



# EDUCATION AND INNOVATION



**20<sup>th</sup> Annual Report  
2013-14**

**Sundaram Multi Pap Ltd.**

Paper Stationery, Digital Education

## **BOARD OF DIRECTORS**

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

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

Mr. Hasmukh A. Gada  
(Whole-Time Director)

Mr. Paresh Kumar P. Jain  
(Non-Executive Independent Director)

Mr. Mahip D. Agarwal  
(Non-Executive Independent Director)

Mr. Jagdish J. Kothari  
(Non-Executive Independent Director)

Mr. Manikandam P. Kammenchery  
(Non-Executive Director w.e.f. 14/08/2013)

Mr. Kaushal R. Sheth  
(Non-Executive Director w.e.f. 14/08/2013)

### **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**

903, Dev Plaza, Opp. Andheri Fire Station, S.V. Road, Andheri (W), Mumbai- 400 058, 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

### **Share Transfer Work**

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 20<sup>th</sup> Annual General Meeting of the Members of Sundaram Multi Pap Limited will be held on Tuesday, 30<sup>th</sup> September 2014 at 10.00 a.m. at Navinbhai Thakar Hall, Shradhanand Road, Vile Parle (East), Mumbai-400057 to transact the following businesses:

### Ordinary Business:

1.To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2014 and the Balance Sheet as at that date together with Reports of Directors' and Auditors' thereon.

2.To declare dividend on equity shares.

3.To appoint a Director in place of Mr. Paresh Kumar P. Jain (DIN: 05159799) who retires by rotation and being eligible, but does not offers himself for re-appointment.

4.To appoint a Director in place of Mr. Mahip Agarwal (DIN: 03509204) who retires by rotation and being eligible, but does not offers himself for re-appointment.

5.To re-appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of sections 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee and Board of Directors of the Company, M/s Bhuta Shah & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 101474W), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the third consecutive Annual General Meeting hereafter (subject to ratification by the members at every Annual General Meeting held hereafter), at such remuneration plus service tax, out of pocket expenses and travelling expenses, as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### Special Business:

6.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(the '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, Mr. Jagdish J. Kothari (DIN: 0033271), Director of the Company whose period of office is liable to determination by retirement of Directors by rotation and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the of-

fice of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, w.e.f. 30<sup>th</sup> September 2014 to hold office for a term of five consecutive years up to 29<sup>th</sup> September 2019.”

7.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(the '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, Mr. Manikandam P. Kammenchery (DIN:03323385) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14<sup>th</sup> August, 2014 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, w.e.f. 30<sup>th</sup> September 2014 to hold office for a term of five consecutive years up to 29<sup>th</sup> September 2019.”

8.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(the '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, Mr. Kaushal R. Sheth (DIN: 06949468) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 14<sup>th</sup> August, 2014 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, w.e.f. 30<sup>th</sup> September 2014 to hold office for a term of five consecutive years up to 29<sup>th</sup> September 2019.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the existing Articles of Association of the Company be and are hereby substituted by a new set of Articles of Association, a draft of which has been initialled by the Chairman and made available for inspection by the shareholders at the registered office of the Company, be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the entire exclusion of all the Articles

contained in the existing Articles of Association.

**RESOLVED FURTHER THAT** Board of Directors of the Company, be and are hereby severally authorised by the Company to undertake such acts, deeds and matters, as they may, in their discretion deem necessary, proper or desirable, including any amendment or modification to the proposed Articles of Association as per the suggestion/direction of the regulatory authorities and settle any question, difficulty or doubt that may arise in this regard, including but not limited to making requisite filings with the Registrar of Companies and the Stock Exchanges, that may be required to give effect to the alteration of the Articles of Association in accordance with this resolution.”

By Order of the Board  
For **Sundaram Multi Pap limited**

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

**Place : Mumbai**  
**Dated : 14/08/2014**

**Registered Office:**  
903, Dev Plaza, S.V. Road, Opp. Andheri Fire Station, Andheri (West), Mumbai-400058, INDIA.

**Notes:**

1.The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (the 'Act') in respect of the business under Item Nos. 6 to 9 of the Notice, is annexed hereto.

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

The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of Limited Companies, Societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

3.The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 25<sup>th</sup> September, 2014 to Tuesday, 30<sup>th</sup> September, 2014 (both days inclusive).

4.Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing

their representative to attend and vote on their behalf at the meeting.

5.Members holding shares in dematerialized form are requested to intimate all changes pertaining to their Bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, M/s Sharex Dynamic (India) Pvt. Ltd.to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Company's Registrars and Transfer Agents, M/s Sharex Dynamic (India) Pvt. Ltd.

6.As per the provisions of Section 205 C of the Companies Act, 1956, Unpaid/Unclaimed Dividend for the Year 2005 – 2006 has been transferred to Investor Education and Protection Fund on 22.11.2013 upon expiry of 7 years period. Unpaid/Unclaimed Dividend for the Year 2006 – 2007 will be transferred to Investor Education and Protection Fund on 04.11.2014. Shareholders who have not claimed Dividend for the year 2006 - 2007 are requested to claim the dividend on or before 04.11.2014.

7.Members are requested to bring their attendance slip along with their copy of the Annual Report as copies of the same will not be distributed at the meeting. Attendance slip duly filled up should be submitted at the entrance of the AGM hall.

8.Members desirous of asking any questions at the Annual General Meeting are requested to send their questions so as to reach the Company at least 10 days before the Annual General Meeting to facilitate suitable reply.

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

10. Members holding shares in 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.

11. In terms of SEBI circular no. MRD/Dop/Cir -05/2009 dated 20th May 2009, it is now mandatory for the transferee of the physical shares to furnish copy of PAN card to the Company or its Registrar and Transfer Agents for registration of transfer of shares. Shareholders are requested to furnish a copy of PAN card at the time of transferring their physical shares.

12.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.

13.Members holding shares in physical form are requested to convert their holdings in to dematerialized mode to avoid loss

of shares, for ease of portfolio management and for protection from fraudulent transactions.

14. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

To support Green Initiative the members holding shares in dematerialized form are requested to register their e-mail addresses with their Depository Participant (DP) or Registrar and Transfer Agent and members holding shares in physical form are requested to register their e-mail addresses with the Company at info@sundaramgroups.in or with Registrar and Share transfer agents viz, M/s Sharex Dynamic (India) Pvt. Ltd. at sharexindia@vsnl.com

15. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services Limited (CDSL), on all resolutions set forth in this Notice.

16. The Instructions for shareholders voting electronically are as under:

(i) The voting period begins on 24th September 2014 at 10.00 a.m. and ends on 26th September 2014 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 29<sup>th</sup> August 2014, 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 during the voting period

(iii) Click on "Shareholders" tab.

(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 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:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> <li>In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.</li> </ul>

DOB	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.
Dividend Bank Details	<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 number of shares held by you as on the cut off date in the Dividend Bank details field.</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 (140901057) for the relevant Company Name (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 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.

• After receiving the login details they should be create a compliance user 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 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 an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

17. As required under clause 49(iv) of the Listing Agreement, the details of the director seeking appointment/re-appointment at the forthcoming Annual General meeting:-

<b>Name of Directors &amp; DIN</b>	Mr. Jagdish J. Kothari (DIN:0033271)	Mr. Manikandam P. Kammenchery (DIN: 03323385)	Mr. Kaushal R. Sheth (DIN: 06949468)
<b>Age</b>	60 years	55 years	28 years
<b>Date of Appointment</b>	30/03/2003	14/08/2014	14/08/2014
<b>Expertise in specific functional areas</b>	He has a vast knowledge of accountancy, import & export	He has vast experience of in the field of manufacturing and trading of waste paper and recycle paper and also of construction materials business.	He has 5 years of experience in Stationery business.
<b>Qualifications</b>	Commerce Graduate	Higher Secondary Certificate	Commerce Graduate
<b>Directorship held in other public companies (excluding foreign companies)</b>	1	Nil	Nil
<b>Membership/ Chairmanship of Committees of other public companies (includes only Audit Committee and Shareholders’/Investors’ Grievance Committee)</b>	Nil	Nil	Nil
<b>Shareholdings in the Company</b>	Nil	Nil	Nil

By Order of the Board  
For **Sundaram Multi Pap limited**

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

**Place : Mumbai**

**Dated : 14/08/2014**

**Registered Office:**

903, Dev Plaza, S.V. Road, Opp. Andheri Fire Station, Andheri (West), Mumbai-400058, INDIA

## EXPLANATORY STATEMENT:

(Pursuant to Section 102 of the Companies Act, 2013)

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 Nos.6 to 9 of the accompanying Notice dated 14<sup>th</sup> August 2014.

### ITEM NO.6

The concept of appointment of Independent Directors has been introduced for the first time under the provisions of Companies Act, 2013 and was made effective from 1<sup>st</sup> April, 2014. However, your Company being a listed Company, by virtue of clause 49 of the Listing Agreement with Stock exchanges, was required to appoint requisite number of Independent Directors on the Board of Directors (“the Board”) of the Company. Accordingly, Mr. Jagdish J. Kothari (DIN:0033271), Director of the Company, whose appointment has already been approved by the Board and the Members of the Company, is acting as Independent Directors in compliance with the listing requirement at the commencement of the Companies Act, 2013. However, his term is subject to liable by retirement by rotation as per erstwhile Companies Act, 1956.

Section 149 of the Companies Act, 2013 inter-alia provides that every listed public company shall have at least one-third of the total number of directors as Independent Directors and that every company existing on or before the date of commencement of this Act shall, within one year from such commencement or from the date of notification of the rules in this regard as may be applicable; comply with the said requirement.

Further, Section 149 of the Companies Act, 2013, inter-alia, provides that an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and their office will not be subject to retirement by rotation. It is further clarified that any tenure of an Independent Director on the date of commencement of this Act shall not be counted as a term of appointment of Independent Directors.

Based on the declaration received from Mr. Jagdish J. Kothari (DIN: 0033271), Director of the Company, in terms of Section 149 (7) of the Companies Act, 2013, the Board is of the opinion that Mr. Jagdish J. Kothari (DIN:0033271) fulfils the criteria of being appointed as Independent Directors as stipulated in Section 149 (6) and Schedule IV of the Companies Act, 2013 and other applicable provisions of Companies Act, 2013 and Rules made thereunder and clause 49 of the Listing Agreement and are also independent of the management.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with a deposit of requisite amount proposing the candidature for appointment of aforesaid Directors as Independent Directors. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, Mr. Jagdish J. Kothari (DIN: 0033271) is proposed to be appointed as an Independent Director, not liable to retire by rotation, with effect from 30<sup>th</sup> September 2014, for a term of five years up to 29<sup>th</sup> September 2019.

Brief Profile and other details of Mr. Jagdish J. Kothari (DIN:0033271) forms part of the Corporate Governance Report.

Your Board recommends the Ordinary Resolution as set out in Item No.6 for approval of Members.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. Jagdish J. Kothari (DIN: 0033271) whose appointment is proposed in this resolution are in any way concerned or interested in the resolution.

#### **ITEM NO.7 & 8:**

Mr. Manikandam P. Kammenchery (DIN: 03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) were appointed as an Additional Directors of the Company by the Board with effect from 14th August 2014. Pursuant to provisions of Section 161(1) of the Companies Act, 2013, Mr. Manikandam P. Kammenchery (DIN: 03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) hold office only up to the date of this Annual General Meeting of the Company. Appropriate notices along with requisite amount of deposits under Section 160(1) of the Companies Act, 2013 has been received by the Company from members proposing appointment of Mr. Manikandam P. Kammenchery (DIN: 03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) as a Directors of the Company and requisite consent has been received from Mr. Manikandam P. Kammenchery (DIN: 03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) pursuant to the provisions of Section 152 of the Companies Act, 2013. In opinion of the Board, Mr. Manikandam P. Kammenchery (DIN: 03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) who is proposed to be appointed as an Independent Directors of the Company for the period up to 29<sup>th</sup> September, 2019 fulfils the conditions specified under Section 149(6) and Schedule IV of the Companies Act, 2013 and are Independent of the Management.

Brief Profile and other details of Mr. Manikandam P. Kammenchery (DIN:03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) forms part of the Corporate Governance Report.

Your Board recommends the Ordinary resolution as set out in Item No. 7 & 8 for approval of Members.

None of the Directors and/or Key Managerial Personnel of the Company or their relatives, except Mr. Manikandam P. Kammenchery (DIN:03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) whose appointment are proposed in these resolutions are in any way concerned or interested in the resolution.

#### **ITEM NO.9:**

The existing Articles of Association (AoA) of the Company are based on the provisions of the Companies Act, 1956 and regulations in the existing AoA contain special Sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the provisions of the

Companies Act, 2013 (the 'Act'). The Act is now largely in force. On 12<sup>th</sup> September, 2013, the Ministry of Corporate Affairs (MCA) has notified 98 Sections and on March 26, 2014, MCA has notified most of the remaining Sections barring few provisions. However, substantive Sections of the said Act which deal with the general working of the Companies stand notified. With the Act coming in to force, several regulations of the existing AoA of the Company require alteration or deletion in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by Shares. Largely most of the provisions of TABLE 'F' has been retained and certain articles have been modified to facilitate smooth working and to protect the interest of the company and the members. The Proposed new draft AoA shall be open for inspection at the Registered Office of the Company during normal business hours on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

The Board recommends the Special Resolutions set out at Item No. 9 of the Notice for approval by the shareholders.

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

By Order of the Board  
For **Sundaram Multi Pap limited**

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

**Place : Mumbai**  
**Dated : 14/08/2014**

**Registered Office:**  
903, Dev Plaza, S.V. Road, Opp. Andheri Fire Station, Andheri (West), Mumbai-400058, INDIA



## DIRECTORS' REPORT

To,  
The Members,  
Sundaram Multi Pap Limited

Your Directors are pleased to present the Twentieth Annual Report of the Company with Audited Balance Sheet and Statements of Accounts for the year ended 31<sup>st</sup> March 2014.

### FINANCIAL HIGHLIGHTS:

The financial highlights of the Company are as follows:

(₹. In lakhs)

Particulars	2013-14	2012-13
Total Income	15472.81	18255.76
Profit before interest, depreciation & amortization	1924.96	2436.44
Less: Interest	1373.38	1207.75
Depreciation & Amortization	484.12	481.28
Profit before extraordinary item & tax	67.44	747.42
Less: Extra ordinary item	--	--
Profit before tax	67.44	747.42
Less: Net provision for tax	71.63	291.37
Less: Short provision for earlier year	(14.43)	0.92
Profit after tax	10.25	455.13
Add: Balance brought forward from previous year	4395.29	4174.04
Add: Excess provision for proposed dividend during FY 2012-13	--	14.37
Excess provision for proposed dividend distribution Tax during FY 2011-12	--	2.33
Balance available for disposal	4405.54	4645.87
Which the directors appropriate as follow:		
Proposed Dividend	21.56	215.60
Dividend tax	3.66	34.98
Transfer to general reserve	--	--
Balance to be carried forward	4380.32	4395.29

### DIVIDEND:

Your Directors recommend payment of dividend of ₹0.01/- (i.e. 1%) Per Share of ₹1/- each totaling to ₹21,56,058/- for the financial year ended 31<sup>st</sup> March 2014. The Company is absorbing Corporate Dividend Tax of ₹366422/- on the Equity Dividend. The Dividend declared and paid this year is not taxable in the hands of Shareholders.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Industry Structure & Developments

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 of the 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 corporates have entered this segment and are playing important role. In spite of many corporates moving towards paperless offices, the paper market is growing. The demand of the domestic market itself is huge, but with rapidly improving industrial infrastructure and manufacturing capabilities the exports of this sector are also increasing by leaps and bounds.

### Opportunities & Threats:

Education is the second highest expenditure segment among middle class households after food and grocery, and stationery stands at sixth position. Increasing spend on education drives the 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 stationery industry if we quote would be the education enhancement schemes which are giving growth to this sector. The Indian stationery market is also influenced by macroeconomic development, national income and lasts but not the least the ever-growing Indian population. The Indian stationery Industry is highly unorganized and the organized players are estimated to be less than the unorganized sector players due to which unorganized stationery players are expanded throughout the industry and controls major market share.

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 neighboring 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.

### Risk Management:

Since the Company is operating in a very healthy competitive environment, it is exposed to increasing risk related to operating performance, cash flows, financial performance and sustainability. Company has a competition risk where in it is

able to sustain the competition by offering wide range of notebooks and exercise books and variety of other paper stationery quality products at very competitive prices. Cost of raw materials too adds up the cost of production, but long healthy relations with the suppliers have enabled Company to procure the raw materials on time and at best negotiations. The Company's performance can be affected by weak consumer spending and sluggish economy. But however, with the increasing government educational spending, India's stationery market is poised to grow significantly. Besides, growing per capita income, increased student enrolment and enhanced literacy are expected to catalyse the demand for stationery products. Also, marketing and distribution risk is very well managed as the Company has more than 1200 wholesaler's distribution network with reach from Tier 1 cities to Tier 2, Tier 3 & rural areas. The Company's Human Risk is minimal as it enjoys a harmonious industrial relationship in the manufacturing units of the Company. It has not experienced any labour disputes and no operational interruption so far. The Company offers attractive career opportunities and a very hormonal working environment to sustain growth.

