-Maturity of Keyman Insurance Policy	29,455,965	-
<b>Total of Exceptional Items</b>	<b>(34,030,716)</b>	<b>-</b>



## NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

**Note 29**

**Contingent Liability:** In the opinion of the Board of directors, the Company has no contingent liability (PY: Nil)

**Note 30**

In the opinion of the management, current assets, loans, advances and deposits are approximately of the value stated, if realized in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

**Note 31**

Balances of certain trade receivables, trade payables, loans and advances are subject to confirmations / reconciliation and consequential adjustments, if any. The management does not expect any material difference affecting the current year's financial statements on such reconciliation / adjustments.

**Note 32**

Auditors Remuneration:

(Amount in ₹)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Audit fees	325,000	730,000
Tax Audit fees	75,000	210,000
Income Tax Matters	-	1,250,000
Others	-	16,068
<b>Total</b>	<b>400,000</b>	<b>2,206,068</b>

**Note 33****Disclosure under MSMED Act, 2006:**

The Company has not received any 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 as required under the said act have not been given.

**Note 34****Segment Reporting:****Primary Segment (Business):**

The group Companies operate in business segment of:-

- 1) Manufacture and sale of exercise note books and paper.
- 2) Development and sale of software for educational content.

## Segment Reporting for Consolidated Financials

Sr. No.	Particulars	Paper and Paper Products		Software for educational content		Eliminations		Consolidated Total	
		For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>I</b>	<b>REVENUE</b>								
	External Total Revenue	833,024,595	1,540,861,926	16,187,970	22,863,111			849,212,565	1,563,725,037
<b>II</b>	<b>RESULT</b>								
1	Segment Result #	(53,236,033)	144,083,532	(20,286,144)	(33,153,528)			(73,522,177)	110,930,004
2	Unallocated Corporate Expenses							-	-
3	Operating Profit (1) - (2)							(73,522,177)	110,930,004
4	Interest expense							(160,577,519)	(171,017,810)
5	Income Taxes							7,416,195	24,210,793
6	Profit from ordinary activities / Net Profit (3) - (4) - (5)							(226,683,501)	(35,877,013)
<b>III</b>	<b>OTHER INFORMATION</b>								
	Total Segment Assets	2,320,720,019	2,986,191,242	239,775,876	271,582,517	(409,364,912)	(372,111,519)	2,151,130,983	2,885,662,240
	Total Segment Liabilities	1,192,274,202	1,404,712,407	268,051,613	241,050,814	(259,364,913)	(222,111,519)	1,200,960,902	1,423,651,702
<b>IV</b>	Capital Expenditure	5,792,038	24,851,887	1,874,167	3,143,356			7,666,205	27,995,243
<b>V</b>	Depreciation	33,067,974	48,412,915	19,835,860	20,735,994			52,903,834	69,148,909

# Segment Result does not include Finance cost as per AS - 17 "Segment Reporting" issued by The Institute of Chartered Accountants of India.

**Note 35****Related Party Disclosures:**

a) List of related parties with whom the Company has entered into transactions during the year in the ordinary course of business:

Relationship	Name	Nature
<b>Key Management Personnel (KMP)</b>	Mr. Amrut P. Shah	Chairman & Managing Director
	Mr. Shantilal P. Shah	Whole-time Director
	Mr. Hasmukh A. Gada	Whole-time Director
	Mr. Manik R. Makwana (Appointed w.e.f 01/01/2015)	Company Secretary
	Ms. Riddhi A. Shah	Whole-time Director
	Mr. Hardik A. Shah	Whole-time Director
<b>Enterprise over which KMP are able to exercise significant influence</b>	Sundaram Bio-Tech Pvt Ltd	Company
<b>Relatives of KMP</b>	Mr. Raichand P. Shah	Brother of Amrut P. Shah and Shantilal P. Shah

**b) Transactions with Related Parties:**

Amount in ₹

Particulars	KMP	Relatives of KMP
<b>Remuneration</b>		1,200,000 (400,000)
<b><u>Details are as under:</u></b>	7,518,548 (9,770,565)	-
Mr. Amrut P. Shah		(-)
Mr. Shantilal P. Shah	2,000,000 (2,000,000)	- (-)
Mr. Hasmukh A. Gada	1,000,000 (1,000,000)	- (-)
Mr. Chirag K. Gala	2,250,000 (3,000,000)	- (-)
Ms. Riddhi A Shah	- (1070565)	- (-)
Mr. Hardik A. Shah	1,068,548 (1,500,000)	- (-)
Mr. Raichand P. Shah	1,200,000 (1,200,000)	1,200,000 (400,000)