#### Financial performance:

Exercise Books: Sales during the Financial Year ended 31<sup>st</sup> March, 2014 was Rs.105.36 crores as against Rs.106.16 crores during the previous year.

Paper: Sales during the Financial Year ended 31<sup>st</sup> March, 2014 was Rs.5.84 crores as against Rs. 5.02 crores in the previous year.

#### Trading:

The trading turnover of eco friendly copier paper during year ended on 31<sup>st</sup> March 2014 was Rs.42.68 Crores as compared to Rs.70.26 during last year.

#### Outlook:

The demand for the school stationery products is expected to remain firm and your Company would be able to maintain its growth consistently.

#### Subsidiary:

E-class Education System Ltd., the wholly owned subsidiary of the Company started its operations in 2009-10 as a Company providing 100 % syllabus based quality digital animation content for State Board K-10 Segment of Maharashtra State in English, Marathi and Semi-English Medium with the objective of broadening the horizons of education. Over the period of five years, E-class has successfully penetrated the market and is one of the prime providers of e-content in Maharashtra State. "E-class" has received an overwhelming positive response from students, parents, coaching classes and school management. The Company has also received prestigious contracts from Pune Municipal Corporation.

During the year under review, the Company recorded total revenue of ₹228.63 lakhs as against ₹751.92 Lakhs in the F.Y, 2012-13. Delay in the implementation of project of the Local Municipal Corporations and Zilla Parishad School due to the

legislative elections of Lok Sabha mainly resulted in to decline in sales . Further ours being the syllabus based content, the change in the syllabus of standard 3rd and 4th has also affected cost and revenue during the year.

With the increasing Government initiatives to promote E-learning, growing adoption of technology, shortage of quality education and convenience and affordability factors, your management is expecting the demand for E-learning content and positive for the future growth of the Company.

#### INTERNAL CONTROLS & THEIR ADEQUACY

The Company has adequate internal control systems commensurate with the size and operations of the Company. The scope of the internal audit is to ensure the control systems established by the management are correctly implemented and to suggest any additional changes required to strengthen the existing systems. These systems and procedures are reviewed at regular intervals through Internal Audits, Statutory Audits and Audit Committee.

#### HUMAN RESOURCES & INDUSTRIAL RELATIONS

Industrial relations continue to remain peaceful at the manufacturing plant at Palghar and Nagpur. The labour force at the manufacturing plants have been trained vigorously and this in-house training has increased the skill levels abundantly. All the employees are working with the Company for a common objective.

Industrial relations of the Company were cordial during the year.

#### FIXED DEPOSITS:

The Company has not accepted fixed deposits from public during the year under review.

#### UNCLAIMED DIVIDEND:

Your company would like to bring to the notice of the Shareholders that some of them have not yet claimed the dividends as per the under mentioned detail:

Accounting Year	Total amount unclaimed (in ₹)
2006-07	54666
2007-08	182458
2008-09	54398
2009-10	67029
2010-11	52317
2011-12	48097
2012-13	97515

The Board of Directors sincerely like to remind the concerned shareholders to claim their dividends. The Board also like to inform 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.

## **BANKS & FINANCIAL INSTITUTIONS:**

During the Financial Year, overall economic environment has been bad. The Company also suffered some set back. But, it managed its operations of stationery products. High interest outgo and lower profit margins resulted in fiscal pressures, in turn the company's repayment obligations could not be fully honored.

## **DIRECTORS:**

Mr. Paresh Kumar P. Jain (DIN: 05159799) and Mr. Mahip Agarwal (DIN: 03509204) are eligible to retire by rotation at the ensuing Annual General Meeting and being eligible but they do not offer themselves for re-appointment.

In terms of the provisions of the new Companies Act, 2013; your Company need to have at least one-third of the total number of directors as independent directors who shall hold the office for term up to 5 consecutive years. Section 149 of the new Act further provides that any tenure of Independent Director on the date of commencement of the Companies Act, 2013 i.e. 01.04.2014 shall not be counted as term for aforesaid period of 5 years and also lays down additional criteria apart from the criteria specified under clause 49 of Listing Agreement with the Stock Exchanges for becoming Independent Directors of the Company.

Mr. Jagdish J. Kothari (DIN: 0033271) was earlier appointed as Director liable to retire by rotation under erstwhile Companies Act, 1956 and holds office as Independent Director of the Company under Clause 49 of the Listing Agreement with the Stock Exchanges. Mr. Jagdish J. Shah held such positions for more than 5 years

Mr. Jagdish J. Kothari (DIN: 0033271) has furnished declarations under Section 149 (7) of the new Act to the effect that he meets the criteria of Independent Director and in the opinion of the Board of Directors, the said Independent Director fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and he is independent of the Management. In view of the same, he is eligible for appointment as Independent Director of the Company, not liable to retire by rotation, to hold office as such with effect from 30<sup>th</sup> September 2014 for a period of 5 (five) consecutive years up to 29<sup>th</sup> September 2019; so long as his appointment is in compliance with the provisions of sub sections (6) and (8) of Section 149 read with Schedule IV.

The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Mr. Jagdish J. Kothari (DIN: 0033271), who retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment for the office of Independent Director of the Company, not liable to retire by rotation, to hold office as such with effect from 30<sup>th</sup> September 2014 for a period of 5 (five) consecutive years up to 29<sup>th</sup> September 2019.

During the year under review, your Board inducted Mr. Manikandam P. Kammenchery (DIN: 03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) as an Additional Directors (Non-Executive) of the Company. In terms of Section 161 of the Com-

panies Act 2013 (corresponding Section 260 of the Companies Act 1956) Mr. Manikandam P. Kammenchery (DIN:03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) will hold office up to the date of the ensuing Annual General meeting. The Company has received notices in writing along with deposit pursuant to Section 160 of Companies Act, 2013, proposing appointment Mr. Manikandam P. Kammenchery (DIN:03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) as Independent Directors of the Company. Your Board has recommended appointment of Mr. Manikandam P. Kammenchery (DIN: 06949468) and Mr. Kaushal R. Sheth (DIN: 06949468) as Independent Directors, not liable to retire by rotation, with effect from 30<sup>th</sup> September 2014 for a period of 5(five) consecutive years up to 29<sup>th</sup> September 2019.

Pursuant to Sections 149 and 152 of the Companies Act, 2013, approval of the shareholders has been sought for the appointment of Mr. Jagdish J. Kothari (DIN: 0033271), Mr. Manikandam P. Kammenchery (DIN:03323385) and Mr. Kaushal R. Sheth (DIN: 06949468) as an Independent Directors not liable to retire by rotation for a period of 5 (five) consecutive years from 30<sup>th</sup> September 2014 up to 29<sup>th</sup> September 2019.

Brief Profile of the Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting is mentioned in the notice of the Annual General Meeting.

## **DIRECTORS RESPONSIBILITY STATEMENT:**

In Compliance of Section 217 (2AA), as incorporated by the Companies (Amendment) Act, 2000 in the Companies Act, 1956 your Directors confirm that:

- a)The Company has followed the applicable standards in the preparation of the Annual Accounts and there had been no material departure;
- b)The Directors had selected the 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 profit or loss of the Company for the aforesaid period;
- c)The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 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.

## **NAGUR PAPER MILL OPERATIONS:**

The Management carried out various improvement measures and had put level best efforts to revive the operations at the Nagpur Paper Mill. Further, the proposed tetra pack projects could not seek and obtain necessary approvals from the Pollution Control Board. Thus, due to the said reasons along with technological obsolescence, the Mill cannot be put in order for

the commercial operation. So your Management have recommended to close down the working of the Nagpur Paper Mill till any future commercial prospects are foreseen.

#### **AUDITORS' REPORT:**

The Auditor has emphasized over the matter of balances of certain trade receivables and advances on pg. 2 of the Independent Auditors' Report.

The amounts are considered realizable. The management is taking necessary steps to recover the trade receivables.

Except for the above, all other observations made in the Independent Auditors' Report are self-explanatory and therefore do not call for further comments under Section 217 of the Companies Act, 1956.

#### **AUDITORS:**

The Statutory Auditors of the Company M/s Bhuta Shah & Co., Chartered Accountants (Firm Registration No. 101474W), retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Your Company has received a letter from the retiring auditors to the effect that their appointment, if made, would be within the prescribed limits under section 141 of Companies Act, 2013 and Rules made thereunder. Further, the appointment will have to be in terms of provisions of section 141 of the Companies Act, 2013

The said Auditors have confirmed their willingness to accept office, if re-appointed. The Board on the recommendation of the Audit Committee have proposed the re-appointment of M/s Bhuta Shah & Co., as Statutory Auditors of the Company to hold office from the conclusion of this AGM till the conclusion of the fourth consecutive Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this AGM) at such remuneration to be decided by the Board of Directors in consultation with the said Auditors.

M/s Bhuta Shah & Co., Chartered Accountants, Auditors, Mumbai, of the Company retire at the ensuing Annual General Meeting. However, being eligible, offer themselves for re-appointment as the Statutory Auditors of the Company. During the year under review, the management has not proposed to appoint any branch auditors for better co-ordination.

Your Company would comply with the requirement of Rotation of Auditors within 3 years as permitted under Section 139 (2) of the Companies Act, 2013.

#### **COMPANY SECRETARY:**

During the period under review, Miss. Amisha Shah, Company Secretary has resigned from the office with effect from 25<sup>th</sup> March 2014. The management is under the process of filling the office of the Company Secretary.

#### **CORPORATE GOVERNANCE:**

The company has been proactive in following the principles

and practices of good Corporate Governance. The company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreements of the Stock Exchanges are complied with.

A report on Corporate Governance, along with a certificate of compliance from the Auditors, forms part of this report.

The Board of Directors of the Company at its meeting held on 30<sup>th</sup> May, 2014 has adopted the Whistle Blower Policy and has established the necessary mechanism for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee.

#### **DEPOSITORIES:**

The Company is registered with both National Securities Depository Limited and Central Depository Services (India) Limited. The shareholders can take advantage of holding their scrips in dematerialised mode.

#### **PERSONNEL:**

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of the Employees) Rules, 1975, as amended, the name and other particulars of the employees are required to be set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act, the Annual Report, excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Members who are interested in obtaining such particulars may write to the Company at its Registered Office.

#### **INSURANCE:**

All the assets of the Company wherever necessary and to the extent required have been insured.

#### **CONSOLIDATED FINANCIAL STATEMENTS:**

The Consolidated Financial Statements pursuant to Clause 32 of the Listing Agreement entered into with the Stock Exchanges and prepared in accordance with the Accounting Standards are attached herewith.

The Ministry of Corporate Affairs, the Government of India has vide Circular No. 2/2011 dated 8<sup>th</sup> February, 2011 granted general exemption subject to fulfilment of certain conditions from attaching the Balance Sheet of the subsidiaries to the Balance Sheet of the Company without making an application for exemption. Accordingly, the Balance Sheet, the Statement of Profit and Loss Account and other documents of the subsidiary company are not being attached with the Balance Sheet of the Company. The financial information of the subsidiary company is disclosed in the Annual Report. The Annual Accounts of the subsidiary company and related detailed information will be made available to any member of the Company / its subsidiary company at the Registered Office of the Company. The Annual Accounts of the subsidiary company will also be available for inspection, as above, at the Registered Office of the Company.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

The information as required under section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in Report of the Board of Directors) Rules 1988 with respect to conservation of energy, technology absorption and foreign exchange earnings is given below:

### Form A:

#### Part A. Conservation of Energy:

I) Electricity	2014	2013
<b>(a) Purchased</b>		
Unit (In Lacs)	18.38	6.09
Total Amount (Rs. Lacs)	152.84	57.97
Rate /Unit (Rs.)	8.32	9.51
<b>(b) Own generation</b>	NIL	NIL
Units (in Kwh)		
Total amount (Rs. In Lacs)		
Rate /unit (Rs.)		
<b>II) Coal</b>		
Quantity (Tones)	4184 MT	504 MT
Total Cost (Rs. Lacs)	56.69	23.03
Average Rate (Rs.)	1355.00	4567.00
<b>III) Furnace Oil</b>	NIL	NIL
<b>IV) Rice Husk</b>		
Quantity (Tones)	Nil	Nil.
Total Cost (Rs. Lacs)	Nil	Nil
Average Rate (Rs.)	Nil	Nil

#### Part B. Consumption per Unit of Production:

Particular	Consumption per Unit of Production
Electricity	1144.43 Unit
Coal/Rice Husk	2.605. M.T.

#### B. Technology Absorption, Adaptation and innovation:

The Research and Product Development activities are primarily directed towards product developments and new designs of notebooks as well as other stationery related items.

#### C. Foreign Exchange Earnings and Outgoings:

Particular	₹ In lacs	
	2013-14	2012-13
Foreign Exchange Earnings:	294.38	393.93
Foreign Exchange Outgoings:	54.61	46.02

#### ACKNOWLEDGEMENTS:

The Board of Directors expresses their deep gratitude for the co-operation and support extended to your Company by its customers, suppliers, Bankers and various Government agencies. Your Directors also place on record the commitment and involvement of the employees at all levels and looks forward to their continued co-operation.

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

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

Place: Mumbai  
Date: 14 /08/2014

# REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of the Listing Agreement)

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE CODE:

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 and as a premier exporter.

## 2. COMPOSITION OF BOARD OF DIRECTORS:

Your Company's Board consists of 6 Directors as on 31<sup>st</sup> March 2014, in all, categorized as under:

Sr. No.	Name of the Director(s)	Category	No. of Board Meetings Attendance	Attended Last AGM	No. of Other Directorship held in other Public Limited Companies	No. of Audit Committee and Shareholders'/Investors' Grievance Committee in other Public Limited Company	
						Chairman	Member
1	Mr. Amrut P. Shah. (DIN:00033120)	Executive-Chairman & Managing Director, Promoter	18	Yes	2	0	0
2	Mr. Shantilal P. Shah (DIN:00033182)	Executive Director, Promoter	18	Yes	2	0	1
3	Mr. Hasmukh A. Gada (DIN:00033151)	Executive Director, Promoter	18	Yes	2	0	1
4	Mr. Jagdish J. Kothari (DIN:00033271)	Non-Executive Director, Independent	18	Yes	1	0	0
5	Mr. Paresh Kumar P. Jain (DIN:05159799)	Non-Executive Director, Independent	18	Yes	1	1	0
6	Mr. Mahip Kumar D. Agarwal (DIN:03509204)	Non-Executive Director, Independent	18	Yes	0	0	0

Number of Board Meetings held during the financial year 2013-2014 was Eighteen. The dates on which these Meetings were held are 08.04.2013, 22.04.2013, 30.05.2013, 06.06.2013, 26.06.2013, 11.07.2013, 24.07.2013, 05.08.2013, 08.08.2013, 30.08.2013, 18.09.2013, 14.10.2013, 11.11.2013, 14.11.2013, 23.11.2013, 28.12.2013, 14.02.2014 and 25.03.2014

### Details of Directors being reappointed:

Mr. Paresh Kumar P. Jain (DIN:05159799) and Mr. Mahip Kumar D. Agarwal (DIN:03509204) retire by rotation at the ensuing Annual General Meeting and being eligible, but do not offer themselves for re-appointment as Director.

## 3. AUDIT COMMITTEE:

### Terms of reference & composition:

Terms of reference of this committee cover the matters specified for Audit Committee under clause 49 of the Listing Agreement & Section 292A of the Companies Act, 1956.

## Composition:

Sr. no.	Name	Category	Designation	No. of Meetings attended
1	Mr. Paresh Kumar P. Jain (DIN:05159799)	Non-Executive, Independent Director	Chairman	4
2	Mr. Mahip Kumar D. Agarwal (DIN:03509204)	Non-Executive, Independent Director	Member	4
3	Mr. Jagdish J. Kothari (DIN:00033271)	Non-Executive, Independent Director	Member	4

The Managing Director, Wholtime Directors and Auditors are invitees to the meeting. Company Secretary of the Company was the Secretary of the Audit Committee as Company Secretary has resigned with effect from 25/03/2014.

The total number of meetings held during the year was four on 30.05.2013, 05.08.2013, 14.11.2013 and 14.02.2014 respectively.

## 4. SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE:

### Composition:

Sr. no.	Name	Category	Designation	No. of Meetings attended
1	Mr. Paresh Kumar P. Jain (DIN:05159799)	Non-Executive, Independent Director	Chairman	4
2	Mr. Mahip Kumar D. Agarwal(DIN:03509204)	Non-Executive, Independent Director	Member	4
3	Mr. Jagdish J. Kothari (DIN:00033271)	Non-Executive, Independent Director	Member	4

The total number of meetings held during the year was four on 30.05.2013, 05.08.2013, 14.11.2013 and 14.02.2014 respectively.

Ms. Amisha V. Shah, Company Secretary, was the Compliance Officer as per Clause 47 (a) and (f) of the Listing Agreement entered with the Stock Exchanges, up till 25/03/2014 .

The Company received nil investor complaint during the year.

As per the provisions of sub-section (5) of Section 178 of the Companies Act, 2013, the Shareholders/Investors Grievances Committee has been re-named as the Stakeholders Relationship Committee with effect from 01.04.2014 by the Board of Directors at their meeting held on 24.05.2014.

## 5. REMUNERATION COMMITTEE:

### Composition:

Sr. no.	Name	Category	Designation
1	Mr. Paresh Kumar P. Jain (DIN:05159799)	Non-Executive, Independent Director	Chairman
2	Mr. Mahip D. Agarwal (DIN:03509204)	Non-Executive, Independent Director	Member
3	Mr. Jagdish J. Kothari (DIN:00033271)	Non-Executive, Independent Director	Member

No meeting was held during the year under review.

As per the provisions of sub-section (1) of Section 178 of the Companies Act, 2013, the Remuneration Committee has been re-named as the Nomination and Remuneration Committee with effect from 01.04.2014 by the Board of Directors at their meeting held on 24.05.2014.

## 6. REMUNERATION OF DIRECTORS

Details of the remuneration paid to the Executive Directors are given below:

Name of the Director	Designation	Salary (For the year ended 31/03/2014) (in ₹)
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	30,00,000

No sitting fees were paid to the Non-Executive Directors for the financial year 2013-14.

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 2012 to 31<sup>st</sup> March 2015. The notice period is of 3 months before the date on which the termination is come into effect. Severance fees are not applicable. No stock options have been issued.

## 7. GENERAL BODY MEETINGS:

Financial Year	Date	Whether Special Resolution Passed	Time	Venue
2010-2011	30.09.2011	Yes	10.00 A.M.	Navinbhai Thakar Hall, Shradhanand Road, Vile Parle (E), Mumbai- 400 057.
2011-2012	27.09.2012	Yes	10.00 A.M.	
2012-2013	27.09.2013	Yes	10.00 A.M.	

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

Date	Particulars
30.09.2011	<p>i) Increase in the remuneration of Mr. Amrut P. Shah, Managing Director, in excess of the ceiling laid down under Section 309 of the Companies Act, 1956.</p> <p>ii) Payment of remuneration to three Executive directors viz. Mr. Amrut P. Shah, Managing Director, Mr. Shantilal P. Shah, Whole-time Director and Mr. Hasmukh A. Gada, Whole-time Director, put together in excess of the ceiling laid down under Section 309 of the Companies Act, 1956.</p>

Date	Particulars
27.09.2012	<p>i) Re-appointment of Mr. Amrut P. Shah as Managing Director of the Company.</p> <p>ii) Re-appointment of Mr. Shantilal P. Shah as Whole time Director of the Company.</p> <p>iii) Re-appointment of Mr. Hasmukh A. Gada as Whole time Director of the Company.</p> <p>iv) Payment of total Remuneration to the Executive Directors in excess of the limit 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.</p> <p>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.</p>

#### 8.DISCLOSURES:

(a) During the year rent of ₹1.89/- lacs was paid to Mrs. Nayna S. Shah, wife of Mr. Shantilal P. Shah.

(b) During the year salary of ₹4/- lacs was paid to Raichand P. Shah, brother of Mr. Amrut P. Shah and Mr. Shantilal P. Shah.

(c) Your Company has complied with all the provisions of the Companies Act, 1956, Rules and Regulations of the said Act, SEBI Guidelines, Stock Exchange Regulations and rules and regulations of other Statutory Authorities and there were no strictures, penalties imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last 3 years.

(d) Company has adopted the Whistle Blower Policy.

#### 9.CEO/CFO CERTIFICATION:

The Chairman & Managing Director, being the CEO of the Company, and the CFO of the Company, have submitted a Certificate to the Board regarding the Financial Statements and other matters as required under Clause 49(V) of the Listing Agreement.

#### 10.MEANS OF COMMUNICATION:

Quarterly results of the Company are published in Free Press Journal (English Edition) and Navshakti (Regional Edition) news papers respectively. Annual Results of the Company are displayed on the Company's website – "[www.sundaramgroups.in](http://www.sundaramgroups.in)". The website also displays the information about the Company and its products. The Management Discussion and Analysis Report forms part of the Directors Report.

#### 11.GENERAL SHAREHOLDER'S INFORMATION:

AGM Date	:	30 <sup>th</sup> September, 2014
Time	:	10.00 a.m.
Venue	:	Navinbhai Thakar Hall, Shradha and Road, Vile Parle (E), Mumbai- 400 057, India
Financial Year	:	2013-2014
Book Closure Date	:	25 <sup>th</sup> September 2014 to 30 <sup>th</sup> September 2014 (both inclusive)
Rate of Dividend recommended	:	Re.0.01 per equity share (10% per equity share)
Listing on Stock Exchange	:	Bombay Stock Exchange Ltd. National Stock Exchange of India Ltd.
Stock Code	:	BSE – 533166 NSE - SUNDARAM
Demat ISIN No	:	INE108E01023
Outstanding ADR/ GDR	:	The Company has not issued any ADR or GDRs.

Listing fees have been paid for Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd., for the Financial Year 2013-2014.



## Market Price Data:

		BSE Ltd.			National Stock Exchange of India Ltd.		
Year	Month	Price		V o l u m e Traded	Price		Volume Trad-ed
		High(Rs.)	Low(Rs.)		High(Rs.)	Low(Rs.)	
2013	April	21.40	18.50	3041046	21.70	18.40	1217568
	May	22.30	19.60	1678281	22.00	19.55	1567236
	June	21.25	17.25	1941040	21.70	17.50	1278517
	July	22.80	17.00	3541976	21.85	16.75	3579739
	August	21.20	19.40	4092155	22.80	19.40	3952749
	September	24.20	19.50	4154179	24.50	19.10	4187110
	October	26.00	20.90	3196676	23.95	22.50	3245901
	November	24.80	19.00	5449118	23.75	18.80	5397924
	December	21.05	19.35	3055250	21.80	19.40	2712587
	2014	January	20.01	16.35	4991920	20.55	17.30
February		18.50	07.85	7310962	19.50	07.75	11793102
March		07.46	02.74	7371234	07.40	02.90	996509

### Registrar and Share Transfer Agents

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

**Plant Location:** 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.

### Distribution of Shareholding:

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2014

Category	No. of Shares held	% of Holding
<b>A. PROMOTER'S HOLDING</b>		
1 PROMOTERS		
Indian Promoters	117718959	54.60
Foreign Promoters	0	0
2 Person acting in Concert	0	0
<b>Sub Total</b>	<b>117718959</b>	<b>54.60</b>
<b>B. NON PROMOTER'S HOLDING</b>		
3 INSTITUTIONAL INVESTORS		
a Mutual Funds and UTI	0	0
b Banks, Insurance Companies, Financial Institutions, Central/State Govt.Inst/Non Govt. Inst	18287763	8.48
c Foreign Institutional Investors	11997827	5.56
<b>Sub Total</b>	<b>30285590</b>	<b>14.04</b>

Category	No. of Shares held	% of Holding
<b>4. OTHERS</b>		
a Private Corporate Bodies	31772290	14.74
b Indian Public	34181766	15.85
c NRI's / OCB's	1352358	0.63
d Any Other: Clearing Member	294810	0.14
<b>Sub Total</b>	<b>67601224</b>	<b>31.36</b>
<b>GRAND TOTAL</b>	<b>215605773</b>	<b>100</b>

#### Distribution of Shareholding as on 31<sup>st</sup> March 2014.

No. of Equity shares held	No. of Share Holders	% of total Shareholders	No. of Shares held	% of Total Share Capital
Upto 5000	3795	84.45	3111581	1.44
5001-10000	183	4.07	1352445	0.63
10001-20000	181	4.03	2672412	1.24
20001-30000	79	1.75	2041869	0.95
30001-40000	29	0.65	978670	0.45
40001-50000	29	0.65	1320486	0.61
50001-100000	58	1.28	4223979	1.96
	140	3.12	199904331	92.72
<b>Total</b>	<b>4494</b>	<b>100</b>	<b>215605773</b>	<b>100</b>

As on 31.03.2014, 99.39% of the paid up share capital of the Company has been dematerialized.

#### Investor Relation

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, 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

Sundaram Multi Pap Ltd., 903, Dev Plaza, Opp. Andheri Fire Station, S.V. Road, Andheri (W), Mumbai- 400 058.

Tel Nos.: 022- 67602200

Fax Nos.: 022- 67602244/55

E-mail.: amrutshah@sundaramgroups.in

#### 12. 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, 2014. The declaration from Mr. Amrut P. Shah, Managing Director, regarding the affirmation of the compliance for the year ended 31<sup>st</sup> March, 2014, is enclosed and forms part of this report.

### **13. OTHER REQUIREMENTS:**

The Company is yet to adopt the non-mandatory requirements like sending of the half yearly financial performance including summary of significant events in past six months to shareholders, restricting the tenure of the Independent Directors in the aggregate to a period of nine years on the Board of the Company, unqualified financial statements, training of Board Members, mechanism of evaluation of Non-Executive Board Members and Whistle Blower Policy would be complied with at an appropriate time later. 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.

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**Declaration from the Managing Director & CEO  
(Under clause 49(D)(ii) of the Listing Agreement)**

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have affirmed compliance with the Company's Code of Conduct for the year ended 31<sup>st</sup> March, 2013.

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

**Place: Mumbai**

**Date: 14/08/2014**

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of SUNDARAM MULTI PAP LIMITED,

We have examined the compliance conditions of Corporate Governance procedures followed by Sundaram Multi Pap Limited ("the Company") for the year ended 31st March, 2014 with the relevant records and documents maintained by the Company, furnished to us for our examination and the report on Corporate Governance as approved by the Board of Directors, as stipulated in Clause 49 of the Listing Agreement of the Company with the stock exchanges.

The compliance of 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 as stipulated in the said clause. 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 based on the representations made by the directors and the management, we certify that the Company has complied with in all material respect with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement with the Stock Exchanges.

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

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

**CA. Mitesh Kothari**  
Partner  
M. No. 110822

**Place: Mumbai**  
**Date: 14/08/2014**

# STANDALONE FINANCIAL STATEMENTS

## Independent Auditors' Report

To the Members of  
**SUNDARAM MULTI PAP LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of SUNDARAM MULTI PAP LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2014, 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 Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 disclosures in the financial statements. The procedures selected depend on the auditor 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 audit opinion.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Emphasis of matter

Without qualifying our opinion, we draw attention to Note 28 to the financial statements. As explained therein, 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. Our opinion is not qualified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act.

e. On the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of

section 274(1)(g) of the Act.

f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Act nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

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

**CA. Mitesh Kothari**  
Partner  
Membership No.: 110822

**Place: Mumbai,**  
**Date: 24/05/2014**

## **Annexure to 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 fixed Assets:

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

(b) As explained to us, all the fixed assets have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, no substantial part of fixed asset has been disposed during the year and therefore does not affect the going concern assumption.

(ii) In respect of its inventories:

(a) As explained to us, inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

(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 on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. The discrepancies noticed on physical verification of stocks by the management and book records have been properly dealt with in the books of account.

(iii) In respect of the loans, secured or unsecured, granted or taken by the company to / from companies, firms or other parties covered in the register maintained under section 301 of the Act:

(a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted unsecured loan to its subsidiary company. The maximum amount involved during the year is ₹ 18,59,77,745/-. And the year-end balance of loan granted to such party is ₹ 18,59,77,745/-.

(b) In our opinion and according to the information and explanation given to us, the rate of interest and other terms and conditions on which loans have been given to the company are not, prima facie, prejudicial to the interest of the Company.

(c) There is no stipulation for repayment of the above loans. Therefore, the question of repayment being regular does not arise. Also, the question of overdue amount does not arise.

(d) There is no stipulation for repayment of the above loans. Therefore, the question to take reasonable steps by the company for recovery of the principal and interest does not arise.

(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has taken loans from three directors. The maximum amount involved during the year are ₹ 7,18,28,422/-. And the year-end balance of loan taken from such parties is ₹ 4,00,40,035/-.

(f)The company has taken interest free loan from two directors. Therefore, the question of rate of interest and other terms and conditions on which loans have been taken by the company, being prejudicial to the interest of the Company does not arise. The company has taken interest bearing loan from one director. However, terms and conditions and rate of interest are not prejudicial to the interest of the company.

(g)There is no stipulation for repayment of the above loans. Therefore, the question of repayment being regular does not arise.

(iv)In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories and fixed assets and payment for expenses and for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

(v)In respect of the contracts or arrangements referred to in section 301 of the Act:

(a)In our opinion and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

(b)In our opinion and as per information and explanations given to us, the transaction entered into by the company with parties covered u/s 301 of the Act and exceeding the value of rupees five lakhs in respect of each party during the year has been made at prices which appear reasonable as per information available with the company.

(vi)According to the information and explanations given to us, the Company has not accepted any deposits from the public as defined u/s. 58A of the Companies Act, 1956 and the rules framed there under. Therefore, the provisions of Clause 4 (vi) of the Order are not applicable to the company.

(vii)As per information and explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.

(viii)We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209 (1)(d) of the Companies Act, 1956 and on the basis of information and explanations given to us, we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained related to manufacture of Exercise Note Book and Paper. We have not, however, made a detailed examination of the accounts and records with a view to determine whether they are accurate or complete.

(ix)In respect of statutory dues:

(a)According to the information and explanations given to us and on the basis of our examination of the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Cus-

tom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have been regularly deposited with the appropriate authorities, though there have been delays in a few cases. According to the information and explanations given to us, except for ₹ 7,120/- towards tax deducted at source and ₹ 33,730/- towards CST payable, no undisputed amounts payable in respect of Wealth Tax, Cess, Profession Tax, Service Tax and other material statutory dues were in arrears as at 31 March, 2014 for a period of more than six months from the date they became payable.

(b)According to the information and explanations given to us, there are no amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes except normal assessment and appellate proceedings as per the Income Tax Act, 1961.

(x)The Company does not have any accumulated losses and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

(xi)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 ₹ 12,82,80,199/- is not regularized as at 31.03.2014.

(xii)According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii)In our opinion, the Company is not a chit fund or a ni-dhi /mutual benefit fund/society. Therefore, the provisions of Clause 4 (xiii) of the Order are not applicable to the Company.

(xiv)In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4 (xiv) of the Order are not applicable to the Company.

(xv)According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution.

(xvi)According to the information and explanation given to us and the records examined, the term loans taken by the company have been applied for the purpose for which they were raised.

(xvii)According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31 March 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company. No long term funds have been used to finance short term assets except working capital.

(xviii)The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.

(xix)The Company has not issued any debentures and hence, the clause 4(xix) of the Order is not applicable to the company.

(xx)The Company has not raised any monies by way of public issues during the year.