<b>Loan Taken</b>		
	129,621,391 (109,939,028)	- (-)
<b>Details are as under:</b>		
Mr. Amrut P. Shah	96,001,023 (82,619,835)	- (-)
Mr. Shantilal P. Shah	21,120,368 (14,819,193)	- (-)
Mr. Hasmukh A. Gada	12,500,000 (12,500,000)	- (-)
<b>Repayment of Loan taken</b>		
	94,765,101 (113,828,770)	- (-)
<b>Details are as under:</b>		
Mr. Amrut P. Shah	74,616,699 (94,272,901)	- (-)
Mr. Shantilal P. Shah	20,148,402 (19,555,869)	- (-)
Mr. Hasmukh A. Gada	- (-)	- (-)
<b>Interest Paid</b>		
Mr. Hasmukh A. Gada	1,413,384 (201,370)	- (-)

Figures in bracket reflects previous year's amount.

C) Outstanding Balances of Related Parties:

Amount in ₹

Particulars	KMP	Relatives of KMP	Enterprise over which KMP are able to exercise significant influence
Short term Borrowings / Payable	78,298,832 (47,929,707)	46,902 (1,560,277)	
Short term Loans and Advances / Recoverable			3,000 (3,000)

**Note 36**

Computation of Basic and Diluted Earnings Per Share (EPS):

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Net Profit/(Loss) After Tax available to equity shareholders (in ₹)	(226,683,503)	(35,877,013)
Weighted average number of equity shares for Basic and Diluted EPS	215,605,773	215,605,773
Basic and diluted earnings per share (Face Value ₹ 1) (in ₹)	(1.05)	(0.17)

**Note 37**

a) Details of Sales value of Products:

Particular	Sale Value ₹	
	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>Class of goods</b>		
Exercise Books	823,057,053	1,053,538,884
Paper	3,750,418	58,441,794
Trading	5,317,124	426,881,248
E-box and Pen Drive	16,187,970	22,863,111
<b>Total</b>	<b>848,312,565</b>	<b>1,561,725,037</b>

The above figures are net of excise duty of ` 25,558,646 (P.Y. ` 32,151,250)

b) Details of Opening &amp; Closing Stock of Finished Goods:

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014
Exercise Books	17,798,242	77,077,560	48,350,188	17,798,242
Paper	812,593	2,201,398	-	812,593
Trading of Copier Paper & Others	207,093,750	63,586,805	357,096,552	207,093,750
<b>Total</b>	<b>225,704,585</b>	<b>142,865,763</b>	<b>405,446,740</b>	<b>225,704,585</b>

## c) Details of Opening &amp; Closing Stock of Semi-Finished Goods:

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	For the year ended 31.03.2015	For the year ended 31.03.2014	For the year ended 31.03.2015	For the year ended 31.03.2014
Exercise Books	151,836,018	163150611	86,628,450	151,836,018
Paper	19,138,984	15,800,260	18,506,856	19,138,984
<b>Total</b>	<b>170,975,002</b>	<b>178,950,871</b>	<b>105,135,306</b>	<b>170,975,002</b>

**Note 38**

Value of Raw Material Consumed:

Particulars	For the year ended 31.03.2015		For the year ended 31.03.2014	
	Amount ₹	%	Amount ₹	%
Raw Materials (Paper & Paper Boards)				
(i) Imported	-	0.00%	4,990,828	0.77%
(ii) Indigenous	593,380,127	100.00%	677,970,305	99.23%
<b>Total</b>	<b>593,380,127</b>	<b>100.00%</b>	<b>682,961,133</b>	<b>100.00%</b>
Hardware				
(i) Imported	-	-	-	-
(ii) Indigenous	5,274,956	100.00%	5,092,433	100.00%
<b>Total</b>	<b>5,274,956</b>	<b>100.00%</b>	<b>5,092,433</b>	<b>100.00%</b>
<b>Grand Total</b>	<b>598,655,083</b>	<b>-</b>	<b>688,053,566</b>	<b>-</b>

Raw Material Purchase (Breakup)	2014-15 (Amt in ₹)
Paper	572,174,943
Duplex Board	84,587,519
E-box and Pen Drive	2,940,742
Others	14,783,624
<b>Total</b>	<b>674,486,828</b>