(xxi)Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

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

**CA. Mitesh Kothari**  
Partner  
Membership No.: 110822

**Place: Mumbai**  
**Date: 24/05/2014**



**SUNDARAM MULTI PAP LIMITED**  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014**

Particulars	Note No.	As at 31 st March, 2014	As at 31 st March, 2013
		₹	₹
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	1	215,605,773	215,605,773
Reserves And Surplus	2	1,365,873,062	923,616,236
		<b>1,581,478,835</b>	<b>1,139,222,009</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	197,451,668	264,160,378
Deferred Tax Liabilities (Net)	4	36,133,774	33,579,292
Other Long Term Liabilities		-	-
Long Term Provisions	5	2,691,297	2,691,297
		<b>236,276,739</b>	<b>300,430,967</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	6	879,775,519	847,142,729
Trade Payables	7	140,495,914	313,891,261
Other Current Liabilities	8	145,641,756	154,298,222
Short-Term Provisions	9	2,522,479	29,296,035
		<b>1,168,435,668</b>	<b>1,344,628,246</b>
<b>Total Equity &amp; Liabilities</b>		<b>2,986,191,242</b>	<b>2,784,281,222</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	10A	1,285,106,135	831,624,803
Intangible Assets	10B	24,067,146	32,089,528
Capital Work-In-Progress		-	29,609,294
		<b>1,309,173,281</b>	<b>893,323,625</b>
Non-Current Investments	11	150,050,000	150,050,000
Deferred Tax Assets (Net)		-	-
Long Term Loans And Advances	12	13,589,063	49,827,480
Other Non-Current Assets		-	-
		<b>1,472,812,344</b>	<b>1,093,201,105</b>
<b>Current Assets</b>			
Current Investments		-	-
Inventories	13	607,507,242	543,740,469
Trade Receivables	14	489,525,745	807,570,268
Cash And Cash Equivalents	15	6,109,612	14,832,534
Short-Term Loans And Advances	16	410,089,296	324,636,660
Other Current Assets	17	147,003	300,186
		<b>1,513,378,898</b>	<b>1,691,080,116</b>
<b>Total Assets</b>		<b>2,986,191,242</b>	<b>2,784,281,222</b>

Significant Accounting Policies

Notes on financial statements

As per our report of even date attached

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

**CA Mitesh Kothari**  
Partner  
Membership No.: 110822

**Place: Mumbai**  
**Date: 24/05/2014**

1 to 39

**For and on behalf of the Board**  
**Sundaram Multi Pap Ltd.**

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

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

**Hasmukh A. Gada**  
Whole-time Director

**SUNDARAM MULTI PAP LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

Particulars	Note No.	Year Ended 31st March, 2014	Year Ended 31st March, 2013
<b>INCOME</b>		₹	₹
Revenue From Operations	18	1,540,861,926	1,815,457,526
Other Income	19	6,419,319	10,118,372
<b>Total Income (I)</b>		<b>1,547,281,245</b>	<b>1,825,575,897</b>
<b>EXPENSES</b>			
Cost Of Materials Consumed	20	682,961,133	683,537,294
Purchase Of Stock-In-Trade		412,247,951	664,357,064
Changes In Inventories Of Finished Goods And Work-In-Progress	21	68,643,992	35,200,435
Employee Benefit Expenses	22	34,844,042	48,164,462
Finance Cost	23	137,338,796	120,774,548
Depreciation And Amortization Expenses	24	48,412,915	48,127,708
Other Expenses	25	156,087,681	150,672,415
<b>Total Expenses (II)</b>		<b>1,540,536,509</b>	<b>1,750,833,926</b>
<b>Profit Before Tax (I) - (II)</b>		<b>6,744,736</b>	<b>74,741,972</b>
<b>TAX EXPENSES:</b>			
(1) Current Tax		4,609,000	23,452,186
(2) Deferred Tax		2,554,482	5,684,877
(3) Short / (Excess) Provision Of Earlier Years		(1,443,884)	91,827
<b>Total Tax Expenses</b>		<b>5,719,598</b>	<b>29,228,890</b>
<b>Profit For The Year</b>		<b>1,025,137</b>	<b>45,513,082</b>
Earnings Per Equity Share: (Face Value of ₹ 1/- each)			
(1) Basic		0.01	0.21
(2) Diluted		0.01	0.21

Significant Accounting Policies  
Notes on financial statements  
As per our report of even date attached

1 to 39

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

**For and on behalf of the Board**

**CA Mitesh Kothari**  
Partner  
Membership No.: 110822

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

**Sundaram Multi Pap Ltd.**  
**Shantilal P. Shah**  
Whole-time Director

**Hasmukh A. Gada**  
Whole-time Director

**Place: Mumbai**  
**Date: 24/05/2014**

**SUNDARAM MULTI PAP LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

Particulars		Year Ended 31st March, 2014	Year Ended 31st March, 2013
		Amount in ₹	Amount in ₹
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
	Net Profit/ (Loss) Before Tax And Extraordinary Items	6,744,736	74,741,972
	<i>Adjustment For :</i>		
	Depreciation	48,412,915	48,127,708
	Interest Income	(29,808,487)	(49,929,403)
	Dividend Income	(7,500)	(7,500)
	Preliminary Expenses W/Off	-	-
	Interest Paid	167,147,283	170,703,951
	(Profit)/Loss On Sale Of Assets (Net)	1,675,042	(4,996,726)
		187,419,253	163,898,030
		194,163,989	238,640,002
	<b>Operating Profit Before Working Capital Changes</b>		
	<i>Adjustment For :</i>		
	Trade Receivables	318,044,523	(157,186,949)
	Inventories	(63,766,774)	(12,053,566)
	Loans & Advances	15,795,881	(62,802,416)
	Other Current Assets	153,183	(153,183)
	Trade Payables	(173,395,347)	55,207,108
	Other Liabilities & Provisions	4,308,682	(1,845,252)
		101,140,148	(178,834,258)
	Cash Generated From Operations	295,304,137	59,805,743
	Direct Taxes Paid(Net)	(10,017,561)	(12,018,560)
	<b>Net Cash Generated From/ (Utilised in) Operating Activities</b>	<b>285,286,576</b>	<b>47,787,183</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>		
	Purchase Of Tangible Fixed Assets (Net)	(24,851,887)	(33,373,333)
	Sale Of Tangible Fixed Assets	2,668,442	6,480,139
	Purchase Of Equity Shares Of subsidiary	-	-
	Dividend Received	7,500	7,500
	<b>Net Cash Generated From/ (Utilised in) Investing Activities</b>	<b>(22,175,945)</b>	<b>(26,885,694)</b>
<b>C.</b>	<b>Cash Flow From Financing Activities :</b>		
	Loan given to Subsidiary	(62,394,909)	(30,984,894)
	(Repayment) of / Proceeds From Borrowings	(34,075,920)	133,733,737
	Interest Received	29,808,487	49,929,403
	Interest Paid	(167,147,283)	(170,703,951)
	Dividend Paid (Incl. Of Tax)	(38,023,928)	(15,034,930)
	<b>Net Cash Generated From/ (Utilised in) Financing Activities</b>	<b>(271,833,552)</b>	<b>(33,060,634)</b>
	<b>Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)</b>	<b>(8,722,922)</b>	<b>(12,159,145)</b>
	<b>Cash And Cash Equivalents At Beginning Of The Year</b>	14,832,534	26,991,678
	<b>Cash And Cash Equivalents At End Of The Year</b>	6,109,612	14,832,533
	<b>Net Increase/ (Decrease)</b>	<b>(8,722,922)</b>	<b>(12,159,145)</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

**Sundaram Multi Pap Ltd.**

**CA Mitesh Kothari**

Partner

Membership No. 110822

**Amrut P. Shah**

Chairman & Managing Director

**Shantilal P. Shah**

Whole-time Director

**Hasmukh A. Gada**

Whole-time Director

**Place: Mumbai**

**Date: 24/05/2014**

## SIGNIFICANT ACCOUNTING POLICIES

### i. Accounting Conventions:

The financial statements are prepared on accrual basis under historical cost convention and as a going concern and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India referred to in section 211 (3C) of the Companies Act, 1956. Accounting policies not disclosed separately otherwise are in consonance with Generally Accepted Accounting Principles.

### ii. Use of Estimates:

Preparation of financial statements in conformity of Generally Accepted Accounting Principles requires that the Management of the Company 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.

### iii. Fixed Assets:

Tangible fixed assets are stated at cost of acquisition less accumulated depreciation and impairment, if any. Direct costs are capitalized until fixed assets are ready for use. Capital work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

### iv. Depreciation / Amortization:

Depreciation on fixed assets is provided on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956 or estimates made by the management. 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.

### v. Investment:

Long term investments are stated at cost. Provision for diminution in the value is made only if such decline is other than temporary.

Current investments are valued at lower of the cost or market value, determined on individual investment basis.

### vi. 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.

### vii. Revenue Recognition:

a) 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.

b) Dividend income on investment is accounted for in the year in which the right to receive the payment is established.

c) Interest income is recognized on the time proportion basis.

### viii. 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.

### ix. 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.

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.

x. 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.

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. Provision for Taxes:

Provision for current tax is determined in accordance with the Income Tax laws prevailing for the relevant assessment years. Deferred tax arising due to timing difference between the book profit and tax profit for the year is accounted for, using the tax rate and laws that are substantively enacted as of the Balance Sheet date. Deferred Tax assets arising from timing differences are recognized to the extent there is reasonable certainty that this would be realized in future.

xiii. 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.

xiv. 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.

xv. 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.

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.

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

NOTE 1 : SHARE CAPITAL				₹	₹
				As at 31 st March, 2014	As at 31 st March, 2013
<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) <b>Reconciliation Of The Number Of Shares Is Set Out Below:</b>					
Particulars	2013-14		2012-13		
	Equity Shares		Equity Shares		
	Number	₹	Number	₹	
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) Terms And Rights 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 recommended by the board of directors and declared by 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, 1956, 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, 2014 is 117,718,959 equity shares i.e. 54.60 % of the equity share capital of the company. Previous year March 31, 2013 is 134,583,293 equity shares i.e. 62.42 %.

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

Name Of Shareholder	As at 31 March, 2014		As at 31 March, 2013	
	No. Of Shares	% of Holding	No. Of Shares	% of Holding
Amrut P Shah	35,929,325	16.66	37,485,489	17.39
Raichand P Shah	34,808,304	16.14	34,808,304	16.14
Shantilal P Shah	20,451,537	9.49	32,949,789	15.28
Citigroup Global Markets Mauritius	11,994,157	5.56	14,649,356	6.79
Ganjam Trading Pvt Ltd	14,999,499	6.96	-	-

**NOTE 2 : RESERVES & SURPLUS**

	As at 31 st March, 2014	As at 31 st March, 2013
<b>(a) Capital Reserve</b>		
Opening Balance	700,000	700,000
Add: Capital Reserve	-	-
<b>Capital Reserve - Closing Balance</b>	<b>700,000</b>	<b>700,000</b>
<b>Securities Premium Reserve</b>		
Opening Balance	466,413,981	466,413,981
Add: Securities Premium Reserve	-	-
<b>Securities Premium Reserve - Closing Balance</b>	<b>466,413,981</b>	<b>466,413,981</b>
<b>Revaluation Reserve</b>		
Opening Balance	-	-
Add: Revaluation of Land *	443,754,167	-
<b>Revaluation Reserve - Closing Balance</b>	<b>443,754,167</b>	-
<b>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>Surplus In The Statement Of Profit And Loss</b>		
Opening Balance	439,529,341	417,404,473
Add: Net Profit/ (Loss) For The Year	1,025,137	45,513,082
<b>Balance Available For Appropriation</b>	<b>440,554,479</b>	<b>462,917,555</b>
Add: Appropriations		
Reversal Of Excess Provision Of Proposed Dividend During F.Y. 2011-12	-	1,437,108
Reversal Of Excess Provision Of Dividend Distribution Tax During F.Y. 2011-12	-	233,459
Less: Appropriations		
Proposed Dividend	2,156,057	21,560,577
Dividend Distribution Tax	366,422	3,498,204
Transfer To General Reserve	-	-
<b>Net Surplus In The Statement Of Profit And Loss</b>	<b>438,032,000</b>	<b>439,529,341</b>
<b>Total Of Reserves And Surplus</b>	<b>1,365,873,062</b>	<b>923,616,236</b>

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

**NOTE 3 : LONG TERM BORROWINGS**

	As at 31 st March, 2014	As at 31 st March, 2013
<b>Term Loan</b>		
<b>Secured</b>		
<b>From Banks</b>		
State Bank Of India *	180,000,000	202,500,000
Yes Bank +	-	40,000,000
Vehicle Loans @	909,516	1,652,130
<b>Unsecured</b>		
From Other Financial Institutions**	-	3,766,097
(Refer Note 8 For Current Maturities Of Long Term Debt)		
<b>Deferred Payment Liabilities</b>		
<b>Unsecured</b>		
Sales Tax Deferred Loan ***	13,679,510	13,679,510
Loan From Sicom	2,064,441	2,064,441
<b>Deposits</b>		
<b>Unsecured</b>		
Deposits	798,200	498,200
<b>Total Of Long Term Borrowings</b>	<b>197,451,667</b>	<b>264,160,378</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 : 1 month / Earlier Years

(2) Amount : ₹ 24,850,000 / ₹ 20,64,441

\* Secured primarily by first pari passu charge of immovable and movable fixed assets of the company including factory building and office premises as well as personal guarantee of three directors and collaterally secured by extension of hypothecation charge over current assets of the company, carrying floating rate of interest ranging from 3.50 % to 3.65% above base rate repayable by December, 2019.

+ Secured by subservient charge over current and movable fixed assets of the company , personal guarantee of three directors and pledge of shares of Company held by promoters carrying floating rate of interest of 3% above base rate repayable by March, 2015.

@ Secured by Hyphotecation of respective vehicles purchased carrying interest ranging from 11.74% To 13.51% and repayable by August-2014 To July-2016.

\*\* Carrying interest ranging from 8.33% To 18.25% and repayable by November, 2014 to February, 2015.

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

#### NOTE 4 : DEFERRED TAX LIABILITIES (NET)

	As at 31 st March, 2014	As at 31 st March, 2013
Liability Related To Fixed Assets	36,133,774	33,579,292
Assets	-	-
<b>Total</b>	<b>36,133,774</b>	<b>33,579,292</b>
Less: Opening Net Deferred Tax Liability	33,579,292	27,894,415
<b>Net Deferred Tax Liability Charged To Statement Of Profit And Loss</b>	<b>2,554,483</b>	<b>5,684,877</b>

#### NOTE 5 : LONG TERM PROVISIONS

	₹	₹
	As at 31 st March, 2014	As at 31 st March, 2013
<b><u>Provision For Employees Benefit</u></b>		
Provision For Gratuity	2,691,297	2,691,297
<b>Total of Long Term Provisions</b>	<b>2,691,297</b>	<b>2,691,297</b>

#### Note : 6 SHORT TERM BORROWINGS

	₹	₹
	As at 31 st March, 2014	As at 31 st March, 2013
<b><u>Loan Repayable On Demand</u></b>		
<b><u>From Banks</u></b>		
<b>Secured</b>		
Cash Credit From State Bank Of India **	513,333,132	529,038,047
Cash Credit From Industrial Development Bank Of India #	101,365,758	100,065,920
From Public Financial Institutions ***	22,688,699	-
<b>Unsecured</b>		
From Banks @	6,560,460	-
From Other Financial Institutions*	-	37,456,272
<b><u>Loans &amp; Advances From Related Parties</u></b>		
<b>Unsecured</b>		
Loan From Directors ###	40,040,035	47,088,463
<b><u>Deposit</u></b>		
<b>Unsecured</b>		
Intercorporate Deposits##	195,787,435	133,494,027
<b>Total Of Short Term Borrowings</b>	<b>879,775,519</b>	<b>847,142,729</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 : 1 - 2 months

(2) Amount : ₹ 114,527,055/- (includes ₹ 101,365,758/- on account of renewal of working capital facilities under process)

\* Loan is taken ranging from 9% to 17% interest rates against pledge of shares of Company held by Promoters.

\*\* Secured primarily by first pari passu charge over current assets including stock of raw material, stock-in-process, finished goods, stores & spares, receivables and other current asset of the company with other working capital lender and personal guarantee of three Directors and collaterally secured security by way of second pari passu charge over movable and immovable fixed assets of the company including factory and office premises with other lender carrying interest rate of 3.50% above base rate.

# Secured primarily by first pari-passu charge on all the current assets of the company along with other working capital lender and personal guarantee of three Directors and collaterally secured by way of second pari passu charge over movable and immovable fixed assets of the company including factory and office premises carrying interest rate of 3% above base rate.

\*\*\* Secured against Lien on Keyman Insurance Policies in name of two Directors bearing interest rate of 10%

@ Loan is taken on personal guarantee of promoters bearing interest rate of 18%.

### Loan from two Directors is interest free and from one director is at the rate of 14%.

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

<b>NOTE 7 : TRADE PAYABLES</b>			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
Trade Payables			140,495,914	313,891,261
(Refer Note 30 For Details Of Dues To Micro, Small And Medium Enterprises)				
<b>Total Of Trades Payable</b>			<b>140,495,914</b>	<b>313,891,261</b>
<b>NOTE 8 : OTHER CURRENT LIABILITIES</b>			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
<b>Current Maturities Of Long-Term Borrowings (Refer Note 3)</b>				
From Banks			82,014,168	102,327,968
From other Financial Institutions			2,361,310	11,175,388
Vehicle Loans			1,434,034	1,498,414
Advance From Customers			24,722,358	5,637,131
Interest Accrued But Not Due On Borrowings			2,056,519	3,737,795
Unpaid Dividend			13,521,559	465,267
<b>Other Payables</b>				
Outstanding Expenses			11,927,544	3,742,979
Outstanding Statutory Liabilities			7,604,264	25,713,280
<b>Total Of Other Current Liabilities</b>			<b>145,641,756</b>	<b>154,298,222</b>
<b>NOTE 9 : SHORT TERM PROVISIONS</b>			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
Proposed Dividend			2,156,057	21,560,577
Provision For Dividend Distribution Tax			366,422	3,498,204
Provision For Income Tax			-	4,237,254
<b>Total Of Short Term Provisions</b>			<b>2,522,479</b>	<b>29,296,035</b>

**SUNDARAM MULTIPAP LTD.**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**NOTE 10 : FIXED ASSETS AS ON 31st MARCH 2014**

Particulars	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
	As on 1st April, 2013	Additions During the Year	Deductions During the Year	As on 31st March, 2014	For the Year	Deductions During the Year	As on 31st March, 2014	As on 31st March, 2013
<b>A. Tangible Assets: (Owned)</b>								(Amount in ₹)
Freehold Land	186,725,581	443,754,167	-	630,479,748	-	-	630,479,748	186,725,581
Building	234,234,007	4,183,366	2,451,313	235,966,060	7,806,771	551,792	190,227,672	195,750,599
Plant & Machinery	505,376,357	47,758,449	721,600	552,413,206	24,275,962	344,262	405,523,041	382,417,892
Furniture & Fixture	76,096,501	508,322	2,826,395	73,778,428	4,754,643	1,216,388	45,542,028	51,398,357
Vehicles	26,889,673	1,287,744	902,942	27,274,475	2,616,564	446,325	12,530,702	14,316,140
Office Equipments	5,343,558	723,300	50,000	6,016,858	936,595	50,000	802,942	1,016,235
<b>Total Tangible Assets</b>	<b>1,034,665,677</b>	<b>498,215,348</b>	<b>6,952,250</b>	<b>1,525,928,775</b>	<b>40,390,536</b>	<b>2,608,766</b>	<b>1,285,106,133</b>	<b>831,624,801</b>
<b>B. Intangible Assets:</b>								
Brand	72,930,746	-	-	72,930,746	8,022,382	-	24,067,146	32,089,528
<b>Total Intangible Assets</b>	<b>72,930,746</b>	<b>-</b>	<b>-</b>	<b>72,930,746</b>	<b>8,022,382</b>	<b>-</b>	<b>24,067,146</b>	<b>32,089,528</b>
<b>TOTAL (A+B)</b>	<b>1,107,596,423</b>	<b>498,215,348</b>	<b>6,952,250</b>	<b>1,598,859,521</b>	<b>48,412,918</b>	<b>2,608,766</b>	<b>1,309,173,279</b>	<b>863,714,329</b>
Previous Year	1,105,633,050	4,767,358	2,803,985	1,107,596,423	48,127,708	1,320,572	863,714,331	
<b>CAPITAL WORK IN PROGRESS</b>								
<b>Particulars</b>	<b>As on 1st April, 2013</b>	<b>Additions During the Year</b>	<b>Deductions During the Year</b>	<b>As on 31st March, 2014</b>				
Building	2,685,080	1,498,286	4,183,366	-				
Plant & Machinery	26,793,424	20,437,225	47,230,649	-				
Furniture & Fixture	130,790	297,403	428,193	-				
Vehicles	-	-	-	-				
<b>Total Tangible Assets</b>	<b>29,609,294</b>	<b>22,232,914</b>	<b>51,842,208</b>	<b>-</b>				

NOTE 11 : NON CURRENT INVESTMENTS		₹	₹
		As at 31 st March, 2014	As at 31 st March, 2013
<b>Investment In Unquoted Equity Instruments</b>			
<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
<b>Others</b>			
5,000 Equity Shares Of ₹10/- Each Fully Paid Up Of Abhyudaya CO-Operative Bank Ltd. (Previous Year 5,000 Shares)		50,000	50,000
<b>Total Of Non Current Investment</b>		<b>150,050,000</b>	<b>150,050,000</b>
NOTE 12 : LONG TERM LOANS AND ADVANCES		₹	₹
		As at 31 st March, 2014	As at 31 st March, 2013
<b>Advance For Capital Assets</b>			
Unsecured, Considered Good		9,284,729	45,038,589
<b>Security Deposits</b>			
Unsecured, Considered Good		4,304,334	4,788,891
<b>Total Of Long Term Loans And Advances</b>		<b>13,589,063</b>	<b>49,827,480</b>
NOTE 13 : INVENTORIES		₹	₹
		As at 31 st March, 2014	As at 31 st March, 2013
Raw Materials		166,882,137	179,565,055
Work-In-Progress		170,975,002	178,950,871
Finished Goods		18,610,835	79,278,958
Trading Goods		207,093,750	63,586,805
Stores & Spares		43,945,519	42,358,781
<b>Total Of Inventories</b>		<b>607,507,242</b>	<b>543,740,469</b>
NOTE 14 : TRADE RECEIVABLES		₹	₹
		As at 31 st March, 2014	As at 31 st March, 2013
<b>Debts Overdue Beyond 6 Months</b>			
Unsecured, Considered Good		360,456,232	215,462,385
<b>Others</b>			
Unsecured, Considered Good		129,069,513	592,107,883
<b>Total Of Trade Receivables</b>		<b>489,525,745</b>	<b>807,570,268</b>
NOTE 15 : CASH AND CASH EQUIVALENTS		₹	₹
		As at 31 st March, 2014	As at 31 st March, 2013
<b>Cash-In-Hand</b>			
Cash Balance		3,425,008	7,063,555
		<b>Sub Total (A)</b>	<b>7,063,555</b>
<b>Bank Balance</b>			
In Current Accounts		1,974,513	7,027,130
In Deposit Accounts		153,611	276,581
In Dividend Accounts		556,480	465,267
		<b>Sub Total (B)</b>	<b>7,768,979</b>
<b>Total Of Cash And Cash Equivalent (A) + (B)</b>		<b>6,109,612</b>	<b>14,832,533</b>

Includes Deposit With Banks Of ₹ 153,611/- (Previous Year: 276,581) With original maturity Of more than 12 months

NOTE 16 : SHORT TERM LOANS AND ADVANCES		₹	₹
		As at 31 st March, 2014	As at 31 st March, 2013
<b>Loans &amp; Advances To Related Parties</b>			
<b>Unsecured, Considered Good</b>			
Loan To Subsidiary - E-Class Education System Ltd.		185,977,745	123,582,836
<b>Others</b>			
Advance To Suppliers		87,333,454	96,716,234
Advance Income Tax (Net Off Provision For Tax)		2,615,191	-
Balance With Revenue Authorities		4,185,217	4,774,307
Prepaid Expenses		4,228,482	4,029,964
Advance To Employees		710,840	426,500
Other Advances		125,038,367	95,106,819
<b>Total Of Short Term Loans And Advances</b>		<b>410,089,296</b>	<b>324,636,660</b>
NOTE 17 : OTHER CURRENT ASSETS		₹	₹
		As at 31 st March, 2014	As at 31 st March, 2013
Dividend Receivable		7,500	7,500
Interest Receivable		139,503	292,686
<b>Total Of Other Current Assets</b>		<b>147,003</b>	<b>300,186</b>

NOTE 18 : REVENUE FROM OPERATIONS		₹	₹
		Year Ended 31st March, 2014	Year Ended 31st March, 2013
<b>Sale of Products</b>			
Local Sales		1,114,332,270	1,101,991,977
Trading Sales		426,881,248	702,611,548
Export Sales		29,799,658	41,330,946
		1,571,013,176	1,845,934,471
<b>Other Operating Revenues</b>			
Advertisement Income		2,000,000	1,000,000
		1,573,013,176	1,000,000
<b>Less: Excise Duty</b>		32,151,250	31,476,945
<b>Total Of Revenue From Operations</b>		<b>1,540,861,926</b>	<b>1,815,457,526</b>

NOTE 19 : OTHER INCOME		₹	₹
		Year Ended 31st March, 2014	Year Ended 31st March, 2013
Dividend		7,500	7,500
Rent Received		864,000	864,000
Duty Drawback		-	499,438
Exchange Fluctuation On Exports		4,527,179	3,584,378
Royalty Income		1,000,000	-
Profit On Sale Of Fixed Assets (Net)		-	4,996,726
Miscellaneous Income		20,640	-
Sundry Balance Written Back		-	166,330
<b>Total Of Other Income</b>		<b>6,419,319</b>	<b>10,118,372</b>

NOTE 20 : COST OF MATERIAL CONSUMED			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
<b>Raw Material Consumed</b>				
Opening Stock			179,565,055	191,597,282
Add: Purchases			664,443,337	646,900,856
Raw Material Sales			(14,973,393)	-
Transport Inwards			20,808,271	24,604,211
			<b>849,843,270</b>	<b>863,102,349</b>
Less: Closing Stock			166,882,137	179,565,055
<b>Total Of Cost Of Material Consumed</b>			<b>682,961,133</b>	<b>683,537,294</b>
NOTE 21 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROG			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
Opening Stock-Finished Goods			79,278,958	76,942,245
Opening Stock-Work In Progress			178,950,871	216,488,019
Less: Closing Stock-Finished Goods			18,610,835	79,278,958
Less: Closing Stock-Work In Progress			170,975,002	178,950,871
<b>Total Of Changes In Inventories Of Finished Goods And Work-In-Progress</b>			<b>68,643,992</b>	<b>35,200,435</b>
NOTE 22 : EMPLOYMENT BENEFIT EXPENSES			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
Salaries & Wages			27,044,100	27,127,969
Contribution To Provident Fund, Gratuity And Other Funds			1,208,349	1,299,296
Director's Remuneration			6,000,000	18,750,000
Staff Welfare			591,593	987,197
<b>Total Of Employment Benefit Expenses</b>			<b>34,844,042</b>	<b>48,164,462</b>
NOTE 23 : FINANCE COST			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
Interest Expenses			165,477,994	162,159,093
Other Borrowing Costs			1,723,292	11,144,495
Less: Interest Capitalised			54,002	2,599,637
			167,147,283	170,703,951
Less :-Interest Income			29,808,487	49,929,403
<b>Total Of Financial Cost</b>			<b>137,338,796</b>	<b>120,774,548</b>
NOTE 24 : DEPRECIATION & AMORTIZATION EXPENSES			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
Depreciation			40,390,533	40,105,326
Amortisation Of Intangibles			8,022,382	8,022,382
<b>Total Of Depreciation &amp; Amortization Expenses</b>			<b>48,412,915</b>	<b>48,127,708</b>

NOTE 25 : OTHER EXPENSES		₹	₹
		Year Ended 31st March, 2014	Year Ended 31st March, 2013
<b>Note 25 A: Manufacturing Expenses</b>			
Power And Fuel		7,507,421	4,900,571
Job Work Expenses		12,713,717	16,931,228
Repair & Maintenance To Building		1,881,053	1,712,809
Repair & Maintenance To Machinery		2,366,943	3,686,583
Security Expenses		598,573	616,319
Service Tax		686,573	591,376
Other Manufacturing Exp		193,688	394,550
Stores & Packing Material Consumed		83,990,924	66,709,514
	<b>Sub Total Note 25 A</b>	<b>109,938,892</b>	<b>95,542,950</b>
<b>Note 25 B: Selling &amp; Distribution Expenses</b>			
Sales Promotion & Advertisement Expenses		2,772,313	2,540,328
Freight, Clearing & Forwarding Charges		5,935,577	8,193,342
Loading & Unloading Charges		1,443,978	1,721,065
Commission Charges		3,258,147	7,735,831
Tempo Expenses		3,078,416	2,882,520
	<b>Sub Total Note 25 B</b>	<b>16,488,431</b>	<b>23,073,086</b>
<b>Note 25 C: Administrative Expenses</b>			
Rent Expenses		1,753,651	2,423,624
Insurance Expenses		8,965,366	8,899,239
Rates & Taxes Expenses		435,320	790,200
Wealth Tax		66,760	66,760
Motor Car Expenses		1,484,745	1,752,929
Travelling Expenses		1,927,178	3,348,087
Computer Maintenance		28,993	137,824
Conveyance Expenses		76,208	78,317
Postage & Courier		202,014	345,222
Legal, Professional & Consultancy Charges		4,391,500	6,551,413
Printing & Stationery		545,752	695,147
Auditors Remuneration (Refer Note - 29)		2,096,068	1,825,850
Donation		837,743	480,250
Amalgamation Expenses		-	933,784
Electricity Expenses		1,031,328	1,201,565
Listing & Registration Fees		367,942	554,183
Loss On Sale Of Fixed Assets (Net)		1,675,042	-
Subscription Charges		33,804	135,004
Sundry Balance W/Off		2,672,267	17,188
Telephone Expenses		828,698	1,018,782
Loss On Forex Derivatives		-	578,256
Sundry Expenses		239,979	222,756
	<b>Sub Total Note 25 C</b>	<b>29,660,358</b>	<b>32,056,380</b>
<b>Total of Other Expenses (Note 25 A+ 25 B+ 25 C)</b>		<b>156,087,681</b>	<b>150,672,415</b>

**Note 26**

Contingent Liability:

Bank Guarantee given NIL (P.Y. ₹ 100,000/-)

**Note 27**

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 28**

Balance of Trade Receivables, Trade Payables and Loans & 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 29**

Auditors Remuneration:

Particulars	Current Year	Previous Year
Audit fees	730,000/-	500,000/-
Tax Audit fees	210,000/-	170,000/-
Income Tax Matters	1,250,000/-	1,060,000/-
Others	16,068/-	298,642/-
<b>Total</b>	<b>2,206,068/-</b>	<b>2,028,642/-</b>

**Note 30**

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 31**

Employee Benefits:

The principal Actuarial Valuation assumptions used as at the Balance Sheet date are as under:

1) Valuation Date	:	31st March, 2013
2) Valuation Method	:	Projected Unit Credit Method
3) Mortality Rate	:	LIC (1994-96) Ultimate
4) Withdrawal Rate	:	1% to 3% depending on age
5) Discount Rate	:	8% p.a.
6) Salary Escalation	:	8%

**Note 32**

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 33

**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>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
<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
	Mrs. Nayna S. Shah	Wife of Shantilal P. Shah
	Mrs. Vimala A. Shah	Wife of Amrut P. Shah

b) **Transactions with Related Parties:**

Amount in ₹

Particulars	Wholly Owned Subsidiary	KMP	Relatives of KMP
Loan Given to E Class Education System Ltd	139,719,074/- (111,226,939)/-	- ( - )	- ( - )
Repayment of Loan Given to E Class Education System Ltd	77,324,165/- (101,218,681)/-	- ( - )	- ( - )
Interest charged on Loan Given to E Class Education System Ltd	23,009,388/- (23,307,373)/-	- ( - )	- ( - )



Particulars	Wholly Owned Subsidiary	KMP	Relatives of KMP
<b>Loan Taken</b>		106,939,028/- (93,217,071)/-	
<b><u>Details are as under:</u></b>			
Mr. Amrut P. Shah	-	79,619,835/- (66,172,093)/-	-
Mr. Shantilal P. Shah	( - )	14,819,193/- (24,715,735)/-	( - )
Mr. Hasmukh A. Gada		12,500,000/- (2,329,243)/-	
<b>Repayment of Loan taken</b>		113,828,770/- (46,135,073)/-	
<b><u>Details are as under:</u></b>			
Mr. Amrut P. Shah	-	94,272,901/- (34,426,361)/-	-
Mr. Shantilal P. Shah	( - )	19,555,869/- (9,533,798)/-	( - )
Mr. Hasmukh A. Gada		NIL (2,174,914)/-	

<b>Remuneration</b>			400,000/- (2,400,000)/-
		60,00,000/- (21,000,000)/-	
<b>Details are as under:</b>			
Mr. Amrut P. Shah	-	2,000,000/- (12,000,000)/-	
Mr. Shantilal P. Shah	( - )	1,000,000/- (6,000,000)/-	
Mr. Hasmukh A. Gada		3,000,000/- (3,000,000)/-	
Mr. Raichand P. Shah			400,000/- (2,400,000)/-
Rent Paid to	-	-	189,000/-
Mrs. NaynaS.Shah	( - )	( - )	(324,000)/-
Interest Paid to Mr. Hasmukh A. Gada	-	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
Recoverables	185,977,745/- (123,582,836)/-	- ( - )	3,000/- (3,000)/-	- -
Payables	( - ) ( - )	40,040,035/- (47,088,463)/-	- -	1,560,277/- (395,765)/-
Investments	150,000,000/- (150,000,000)/-	- ( - )	- -	- ( - )

Figures in bracket reflects previous year's amount.

**Note 34**

**Computation of Basic and Diluted Earnings per share:**

Particulars	Current Year	Previous Year
Net Profit After Tax available to equity shareholders (in ₹)	1,025,137	45,513,082/-
Number of Equity Shares (in nos.)	215,605,773	215,605,773/-
Basic and diluted earnings per share (Face Value ₹ 1/-) (in ₹)	0.01	0.21

Note 35

a) Details of Sales value of Products:

Particular	Sale Value ₹	
	Current Year	Previous Year
<b>Class of goods</b>		
Exercise Books	1,053,538,884/-	1,061,991,547/-
Paper	58,441,794/-	49,854,431/-
Trading	426,881,248/-	702,611,548/-
<b>Total</b>	<b>1,538,861,926/-</b>	<b>1,814,457,526/-</b>

The above figures are net of excise duty of ₹ 32,151,250/- (P.Y. ₹ 31,476,945/-)

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

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	Current Year	Previous Year	Current Year	Previous Year
Exercise Books	77,077,560/-	74,421,334/-	17,798,242/-	77,077,560/-
Paper	2,201,398/-	2,520,910/-	812,593/-	2,201,398/-
Trading of Copier Paper & Others	63,586,805/-	13,711,952/-	207,093,750/-	63,586,805/-
<b>Total</b>	<b>142,865,763/-</b>	<b>90,654,196/-</b>	<b>225,704,585/-</b>	<b>142,865,763/-</b>

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

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	Current Year	Previous Year	Current Year	Previous Year
Exercise Books	163,150,611/-	176,807,400/-	151,836,018/-	163,150,611/-
Paper	15,800,260/-	39,680,619/-	19,138,984/-	15,800,260/-
<b>Total</b>	<b>178,950,871/-</b>	<b>216,488,019/-</b>	<b>170,975,002/-</b>	<b>178,950,871/-</b>

**Note 36**

<b>Value of Raw Material Consumed:</b>				
<b>Particulars</b>	<b>Current Year</b>		<b>Previous Year</b>	
	<b>Amount</b> ₹	<b>%</b>	<b>Amount</b> ₹	<b>%</b>
Raw Materials (Paper & Paper Boards)	4,990,828/-	0.77%	12,521,453/-	1.83%
(i) Imported				
(ii) Indigenous	677,970,305/-	99.23%	671,015,841/-	98.17%
<b>Total</b>	<b>682,961,133/-</b>	<b>100.00%</b>	<b>683,537,294/-</b>	<b>100.00%</b>

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

Amount in ₹

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
F.O.B. Value of Exports	29,438,630/-	39,393,254/-
<u>C.I.F Value of Imports:</u>		
Raw Materials	4,990,828/-	3,942,558/-
<u>Expenditure:</u>		
Traveling Expenses	470,900/-	660,127/-

**Note 38**

During the year, operations of Paper Mill at Nagpur were temporarily suspended by the company.