**Note 39**

Earnings &amp; Expenditure in Foreign Currency:

(Amount in ₹)

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
F.O.B. Value of Exports	-	29,438,630
<u>C.I.F Value of Imports:</u>		
Raw Materials	-	4,990,828
<u>Expenditure:</u>		
Traveling Expenses	31,375	605,298



**Note 40****Employee Benefits****1. Defined contribution plans:**

The Company makes Provident Fund contributions 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 contributions amounting to ₹12.66 Lacs (2014: ₹9.72 Lacs) have been charged to the Statement of Profit and Loss. The contributions payable to this plan by the Company is at rates specified in the rules of the scheme.

**2. 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.

During the year gratuity benefit expense of ₹ 7 lacs recognized in the Statement of profit and loss. Due to non-availability of Actuarial valuation report, the charge for the year and liability as on balance sheet date were derived based on the past trend of attrition, increase in compensation cost and other relevant factors.

**Note 41****Disclosure in respect of lease:**

The Company has entered into operating lease arrangements for office premises. The leases are non-cancellable and are for a period of 1st Nov-2014 to 31st Oct 2017 years and may be renewed for a further period of 2 years based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments by 8 to 10 % every year.

	Amount in ₹	
	2015	2014
Future minimum lease payments		
Not later than one year	2,040,000	Nil
Later than one year and not later than five years	6,935,760	Nil
Later than five years	-	Nil
Lease payments of ₹ 425,000 Nil (2014: Nil) recognized in the Statement of Profit and Loss.		

**Note 42**

On 14th November 2014, the Board of Directors announced a plan to permanently close down Nagpur Paper Unit subject to the completion of necessary formalities. This is not a separate segment as per AS 17, Segment Reporting. The disposal is consistent with the Company's long-term strategy to focus its activities at Palghar unit. The Company is actively seeking a buyer for the plant & machineries and other fixed assets at Nagpur unit and hopes to complete the sale by the end of March 2016. At 31 March 2015, the carrying amount of the assets of the Nagpur unit was Rs. 3279.31 lakhs (previous year Rs. 6000.42 lakhs) and its liabilities were Rs. Nil lakhs (previous year Rs. Nil lakhs). In the opinion of the Board of Directors, the assets have a value on realization at least equal to the amounts at which they are states in the Balance Sheet.

**Note 43**

Previous year figures have been re-grouped/re-classified wherever considered necessary to compare with current year figures.