**Note 39**

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**  
**Sundaram Multi Pap Ltd.**

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

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

**CA Mitesh Kothari**  
Partner  
Membership No. 110822

**Hasmukh A. Gada**  
Whole-time Director

**Mumbai, 24<sup>th</sup> May, 2014**

# CONSOLIDATED FINANCIAL STATEMENTS

## Independent Auditors' Report

To the Board of Directors 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 Company") and its subsidiary E-Class Education System Limited (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### *Management's Responsibility on Consolidated Financial Statements*

Management is responsible for the preparation of these consolidated financial statements 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 Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Group preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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 audit opinion.

#### *Opinion*

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2014;
- (b) In the case of the consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- (c) In the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

#### *Emphasis of matter*

Without qualifying our opinion, we draw attention to Note 28 to the consolidated financial statements. As explained therein, 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. Our opinion is not qualified in respect of this matter.

For **Bhuta Shah & Co.**

Chartered Accountants

Firm Reg. No.: 101474W

**CA. Mitesh Kothari**

Partner

Membership No.: 110822

Mumbai, 24<sup>th</sup> May, 2014

**SUNDARAM MULTI PAP LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014**

Particulars	Note No.	As at 31 st March, 2014	As at 31 st March, 2013
		₹	₹
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' Funds</b>			
Share Capital	1	215,605,773	215,605,773
Reserves And Surplus	2	1,246,404,765	841,050,089
		<b>1,462,010,538</b>	<b>1,056,655,862</b>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	207,706,510	282,988,204
Deferred Tax Liabilities (Net)	4	-	11,576,597
Other Long Term Liabilities		-	-
Long Term Provisions	5	2,691,297	2,691,297
		<b>210,397,807</b>	<b>297,256,098</b>
<b>Current Liabilities</b>			
Short-Term Borrowings	6	897,785,029	867,142,729
Trade Payables	7	146,443,840	318,306,911
Other Current Liabilities	8	166,502,547	172,829,755
Short-Term Provisions	9	2,522,479	29,296,035
		<b>1,213,253,895</b>	<b>1,387,575,430</b>
<b>Total Equity &amp; Liabilities</b>		<b>2,885,662,240</b>	<b>2,741,487,391</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	10A	1,293,624,128	841,041,770
Intangible Assets	10B	85,172,959	109,889,006
Capital Work-In-Progress		-	29,609,294
		<b>1,378,797,087</b>	<b>980,540,069</b>
Non-Current Investments	11	50,000	50,000
Deferred Tax Assets (Net)		15,821,722	-
Long Term Loans And Advances	12	74,759,733	104,172,962
Other Non-Current Assets		-	-
		<b>1,469,428,542</b>	<b>1,084,763,031</b>
<b>Current Assets</b>			
Current Investments		-	-
Inventories	13	641,926,075	578,930,802
Trade Receivables	14	530,514,203	848,529,815
Cash And Cash Equivalent	15	15,288,365	24,161,457
Short-Term Loans And Advances	16	228,358,052	204,802,099
Other Current Assets	17	147,003	300,186
		<b>1,416,233,699</b>	<b>1,656,724,360</b>
<b>Total Assets</b>		<b>2,885,662,240</b>	<b>2,741,487,391</b>

Significant Accounting Policies  
Notes on consolidated financial statements  
As per our report of even date attached  
For **Bhuta Shah & Co.**  
Chartered Accountants  
Firm Reg. No.: 101474W

1 to 39

For and on behalf of the Board  
**Sundaram Multi Pap Ltd.**

**CA Mitesh Kothari**  
Partner  
Membership No.: 110822

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

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

**Hasmukh A. Gada**  
Whole-time Director

**Place: Mumbai**  
**Date: 24/05/2014**

**SUNDARAM MULTI PAP LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

Particulars	Note No.	Year Ended 31st March, 2014	Year Ended 31st March, 2013
<b>INCOME</b>		₹	₹
Revenue From Operations	18	1,563,725,037	1,890,649,099
Other Income	19	6,419,319	10,118,372
<b>Total Income (I)</b>		<b>1,570,144,356</b>	<b>1,900,767,471</b>
<b>EXPENSES</b>			
Cost Of Materials Consumed	20	688,053,566	706,033,765
Purchase Of Stock-In-Trade		412,247,951	664,357,064
Changes In Inventories Of Finished Goods, Work-In-Progress And Stock-In-Trade	21	68,643,992	35,200,435
Employee Benefit Expenses	22	47,211,740	64,568,429
Finance Cost	23	171,017,810	144,226,046
Depreciation And Amortization Expenses	24	69,148,909	68,299,595
Other Expenses	25	173,908,195	177,024,607
<b>Total Expenses (II)</b>		<b>1,630,232,162</b>	<b>1,859,709,940</b>
<b>Profit / (Loss) Before Tax (I) - (II)</b>		<b>(60,087,806)</b>	<b>41,057,531</b>
<b>TAX EXPENSES:</b>			
(1) Current Tax		4,609,000	23,452,186
(2) Deferred Tax		(27,398,319)	6,771,867
(3) Short / (Excess) Provision Of Earlier Years		(1,421,474)	137,542
<b>Total Tax Expenses</b>		<b>(24,210,793)</b>	<b>30,361,595</b>
<b>Profit / (Loss) For The Year</b>		<b>(35,877,013)</b>	<b>10,695,936</b>
Earning Per Equity Share: (Face Value Of ₹ 1/- Each)			
(1) Basic		(0.17)	0.05
(2) Diluted		(0.17)	0.05

Significant Accounting Policies  
Notes on consolidated financial statements  
As per our report of even date attached  
For **Bhuta Shah & Co.**  
Chartered Accountants  
Firm Reg. No.: 101474W

1 to 39

**For and on behalf of the Board**  
**Sundaram Multi Pap Ltd.**

**CA Mitesh Kothari**  
Partner  
Membership No.: 110822

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

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

**Hasmukh A. Gada**  
Whole-time Director

**Place: Mumbai**  
**Date: 24/05/2014**

**SUNDARAM MULTI PAP LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

Particulars	April 1, 2013 - March 31, 2014	April 1, 2012 - March 31, 2013
	Amount in ₹	Amount in ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
<b>Net Profit / (Loss) before Tax and Extraordinary items</b>	<b>(60,087,806)</b>	<b>41,057,531</b>
<i>Adjustment for :</i>		
Depreciation & Amortisation	69,148,909	68,299,595
Interest Income	(8,545,509)	(74,066,745)
Dividend Income	(7,500)	(7,500)
Preliminary Expenses W/off	-	-
Interest Paid	200,826,297	194,155,449
(Profit) / Loss on Sale of Fixed Assets	1,675,042	(4,996,726)
	<b>263,097,239</b>	<b>183,384,072</b>
	<b>203,009,433</b>	<b>224,441,604</b>
<b>Operating profit before working capital changes</b>		
<i>Adjustment for :</i>		
Trade Receivables	318,015,611	(165,612,235)
Inventories	(62,995,274)	(9,315,588)
Loans & Advances	8,472,467	(114,789,032)
Other Current Assets	153,183	(153,183)
Trade Payables	(171,863,071)	56,373,438
Other Liabilities & Provisions	6,637,939	9,661,829
	<b>98,420,854</b>	<b>(223,834,771)</b>
<b>Cash generated from operations</b>	<b>301,430,287</b>	<b>606,833</b>
Direct Taxes Paid (Net)	<b>(10,039,971)</b>	<b>(12,018,560)</b>
<b>Net Cash Generated From / (Utilised in) Operating Activities</b>	<b>291,390,316</b>	<b>(11,411,727)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Tangible Fixed Assets (Net)	(27,995,243)	(37,700,677)
Sale of Tangible Fixed Assets	2,668,442	6,480,139
Dividend Received	7,500	7,500
<b>Net Cash Generated From / (Utilised in) Investing Activities</b>	<b>(25,319,301)</b>	<b>(31,213,038)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
(Repayment) of / Proceeds From Borrowings	(44,639,393)	172,561,563
Interest Received	8,545,509	74,066,745
Interest Paid	(200,826,297)	(194,155,449)
Dividend Paid (Incl. of Tax)	(38,023,928)	(15,034,930)
<b>Net Cash Generated From / (Utilised in) Financing Activities</b>	<b>(274,944,109)</b>	<b>37,437,929</b>
<b>Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)</b>	<b>(8,873,095)</b>	<b>(5,186,835)</b>
<b>Cash and Cash equivalents at beginning of the year</b>	<b>24,161,458</b>	<b>29,348,293</b>
<b>Cash and Cash equivalents at end of the year</b>	<b>15,288,365</b>	<b>24,161,456</b>
<b>Net Increase/ (Decrease)</b>	<b>(8,873,093)</b>	<b>(5,186,837)</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 **Bhuta Shah & Co.**  
Chartered Accountants  
Firm Reg. No.: 101474W

**CA Mitesh Kothari**  
Partner  
Membership No.: 110822

**Place: Mumbai**  
**Date: 24/05/2014**

For and on behalf of the Board  
**Sundaram Multi Pap Ltd.**

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

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

**Hasmukh A. Gada**  
Whole-time Director



## **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 Accounting Standard (AS) 21 - "Consolidated Financial Statements" notified by the Companies (Accounting Standard) Rules, 2006.

#### **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 like items of Assets, Liabilities, Income and Expenses. The intragroup balances and intragroup transactions have been fully eliminated.

### **II. SIGNIFICANT ACCOUNTING POLICIES :**

#### **a. Accounting Conventions:**

The financial statements are prepared on accrual basis under historical cost convention and as a going concern and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India referred to in section 211 (3C) of the Companies Act, 1956. Accounting policies not disclosed separately otherwise are in consonance with Generally Accepted Accounting Principles.

#### **b. Use of Estimates:**

Preparation of Financial Statements in conformity of Generally Accepted Accounting Practices requires that the Management of the Company 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.

#### **c. Fixed Assets:**

All fixed assets are stated at cost of acquisition less accumulated depreciation and impairment, if any. Direct costs are capitalized until fixed assets are ready for use. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use as at reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

#### **d. Depreciation / Amortization:**

Depreciation on fixed assets is provided on straight line method at the rates prescribed in Schedule XIV of the Companies Act, 1956 or estimates made by the management. Depreciation on addition/deletion of assets during the year is provided on pro-rata basis. Brand is 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. Knowledge Based Content is amortized over a period of six years on straight line basis as decided by the management.

#### **e. Investment:**

Long term investments are stated at cost. Provision for diminution in the value is made only if such decline is other than temporary.

Current investments are valued at lower of the cost or market value, determined on individual investment basis.

#### **f. 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.

#### **g. 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.

#### **h. 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.

#### **i. 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.

###### **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.

#### **j. 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.

#### **k. 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.

#### **l. Provision for Taxes:**

Provision for current tax is determined in accordance with the Income Tax laws prevailing for the relevant assessment years.

Deferred tax arising due to timing difference between the book profit and tax profit for the year is accounted for, using the tax rate and laws that are substantively enacted as of the Balance Sheet date. Deferred Tax assets arising from timing differences are recognized to the extent there is reasonable certainty that this would be realized in future.

**m. 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.

**n. 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.

**o. 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.

**p. 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.

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

NOTE 1 : SHARE CAPITAL				
			As at 31 st March, 2014	As at 31 st March, 2013
			₹	₹
<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) <b>Reconciliation Of The Number Of Shares Is Set Out Below:</b>				
Particulars	2013-14		2012-13	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
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 (By Way Of Fully Paid Bonus Shares)	-	-	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) Terms And Rights Attached To Equity Shareholders:				
<p>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 recommended by the board of directors and declared by 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.</p> <p>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.</p> <p>The shareholders have all other rights as available to equity shareholders as per the provisions of the Companies Act, 1956, read together with the memorandum of association and articles of association of the company, as applicable.</p>				
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, 2014 is 117718959 equity shares i.e. 54.60 % of the equity share capital of the company. Previous year March 31, 2013 is 13,45,83,293 equity shares i.e. 62.42 %.				
d) <b>The Details Of Share Holders Holding More Than 5% Shares</b>				
Name Of Shareholder	As at 31 March, 2014		As at 31 March, 2013	
	No. Of Shares held	% of Holding	No. Of Shares held	% of Holding
Amrut P Shah	35,929,325	16.66	37,485,489	17.39
Raichand P Shah	34,808,304	16.14	34,808,304	16.14
Shantilal P Shah	20,451,537	9.49	32,949,789	15.28
Citigroup Global Markets Mauritius	11,994,157	5.56	14,649,356	6.79
Ganjam Trading Pvt Ltd	14,999,499	6.96	-	-

NOTE 2 : RESERVES & SURPLUS			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
<b>Capital Reserve</b>				
Opening Balance			700,000	700,000
Add: Capital Reserve			-	-
<b>Capital Reserve - Closing Balance</b>			<b>700,000</b>	<b>700,000</b>
<b>Securities Premium Reserve</b>				
Opening Balance			466,413,981	466,413,981
Add: Securities Premium Reserve			-	-
<b>Securities Premium Reserve - Closing Balance</b>			<b>466,413,981</b>	<b>466,413,981</b>
<b>Revaluation Reserve</b>				
Opening Balance			-	-
Add: Revaluation of Land *			443,754,167	-
<b>Revaluation Reserve - Closing Balance</b>			<b>443,754,167</b>	-
<b>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>Surplus In The Statement Of Profit And Loss</b>				
Opening Balance			356,963,195	369,655,473
Add: Net Profit/(Loss) For The Year			(35,877,013)	10,695,936
<b>Balance Available For Appropriation</b>			<b>321,086,182</b>	<b>380,351,409</b>
Add: Appropriations				
Reversal Of Excess Provision Of Proposed Dividend During F.Y. 2011-12			-	1,437,108
Reversal Of Excess Provision Of Dividend Distribution Tax During F.Y. 2011-12			-	233,459
Less: Appropriations				
Proposed Dividend			2,156,057	21,560,577
Dividend Distribution Tax			366,422	3,498,204
Transfer To General Reserve			-	-
<b>Net Surplus In The Statement Of Profit And Loss</b>			<b>318,563,703</b>	<b>356,963,195</b>
<b>Total Of Reserves And Surplus</b>			<b>1,246,404,765</b>	<b>841,050,089</b>
*The Company has revalued its Land at Palghar on 31st May 2013				
NOTE 3 : LONG TERM BORROWINGS			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
<b>Term Loan</b>				
<b>Secured</b>				
<b>From Banks</b>				
State Bank Of India *			180,000,000	202,500,000
Yes Bank +			-	40,000,000
Vehicle Loans @			909,516	1,652,130
<b>Unsecured</b>				
From Other Financial Institutions**			10,254,843	22,593,923
(Refer Note 8 For Current Maturities Of Long Term Debt)				
<b>Deferred Payment Liabilities</b>				
<b>Unsecured</b>				
Sales Tax Deferred Loan ***			13,679,510	13,679,510
Loan From Sicom			2,064,441	2,064,441
<b>Deposits</b>				
<b>Unsecured</b>				
Deposits			798,200	498,200
<b>Total Of Long Term Borrowings</b>			<b>207,706,510</b>	<b>282,988,204</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 : 1 month / Earlier Years

(2) Amount : ₹ 24,850,000 / ₹ 20,64,441

\*Secured primarily by first pari passu charge of immovable and movable fixed assets of the company including factory building and office premises as well as personal guarantee of three directors and collaterally secured by extension of hypothecation charge over current assets of the company, carrying floating rate of interest ranging from 3.50 % to 3.65% above base rate repayable by December, 2019.

+Secured by subservient charge over current and movable fixed assets of the company , personal guarantee of three directors and pledge of shares of Company held by promoters carrying floating rate of interest of 3% above base rate repayable by March, 2015.

@Secured by Hypothecation of respective vehicles purchased carrying interest ranging from 11.74% To 13.51% and repayable by August-2014 To July-2016.

\*\*It is taken against pledge of promoter shares in the company carrying interest rate of 18% and repayable by March 2016 and in case of previous year interest ranging from 8.33% To 18.25% and repayable by November, 2014 to February, 2015.

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

<b>NOTE 4 : DEFERRED TAX LIABILITY (NET)</b>		₹	₹
		As at 31 st March, 2014	As at 31 st March, 2013
Liability Related To Fixed Assets		40,909,592	40,124,364
Assets		56,731,313	28,547,766
<b>Total</b>		<b>(15,821,721)</b>	<b>11,576,597</b>
Less: Opening Net Deferred Tax Liability		11,576,597	4,804,730
<b>Total Of Deferred Tax Liability / (Asset) Charged To Statement Of Profit And Loss</b>		<b>(27,398,318)</b>	<b>6,771,867</b>
<b>NOTE 5 : LONG TERM PROVISIONS</b>		₹	₹
		As at 31 st March, 2014	As at 31 st March, 2013
<b>Provision For Employees Benefit</b>			
Provision For Gratuity		2,691,297	2,691,297
<b>Total Of Long Term Provisions</b>		<b>2,691,297</b>	<b>2,691,297</b>
<b>Note : 6 SHORT TERM BORROWINGS</b>		₹	₹
		As at 31 st March, 2014	As at 31 st March, 2013
<b>Loan Repayable On Demand</b>			
<b>From Banks</b>			
<b>Secured</b>			
Cash Credit From State Bank Of India **		513,333,132	529,038,047
Cash Credit From Industrial Development Bank Of India #		101,365,758	100,065,920
From Public Financial Institutions ***		37,698,209	-
<b>Unsecured</b>		-	-
From Banks @		6,560,460	-
From Other Financial Institutions *		-	57,456,272
<b>Loans &amp; Advances From Related Parties</b>			
<b>Unsecured</b>			
Loans From Directors ###		43,040,035	47,088,463
<b>Deposit</b>			
<b>Unsecured</b>			
Intercorporate Deposits##		195,787,435	133,494,027
<b>Total Of Short Term Borrowings</b>		<b>897,785,029</b>	<b>867,142,729</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 : 1 - 6 months

(2) Amount : ₹ 129,536,565 (includes Rs 101,365,758 /- on account of renewal of working capital facilities under process.)

\*\*Secured primarily by first pari passu charge over current assets including stock of raw material, stock-in-process, finished goods, stores & spares, receivables and other current asset of the company with other working capital lender and personal guarantee of three Directors and collaterally secured security by way of second pari passu charge over movable and immovable fixed assets of the company including factory and office premises with other lender carrying interest rate of 3.50% above base rate.

#Secured primarily by first pari-passu charge on all the current assets of the company along with other working capital lender and personal guarantee of three Directors and collaterally secured by way of second pari passu charge over movable and immovable fixed assets of the company including factory and office premises carrying interest rate of 3% above base rate.

\*\*\*It is taken against Keyman Policies of Directors bearing interest rate ranging of 10% and Secured by pledge of unencumbered listed shares of Sundaram Multipap Ltd held by promoter, subservient charge on movable assets of the company by way of hypothecation as well as personal guarantee of Director Mr Amrut P Shah and letter of Comfort from Sundaram Multipap Ltd, carrying interest of 15.50%.

@Loan is taken on personal guarantee of promoters bearing interest rate of 18%.

\*The loan is taken ranging from 9 % to 17% interest rate against pledge of promoter's shares. The Loan Is Taken @ 17% Interest Rate Against Pledge Of Promoter'S Shares.

###Loan from two Directors is interest free and from one director is at the rate of 14%.

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

<b>NOTE 7 : TRADE PAYABLE</b>		₹	₹
		<b>As at 31 st March, 2014</b>	<b>As at 31 st March, 2013</b>
Trade Payables (Refer Note 30 For Details Of Dues To Micro, Small And Medium Enterprises)		146,443,840	318,306,911
<b>Total Of Trades Payable</b>		<b>146,443,840</b>	<b>318,306,911</b>
<b>NOTE 8 : OTHER CURRENT LIABILITIES</b>		₹	₹
		<b>As at 31 st March, 2014</b>	<b>As at 31 st March, 2013</b>
<b>Current Maturities Of Long-Term Borrowings (Refer Note 3)</b>			
From Banks		82,014,168	102,327,968
From other Financial Institutions		12,220,374	18,347,562
Vehicle Loans		1,434,034	1,498,414
Advance From Customers		26,096,265	7,800,105
Interest Accrued But Not Due On Borrowings		2,056,519	3,737,795
Unpaid Dividend		13,521,559	465,267
<b>Other Payables</b>			
Outstanding Expenses		17,258,524	7,302,249
Outstanding Statutory Liabilities		11,421,103	30,790,395
Trade Deposits		480,000	560,000
<b>Total Of Other Current Liabilities</b>		<b>166,502,547</b>	<b>172,829,755</b>
<b>NOTE 9 : SHORT TERM PROVISIONS</b>		₹	₹
		<b>As at 31 st March, 2014</b>	<b>As at 31 st March, 2013</b>
Proposed Dividend		2,156,057	21,560,577
Provision For Dividend Distribution Tax		366,422	3,498,204
Provision For Income Tax		-	4,237,254
<b>Total Of Short Term Provisions</b>		<b>2,522,479</b>	<b>29,296,035</b>
<b>NOTE 11 : NON CURRENT INVESTMENTS</b>		₹	₹
		<b>As at 31 st March, 2014</b>	<b>As at 31 st March, 2013</b>
<b>Investment In Unquoted Equity Instruments</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>

NOTE 10 : FIXED ASSETS AS ON										(Amount in ₹)	
PARTICULARS	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK				
	As on 1st April, 2013	Additions During the Year	Deductions During the Year	As on 31st March, 2014	For the Year	Deductions During the Year	As on 31st March, 2014	As on 31st March, 2013			
<b>A. Tangible Assets: (Owned)</b>											
Freehold Land	186,725,581	443,754,167	-	630,479,748	-	-	630,479,748	186,725,581			
Building	234,234,007	4,183,366	2,451,313	235,966,060	7,806,771	551,792	190,227,672	195,750,599			
Plant & Machinery	505,376,357	47,758,449	721,600	552,413,206	24,275,962	344,262	405,523,041	382,417,892			
Furniture & Fixture	83,969,878	508,322	2,826,395	81,651,805	5,253,028	1,216,388	51,843,983	58,198,697			
Vehicles	26,889,673	1,287,744	902,942	27,274,475	2,616,564	446,325	12,530,702	14,316,140			
Office Equipments *	9,295,732	963,361	50,000	10,209,093	1,577,244	50,000	3,018,981	3,632,863			
<b>Total Tangible Assets</b>	<b>1,046,491,228</b>	<b>498,455,409</b>	<b>6,952,250</b>	<b>1,537,994,387</b>	<b>41,529,570</b>	<b>2,608,766</b>	<b>1,293,624,126</b>	<b>841,041,772</b>			
<b>B. Intangible Assets:</b>											
Brand	72,930,746	-	-	72,930,746	8,022,382	-	24,067,146	32,089,528			
Knowledge Based Content	114,452,158	2,903,295	-	117,355,453	19,409,891	-	60,395,447	76,902,042			
Website	1,122,192	-	-	1,122,192	187,069	-	710,366	897,435			
<b>Total Intangible Assets</b>	<b>188,505,096</b>	<b>2,903,295</b>	<b>-</b>	<b>191,408,391</b>	<b>27,619,342</b>	<b>-</b>	<b>85,172,958</b>	<b>109,889,005</b>			
<b>TOTAL (A+B)</b>	<b>1,234,996,324</b>	<b>501,358,704</b>	<b>6,952,250</b>	<b>1,729,402,778</b>	<b>69,148,912</b>	<b>2,608,766</b>	<b>1,378,797,084</b>	<b>950,930,777</b>			
Previous Year	1,228,705,607	9,094,702	2,803,985	1,234,996,324	68,299,596	1,320,572	950,930,776				
* The above amount includes Rs 240,000 being cost of new computer product underdevelopment, hence no depreciation is charged for the year											
<b>CAPITAL WORK IN PROGRESS</b>											
<b>Particulars</b>	<b>As on 1st April, 2013</b>	<b>Additions During the Year</b>	<b>Capitalised During the Year</b>	<b>As on 31st March, 2014</b>							
Building	2,685,080	1,498,286	4,183,366	-							
Plant & Machinery	26,793,424	20,437,225	47,230,649	-							
Furniture & Fixture	130,790	297,403	428,193	-							
Vehicles	-	-	-	-							
<b>Total Tangible Assets</b>	<b>29,609,294</b>	<b>22,232,914</b>	<b>51,842,208</b>	<b>-</b>							



NOTE 12 : LONG TERM LOANS AND ADVANCES			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
<b>Advance For Capital Assets</b>				
Unsecured, Considered Good			9,284,729	45,038,589
<b>Security Deposits</b>				
Secured, Considered Good			3,720,525	3,080,025
Unsecured, Considered Good			5,882,094	7,416,651
<b>Other Loans &amp; Advances</b>			55,872,385	48,637,697
<b>Total Of Long Term Loans And Advances</b>			<b>74,759,733</b>	<b>104,172,962</b>
NOTE 13 : INVENTORIES			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
Raw Material			201,300,970	214,755,388
Work-In-Progress			170,975,002	178,950,871
Finished Goods			18,610,835	79,278,958
Trading Goods			207,093,750	63,586,805
Stores & Spares			43,945,519	42,358,781
<b>Total Of Inventories</b>			<b>641,926,075</b>	<b>578,930,802</b>
NOTE 14 : TRADE RECEIVABLES			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
<b>Debts Overdue Beyond 6 Months</b>				
Unsecured, Considered Good			400,293,166	215,462,386
<b>Others</b>				
Unsecured, Considered Good			130,221,037	633,067,429
<b>Total Of Trade Receivables</b>			<b>530,514,203</b>	<b>848,529,815</b>
NOTE 15 : CASH AND CASH EQUIVALENTS			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
<b>Cash-In-Hand</b>				
Cash Balance			7,069,762	11,195,817
			<b>Sub Total (A)</b>	<b>7,069,762</b>
<b>Bank Balance</b>				
In Current Accounts			2,004,631	7,122,859
In Deposit Accounts*			5,657,492	5,377,513
In Dividend Accounts			556,480	465,267
			<b>Sub Total (B)</b>	<b>8,218,603</b>
<b>Total Of Cash And Cash Equivalent (A) + (B)</b>			<b>15,288,365</b>	<b>24,161,457</b>
* Includes Deposit with Banks of ₹ 56,57,492/- (Previous Year: Rs 53,77,513) with original maturity of More Than 12 Months				
NOTE 16 : SHORT TERM LOANS AND ADVANCES			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
<b>Others</b>				
Advance To Suppliers			88,233,160	97,955,227
Advance Income Tax/Refund Receivable			2,615,191	-
Balance With Revenue Authorities			7,508,244	7,243,044
Prepaid Expenses			4,252,251	4,058,509
Advance To Employees			710,840	438,500
Other Advances			125,038,367	95,106,819
<b>Total Of Short Term Loans And Advances</b>			<b>228,358,052</b>	<b>204,802,099</b>

NOTE 17 : OTHER CURRENT ASSETS			₹	₹
			As at 31 st March, 2014	As at 31 st March, 2013
	Dividend Receivable		7,500	7,500
	Interest Receivable		139,503	292,686
	<b>Total Of Other Current Assets</b>		<b>147,003</b>	<b>300,186</b>
NOTE 18 : REVENUE FROM OPERATIONS			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
	<b>Sale of Products</b>			
	Local Sales		1,137,195,381	1,177,183,551
	Trading Sales		426,881,248	702,611,548
	Export Sales		29,799,658	41,330,946
			<b>1,593,876,287</b>	<b>1,921,126,044</b>
	<b>Other Operating Revenues</b>			
	Advertisement Income		2,000,000	1,000,000
			<b>1,595,876,287</b>	<b>1,922,126,044</b>
	<b>Less: Excise Duty</b>		32,151,250	31,476,945
	<b>Total Of Revenue From Operations</b>		<b>1,563,725,037</b>	<b>1,890,649,099</b>
NOTE 19 : OTHER INCOME			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
	Dividend		7,500	7,500
	Rent Received		864,000	864,000
	Duty Drawback		-	499,438
	Exchange Fluctuation On Exports		4,527,179	3,584,378
	Royalty Income		1,000,000	-
	Profit On Sale Of Fixed Assets (Net)		-	4,996,726
	Miscellaneous Income		20,640	-
	Sundry Balance Written Back		-	166,330
	<b>Total Of Other Income</b>		<b>6,419,319</b>	<b>10,118,372</b>
Note 20 : COST OF MATERIAL CONSUMED			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
	<b>Raw Material Consumed</b>			
	Opening Stock		214,755,388	229,525,593
	Add: Purchases		668,764,270	666,659,348
	Raw Material Sales		(14,973,393)	-
	Transport Inwards		20,808,271	24,604,211
			<b>889,354,536</b>	<b>920,789,152</b>
	Less: Closing Stock		201,300,970	214,755,388
	<b>Total Of Cost Of Material Consumed</b>		<b>688,053,566</b>	<b>706,033,765</b>
NOTE 21 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
	Opening Stock-Finished Goods		79,278,958	76,942,245
	Opening Stock-Work In Progress		178,950,871	216,488,019
	Less: Closing Stock-Finished Goods		18,610,835	79,278,958
	Less: Closing Stock-Work In Progress		170,975,002	178,950,871
	<b>Total Of Changes In Inventories Of Finished Goods And Work-In-Progress</b>		<b>68,643,992</b>	<b>35,200,435</b>

NOTE 22 : EMPLOYMENT BENEFIT EXPENSES			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
Salaries & Wages			35,232,071	39,747,166
Contribution To Provident Fund, Gratuity And Other Funds			1,476,268	1,529,351
Director's Remuneration			9,770,565	22,050,000
Staff Welfare			732,836	1,241,912
<b>Total Of Employment Benefit Expenses</b>			<b>47,211,740</b>	<b>64,568,429</b>
NOTE 23 : FINANCE COST			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
Interest Expenses			177,844,991	162,791,028
Other Borrowing Costs			1,772,330	11,342,529
Less: Interest Capitalised			54,002	2,599,637
		(a)	<b>179,563,319</b>	<b>171,533,920</b>
Less :-Interest Income		(d)	8,545,509	27,307,874
<b>Total Of Financial Cost</b>			<b>171,017,810</b>	<b>144,226,046</b>
NOTE 24 : DEPRECIATION & AMORTIZATION EXPENSES			₹	₹
			Year Ended 31st March, 2014	Year Ended 31st March, 2013
Depreciation			41,529,567	41,242,589
Amortisation Of Intangibles			27,619,342	27,057,006
<b>Total Of Depreciation &amp; Amortization Expenses</b>			<b>69,148,909</b>	<b>68,299,595</b>

NOTE 25 : OTHER EXPENSES		₹	₹
		Year Ended 31st March, 2014	Year Ended 31st March, 2013
<b>Note 25 A: Manufacturing Expenses</b>			
Power And Fuel		7,507,421	4,900,571
Job Work Expenses		16,246,671	21,923,800
Repair & Maintenance To Building		2,008,834	1,892,803
Repair & Maintenance To Machinery		2,366,943	3,686,583
Security Expenses		598,573	616,319
Service Tax		686,573	591,376
Other Manufacturing Exp		193,688	394,550
Stores & Packing Material Consumed		83,990,924	66,709,514
	<b>Sub Total Note 25 A</b>	<b>113,599,627</b>	<b>100,715,516</b>
<b>Note 25 B: Selling &amp; Distribution Expenses</b>			
Sales Promotion & Advertisement Expenses		6,347,491	8,160,535
Freight, Clearing & Forwarding Charges		5,978,256	8,957,226
Loading & Unloading Charges		1,443,978	1,721,065
Commission Charges		3,266,537	8,166,979
Tempo Expenses		3,078,416	2,882,520
	<b>Sub Total Note 25 B</b>	<b>20,114,678</b>	<b>29,888,325</b>
<b>Note 25 C: Administrative Expenses</b>			
Rent Expenses		4,180,799	5,727,008
Insurance Expenses		9,022,231	8,952,976
Rates & Taxes Expenses		435,320	790,200
Wealth Tax		66,760	66,760
Motor Car Expenses		1,944,490	2,159,162
Travelling Expenses		2,181,972	4,326,588
Computer Maintenance		44,888	342,290
Conveyance Expenses		161,688	166,505
Postage & Courier		315,105	462,114
Legal, Professional & Consultancy Charges		10,241,106	13,805,972
Printing & Stationery		671,709	1,045,899
Auditors Remuneration (Refer Note - 29)		2,206,068	1,938,210
Donation		844,743	680,250
Amalgamation Expenses		-	933,784
Electricity Expenses		1,257,868	1,462,145
Listing & Registration Fees		417,734	586,797
Loss On Sale Of Fixed Assets (Net)		1,675,042	-
Subscription Charges		43,554	135,004
Sundry Balance W/Off		2,700,685	203,545
Telephone Expenses		1,349,180	1,471,713
Stamp Duty		96,850	286,000
Loss On Forex Derivatives		-	578,256
Sundry Expenses		336,098	299,589
	<b>Sub Total Note 25 C</b>	<b>40,193,890</b>	<b>46,420,767</b>
<b>Total of Other Expenses ( 25 A+ 25 B + 25 C )</b>		<b>173,908,195</b>	<b>177,024,607</b>

**Note 26****Contingent Liability :** NIL (P.Y. NIL)**Note 27**

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 28**

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 29**

Auditors Remuneration:

**(Amount in ₹)**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Audit fees	730,000/-	625,000/-
Tax Audit fees	210,000/-	200,000/-
Income Tax Matters	1,250,000/-	955,060/-
Others	16,068/-	158,510/-
<b>Total</b>	<b>2,206,068/-</b>	<b>1,938,210/-</b>

**Note 30****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 31****Employee Benefits: - Gratuity**

The principal actuarial valuation assumptions used as at the balance sheet date by Life Insurance Corporation of India are as under:

1) Valuation Date	:	31 <sup>st</sup> March, 2014
2) Valuation Method	:	Projected Unit Credit Method
3) Mortality Rate	:	LIC (1994-96) Ultimate
4) Withdrawal Rate	:	1% to 3% depending on age
5) Discount Rate	:	8% p.a.
6) Salary Escalation	:	8%

In case of subsidiary company, since none of the employees of the company have completed five years of service, the provisions of Gratuity Act, 1972 are not applicable to the Company; and hence no provision is made towards Gratuity Liability

Note 32

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	Exercise note books and paper		Software for educational content		Eliminations		Consolidated Total	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>I</b>	<b>REVENUE</b>								
	External Total Revenue	1,540,861,926	1,815,457,526	22,863,111	75,191,574			1,563,725,037	1,890,649,099
<b>II</b>	<b>RESULT</b>								
1	Segment Result #	144,083,532	195,516,520	(33,153,528)	(10,232,943)			110,930,004	185,283,577
2	Unallocated Corporate Expenses							-	-
3	Operating Profit (1) - (2)							110,930,004	185,283,577
4	Interest expense							(171,017,810)	(144,226,046)
5	Income Taxes							24,210,793	(30,361,595)
6	Profit from ordinary activities / Net Profit (3) - (4) - (5)							(35,877,013)	10,695,937
<b>III</b>	<b>OTHER INFORMATION</b>								
	Total Segment Assets	2,986,191,242	2,784,281,223	271,582,517	252,791,699	(372,111,519)	(295,585,530)	2,885,662,240	2,741,487,391
	Total Segment Liabilities	1,404,712,407	1,645,059,213	241,050,814	185,357,845	(222,111,519)	(145,585,530)	1,423,651,702	1,684,831,528
<b>IV</b>	Capital Expenditure	24,851,887	33,373,333	3,143,356	4,327,344			27,995,243	37,700,677
<b>V</b>	Depreciation	48,412,915	48,127,708	20,735,994	20,171,887			69,148,909	68,299,595

# Segment Result doesnot include Finance cost as per AS - 17 "Segment Reporting" issued by The Institute of Charatered Accountants of India.