As per our report of even date attached

For Bhuta Shah & Co.  
Chartered Accountants  
Firm Regn. No. 101474W

For and on behalf of the Board and Directors

Amrut P. Shah  
Chairman & Managing Director

Shantilal P. Shah  
Whole-time Director

**CA. Sailesh Bhuta**

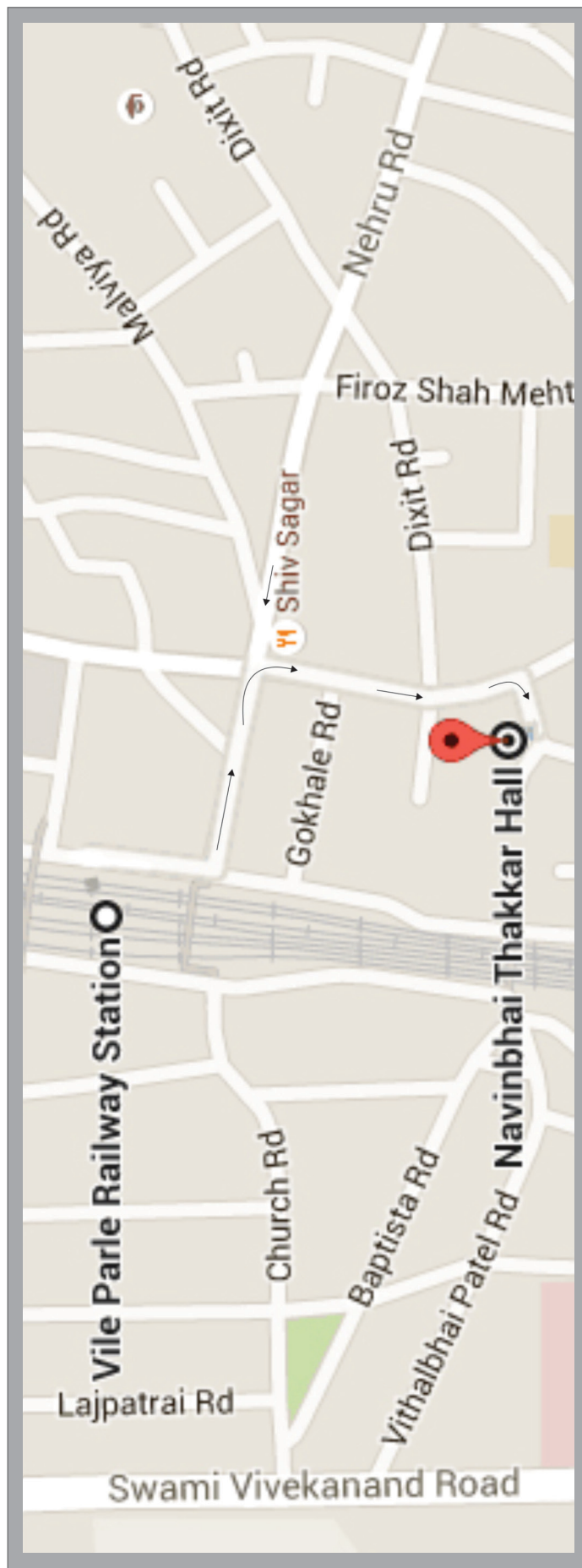
Partner  
Membership No. 033958

Rajesh B. Jain  
Chief Financial Officer

Manik R. Makwana  
Company Secretary

**Mumbai, 21<sup>st</sup> May, 2015**

## Route Map for Venue of Annual General Meeting



**SUNDARAM MULTI PAP LIMITED**

CIN:L21098MH1995PLC086337

Registered Office: 5/6, Papa Industrial Estate, Suren Road, Andheri (E), Mumbai- 400 093, Maharashtra, INDIA

W: [www.sundaramgroups.in](http://www.sundaramgroups.in) E: [info@sundaramgroups.in](mailto:info@sundaramgroups.in) T: 022 6760 2200 F: 022 6760 2244**Form No. MGT-11****Proxy form**

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

Name of the member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

Email Id: \_\_\_\_\_

Folio No./Client Id: \_\_\_\_\_

DP ID: \_\_\_\_\_

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

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

Or failing him,

2.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the company, to be held on the 30<sup>th</sup> day of September, 2015 at Navinbhai Thakar Hall, Shradhanand Road, Vile Parle (East), Mumbai- 400 057, at 11.00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolution	Type of Resolution	Optional	
			For	Against
	<b>Ordinary Business</b>			
1	Adoption of Audited Financial Statement of the Company for the Financial Year ended 31 <sup>st</sup> March, 2015, the reports of the Board of Directors and Auditors thereon;	Ordinary Resolution		
2	Ratification of appointment of M/s. Bhuta Shah & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 101474W), as Statutory Auditors	Ordinary Resolution		
	<b>Special Business</b>			
3	Appointment of Ms. Minjal V. Kadakia (DIN:07135977) as an Independent Director of the Company	Ordinary Resolution		
4	Re-appointment of Mr. Amrut P. Shah (DIN : 00033120) as the Managing Director of the Company.	Ordinary Resolution		
5	Re-appointment of Mr. Shantilal P. Shah (DIN : 00033182) as the Whole-time Director of the Company.	Ordinary Resolution		
6	Amendment in the Clause 152 pertaining to "Deeds how executed" in the Article of Association	Special Resolution		

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

Affix Re.1/- Revenue Stamp

Signature of shareholder

Signature of Proxy holder(s)

Affix ₹1/- Revenue Stamp
-----------------------------------

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to put a "X" in the appropriate column against the Resolution indicated in the box. If you leave the 'For' or 'Against' column blank any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Please complete all details of Member(s) in the above box before submission.