Note 33

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. Chirag K. Gala*	Whole-time Director
	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
<b>Relatives of KMP</b>	Mr. Raichand P. Shahz	Brother of Amrut P. Shah and Shantilal P. Shah
	Mrs. Nayna S. Shah	Wife of Shantilal P. Shah
	Mrs Vimla A. Shah	Wife of Amrut P. Shah

\* Mr. Chirag K. Gala resigned from post of Whole time Director on 27/05/2013 & was re-appointed as same subsequently on 16/06/2013 & again resigned from being a Whole time Director on 07/01/2014.

b) Transactions with Related Parties:

Amount in ₹

Particulars	KMP	Relatives of KMP
<b>Remuneration</b>	9,770,565/- (25,100,000)/-	400,000/- (2,400,000)/-
Details are as under:		
Mr. Amrut P. Shah	2,000,000/- (12,000,000)/-	- (-)
Mr. Shantilal P. Shah	1,000,000/- (6,000,000)/-	- (-)
Mr. Hasmukh A. Gada	3,000,000/- (3,000,000)/-	- (-)
Mr. Chirag K. Gala	1,070,565/- (1,500,000)/-	- (-)
Ms. Riddhi A Shah	1,500,000/- (1,500,000)/-	- (-)
Mr. Hardik A. Shah	1,200,000/- (1,100,000)/-	- (-)
Mr. Raichand P. Shah		400,000/- (2,400,000)/-

<b>Loan Taken</b>		-
	109,939,028/- (93,217,071)/-	(-)
<b>Details are as under:</b>		
Mr. Amrut P. Shah	82,619,835/- (66,172,093)/-	- (-)
Mr. Shantilal P. Shah	14,819,193/- (24,715,735)/-	- (-)
Mr. Hasmukh A. Gada	12,500,000/- (2,329,243)/-	- (-)
<b>Repayment of Loan taken</b>		-
	113,828,770/- (46,135,073)/-	(-)
<b>Details are as under:</b>		
Mr. Amrut P. Shah	94,272,901/- (34,426,361)/-	- (-)
Mr. Shantilal P. Shah	19,555,869/- (9,533,798)/-	- (-)
Mr. Hasmukh A. Gada	- (2,174,914)/-	- (-)
<b>Rent Paid</b>		
Nayna S. Shah	- (-)	189,000/- (324,000)/-
<b>Interest Paid</b>		
Mr. Hasmukh A. Gada	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
Payables	47,929,707/- (49,470,857)/-	1,560,277/- (395,765)/-	
Recoverables			3,000/- (3,000)/-

Figures in bracket reflects previous year's amount.

**Note 34 Computation of Basic and Diluted Earnings per share:**

Particulars	Current Year	Previous Year
Net Profit After Tax available to equity shareholders (in Rs.)	(35,877,013)/-	10,695,936/-
Number of Equity Shares (in nos)	215,605,773	215,605,773
Basic and diluted earnings per share (Face Value-Re. 1/-)	(0.17)	0.05



**Note 35**

**a) Details of Sales value of Finished Goods:**

Particular	Sale Value ₹	
	Current Year	Previous Year
<b>Class of goods</b>		
Exercise Books	1,053,538,884/-	1,061,991,547/-
Paper	58,441,794/-	49,854,431/-
Trading	426,881,248/-	702,611,548/-
E-box and Pen Drive	22,863,111/-	75,191,574/-
<b>Total</b>	<b>1,561,725,037/-</b>	<b>1,889,649,100/-</b>

**b) Details of Opening & Closing Stock of Finished Goods:**

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	Current Year	Previous Year	Current Year	Previous Year
Exercise Books	77,077,560/-	74,421,334/-	17,798,242/-	77,077,560/-
Paper	2,201,398/-	2,520,910/-	812,593/-	2,201,398/-
Trading of Copier Paper & Others	63,586,805/-	13,711,952/-	207,093,750/-	63,586,805/-
<b>Total</b>	<b>142,865,763/-</b>	<b>90,654,196/-</b>	<b>225,704,585/-</b>	<b>142,865,763/-</b>

**c) Details of Opening & Closing Stock of Semi-Finished Goods:**

Class of Goods	Opening Stock (in ₹)		Closing Stock (in ₹)	
	Current Year	Previous Year	Current Year	Previous Year
Exercise Books	163,150,611/-	176,807,400/-	151,836,018/-	163,150,611/-
Paper	15,800,260/-	39,680,619/-	19,138,984/-	15,800,260/-
<b>Total</b>	<b>178,950,871/-</b>	<b>216,488,019/-</b>	<b>170,975,002/-</b>	<b>178,950,871/-</b>

**Note 36**

**Value of Raw Material Consumed:**

Particulars	Current Year		Previous Year	
	Amount ₹	%	Amount ₹	%
Raw Materials (Paper & Paper Boards)	4,990,828/-	0.77%	12,521,453/-	1.83%
(i) Imported				
(ii) Indigenous	677,970,305/-	99.23%	671,015,841/-	98.17%
<b>Total</b>	<b>682,961,133/-</b>	<b>100.00%</b>	<b>683,537,294/-</b>	<b>100.00%</b>
Hardware				
(i) Imported	-	-	-	-
(ii) Indigenous	5,092,433/-	100.00%	22,496,471/-	100.00%
<b>Total</b>	<b>5,092,433/-</b>	<b>100.00%</b>	<b>22,496,471/-</b>	<b>100.00%</b>
<b>Grand Total</b>	<b>688,053,566</b>	<b>-</b>	<b>706,033,765</b>	<b>-</b>

**Note 37****Expenditure and Earnings in Foreign Currency:****Amount in ₹**

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
F.O.B. Value of Exports	29,438,630/-	39,393,254/-
<u>C.I.F Value of Imports:</u>		
Raw Materials	4,990,828/-	3,942,558/-
<u>Expenditure:</u>		
Traveling Expenses	605,298/-	1,259,288/-

**Note 38**

During the year, operations of Paper Mill at Nagpur were temporarily suspended by the holding company.

**Note 39**

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**  
**Sundaram Multi Pap Ltd.**

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

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

**CA Mitesh Kothari**  
Partner  
Membership No. 110822

**Hasmukh A. Gada**  
*Whole-time Director*

**Mumbai, 24<sup>th</sup> May, 2014**

Statement pursuant to section 212 of the Companies Act, 1956 relating to subsidiary companies as on March 31, 2014							
Name of the subsidiary 1	Financial Year ending of the subsidiary 2	Number of equity share held 3	Extent of holding 4	For Financial year of the subsidiary		For the previous Financial Year since it became a subsidiary	
				Profit /(losses) so far it concerns the member of the holding company and not dealt with in the books of the holding company 5	Profit /(losses) so far it concerns the member of the holding company and dealt with in the books of the holding company 6	Profit /(losses) so far it concerns the member of the holding company and not dealt with in the books of the holding company 7	Profit /(losses) so far it concerns the member of the holding company and dealt with in the books of the holding company 8
E-CLASS EDUCATION SYSTEM LTD	31-Mar-14	15000000 equity share of Rs 10 Each fully paid	100%	Nil	Nil	Nil	Nil

Share Capital 2	Reserves 3	Total Assets 4	Total Liabilities 1	Details of Investment 2	Turnover 3	Profit Before Taxation 4	Provision for Taxation 3	Profit / (Loss) After Taxation 4	Proposed Dividend 4
150,000,000	Nil	271,582,517	271,582,517	Nil	22863111	-66832542	-29930391	-36902151	Nil

**SUNDARAM MULTI PAP LIMITED**

**Registered Office :** 903, Dev Plaza, Opp. Andheri Fire Station, S.V. Road, Andheri (W), Mumbai – 400 058  
 CIN :- L21098MH1995PLC086337, Tel No. : 022- 6760 2200, Fax No. : 022- 6760 2200, Email: info@sundaramgroups.in, Web:  
**www.sundaramgroups.in**

**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: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Folio No./DP ID and Client ID: \_\_\_\_\_

I/We, being the Member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name: \_\_\_\_\_  
 E-mail ID: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Signature: \_\_\_\_\_

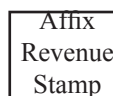
Or failing him/her

2. Name: \_\_\_\_\_  
 E-mail ID: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Signature: \_\_\_\_\_

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 20<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, 30<sup>th</sup> September, 2014 at 10.00 a.m. at Navinbhai Thakar Hall, Shradhanand Road, Vile Parle (East), Mumbai-400057 and at any adjournment thereof in respect of such resolutions as are indicated below: -

<b>Resolu- tion No.</b>	<b>Description</b>
1	Adoption of Annual Accounts and Reports thereon for the financial year ended 31st March, 2014.
2	To declare dividend on equity shares.
3	To appoint a Director in place of Mr. Paresh Kumar Jain (DIN: 05159799) who retires by rotation and being eligible, but does not offers himself for re-appointment.
4	To appoint a Director in place of Mr. Mahip Agarwal (DIN: 03509204) who retires by rotation and being eligible, but does not offers himself for re-appointment.
5	Appointment of M/s Bhuta Shah & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 101474W), as Statutory Auditors of the Company and to fix their remuneration.
6	Appointment of Mr. Jagdish J. Kothari (DIN: 0033271) as an Independent Director of the Company.
7	Appointment of Mr. Manikandam P. Kammenchery (DIN:03323385) as an Independent Director of the Company.
8	Appointment of Mr. Kaushal R. Sheth (DIN: 06949468) as an Independent Director of the Company.
9.	Adoption of new Articles of Association of the Company

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.



**Notes:**

1. A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.
2. This form of Proxy, to be effective, should be deposited at the Registered Office of the Company at 903, Dev Plaza, Opp. Andheri Fire Station, S.V. Road, Andheri (W), Mumbai- 400 058 INDIA not later than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.

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**SUNDARAM MULTI PAP LIMITED**

**Registered Office** : 903, Dev Plaza, Opp. Andheri Fire Station, S.V. Road, Andheri (W), Mumbai – 400 058  
CIN :- L21098MH1995PLC086337, Tel No. : 022- 6760 2200, Fax No. : 022- 6760 2200, Email: info@sundaramgroups.in,  
Web: [www.sundaramgroups.in](http://www.sundaramgroups.in)

(PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL).

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the 20<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, 30<sup>th</sup> September, 2014 at 10.00 a.m. at Navinbhai Thakar Hall, Shradhanand Road, Vile Parle (East), Mumbai-400057.

For Physical Holding For Electronic Form (Demat) NSDL/CDSL No. of Shares: \_\_\_\_\_

Folio No. DP ID/CLIENT ID: \_\_\_\_\_

Name of the Member/Proxy (in Block Capitals): \_\_\_\_\_

Signature of the Member / Proxy

(Only members/proxies and representatives are allowed to attend the Meeting)

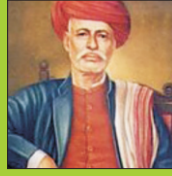
Notes: Shareholder/Proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance of the venue of the meeting.

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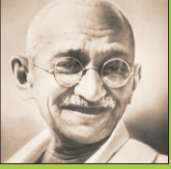
"If a child cannot go to the school then the school must come to the child."

-Swami Vivekanand



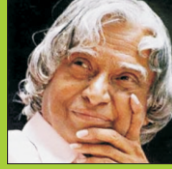
"विद्ये विना मति गेली, मति विना निती गेली,  
निती विना गती गेली, गती विना वित्त गेले,  
वित्ते विना शुद्र खचले, इतके अनर्थ एका अविद्येने केले."

-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

**Sundaram Multi Pap Ltd.**

**REGISTERED OFFICE**




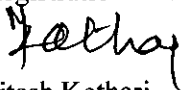
903, Dev Plaza, Opp Andheri Fire Station, S.V.Road, Andheri (W), Mumbai 400 058.

T : (91-22) 67602200 F : (91-22) 67602244/55





E: [info@sundaramgroups.in](mailto:info@sundaramgroups.in) W : [www.sundaramgroups.in](http://www.sundaramgroups.in), [www.e-class.in](http://www.e-class.in), [www.eclassonline.in](http://www.eclassonline.in)



**FORM A under Clause 31(a) of the Listing Agreement**

1.	Name of the Company:	Sundaram Multi Pap Ltd.
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March 2014
3.	Type of Audit Observation	<p><b>Matter of Emphasis- Paragraph inserted in Auditor's Report of Standalone financial statements</b></p> <p>Without qualifying our opinion, we draw attention to Note 28 to the financial statements. As explained therein, 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. Our opinion is not qualified in respect of this matter.</p>
		<p><b>Note No.28 inserted in financial statements referred in Matter of Emphasis paragraph</b></p> <p><b>Note 28</b> 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 such reconciliation / adjustments.</p>
4.	Frequency of Observation	Appeared for the first time.
5.	To be Signed by-	<p>• CEO/Managing Director Amrut P. Shah </p> <p>• CFO Hasmukh A. Gada </p> <p>• Audit Committee Chairman Paresh P. Jain </p> <p>• Auditors of the Company</p> <p>Refer our Audit Report dated 24<sup>th</sup> May, 2014 On the standalone financial statements of the Company</p> <p><b>For Bhuta Shah &amp; Co.</b> <b>Chartered Accountants</b> (Firm Registration No. 101474W)</p> <p> C.A. Mitesh Kothari (Partner) (Membership No. 110822)</p> <p>Date: 05.09.2014</p>

**FORM A under Clause 31(a) of the Listing Agreement**

1.	Name of the Company:	Sundaram Multi Pap Ltd.
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March 2014
3.	Type of Audit Observation	<p><b>Matter of Emphasis- Paragraph inserted in Auditor's Report of Consolidated financial statements</b></p> <p>Without qualifying our opinion, we draw attention to Note 28 to the consolidated financial statements. As explained therein, 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. Our opinion is not qualified in respect of this matter.</p>
		<p><b>Note No.28 inserted in Consolidated financial statements referred in Matter of Emphasis paragraph</b></p> <p><b>Note 28</b> 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 such reconciliation / adjustments.</p>
4.	Frequency of Observation	Appeared for the first time.
5.	To be Signed by- <ul style="list-style-type: none"> <li>• CEO/Managing Director</li> <li>• CFO</li> <li>• Audit Committee Chairman</li> <li>• Auditors of the Company</li> </ul>	<p>Amrut P. Shah </p> <p>Hasmukh A. Gada </p> <p>Paresh P. Jain </p> <p>Refer our Audit Report dated 24<sup>th</sup> May, 2014 On the consolidated financial statements of the Company</p> <p><b>For Bhuta Shah &amp; Co.</b> <b>Chartered Accountants</b> (Firm Registration No. 101474W)</p> <p> C.A. Mitesh Kothari (Partner) (Membership No. 110822) Date: 05.09.2014</p>