**SUNDARAM MULTI PAP LIMITED**

CIN: L21098MH1995PLC086337

Registered Office: 5/6, Papa Industrial Estate, Suren Road, Andheri (E), Mumbai-400 093, Maharashtra, INDIA

W: [www.sundaramgroups.in](http://www.sundaramgroups.in) E: [info@sundaramgroups.in](mailto:info@sundaramgroups.in)

T: 022 6760 2200 F: 022 6760 2244

**ATTENDANCE SLIP****21<sup>st</sup> Annual General Meeting- 30<sup>th</sup> September 2015**

<b>DP ID- Client ID/ Folio No.</b>	
<b>Name &amp; Address of Sole Member</b>	
<b>Name of Joint Holder(s)</b>	
<b>No. of Shares Held</b>	

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the Annual General Meeting of the Company at Wednesday, 30<sup>th</sup> September 2015 at 11.00 a.m. at Navinbhai Thakar Hall, Shradhanand Road, Vile Parle (East), Mumbai-400057.\_\_\_\_\_  
Member/Proxy's Signature

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**ELECTRONIC VOTING PARTICULARS**

<b>EVSN</b> (Electronic Voting Sequence Number)	<b>User ID</b>	<b>(PAN/Seq.No.)</b>

**NOTE:** Please read the complete instructions given under the Note (The instructions for shareholders voting electronically) to the Notice of the Annual General Meeting. The voting time starts from September 26, 2015 from 10.00 a.m. and ends on September 29, 2015 at 5.00 p.m. the voting module shall be disabled by CDSL for voting thereafter.

## Note

[illegible]

## Note

[illegible]





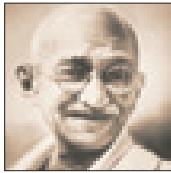
"If a child cannot go to the school then the school must come to the child."

-Swami Vivekanand



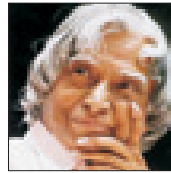
"विद्ये विना मति गेली, मति विना निती गेली,  
निती विना गती गेली, गती विना वित्त गेले,  
वित्ते विना शुद्ध खचले, इतके अनर्थ एका अविद्येने केले."

-महात्मा ज्योतिबा फुले.



"Live as if you were to die tomorrow,  
Learn as if you were to live forever."

-Mahatma Gandhi



"If a country is to be corruption free and become a nation of beautiful minds, I strongly feel there are three key societal members who can make a difference. They are the father, the mother and the teacher. "

-Dr. APJ Abdul Kalam  
Former President of  
Republic of India



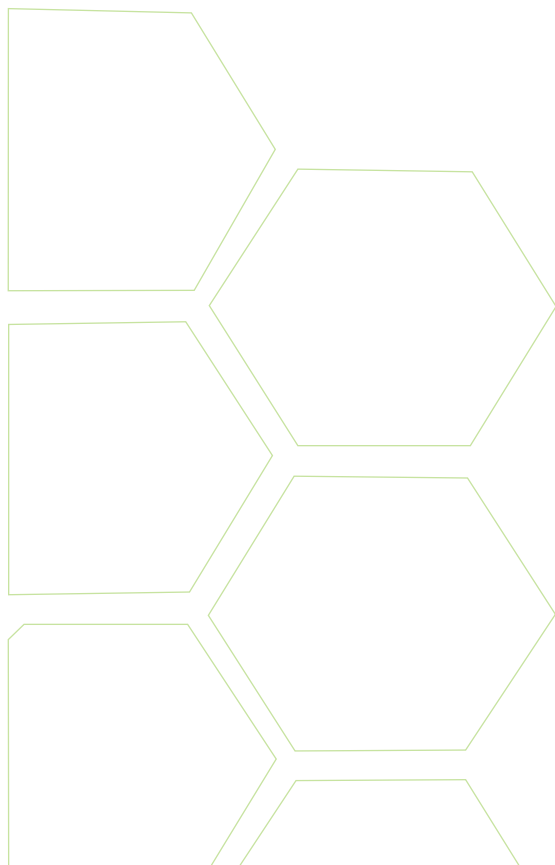
"Education is Nation's strength,  
We stand by it."

-Amrut P. Shah  
Chairman & MD of  
Sundaram Multi Pap Ltd.



"Based on my 49 years experience in business and social work the ultimate solution to a Nation's progress rests on the EDUCATION and VOCATIONAL TRAINING of its people. "

Chairman & Founder of i-Watch  
-Mr.Krishan Khanna



Education Revolution



Digital Education

## Sundaram Multi Pap Limited

Registered Office.: 5/6, Papa Industrial Estate, Suren Road,  
Andheri East, Mumbai: 400093, Maharashtra, India.

T: (91-22) 67602200 F: (91-22) 67602244

E-mail: [info@sundaramgroups.in](mailto:info@sundaramgroups.in) Website: [www.sundaramgroups.in](http://www.sundaramgroups.in)

CIN: L21098MH1995PLC086337