24TH ANNUAL REPORT 2018-19

SHREE AJIT PULP AND PAPER LIMITED

VISION

Our vision and commitment to excellence is the driving force that seamlessly power our success. Ever since our inception, we have been charting our way through great distances and amassing vast experiences and wisdom. We have ridden the waves of change, braved challenging headwinds, achieving improvement and success on our journey. Standing proud at the horizon of tomorrow, we embrace the challenges and opportunities to come knowing that our team will deliver a brighter future for our customers and shareholders. With core values that make us responsible corporate citizens, we are committed to doing business the Right Way, while making a sustainable, measurable difference to the word in which we work and live.

MISSION

Excellence is the way of culture which leads to the innovation of our organization. Our goal is to achieve "QUALITY rather than QUANTITY".

We motivate our people to enhance the efficiency above global standards, and evolve strong professional work ethics to ensure consistency in quality and service to our customers.

VALUES

Our Values are **SACRED** to us

- **Safety:** Safety is a core value over which no business objective can have a higher priority.
- **Agility:** Speed, Responsiveness and being Proactive, achieve through **Collaboration** and Empowering employees.
- **Care:** Care for the Stakeholders- our Environment, Customers and Shareholders- both existing and potential, our Community and our people (our employees and partners).
- **Respect:** Treat all stakeholders with respect and dignity.
- **Ethics:** Achieve the most admired standards of Ethics, through **Integrity** and mutual **Trust**.
- **Diligence:** Do everything (set direction, deploy actions, analyse, review, plan and mitigate risks etc) with a thoroughness that delivers quality and Excellence-in all areas, and especially in Operation, Execution and Growth.

SHREE AJIT PULP AND PAPER LIMITED

SWOT ANALYSIS

STRENGTH

Your company is operating in Multilayer Testliner & Testliner Paper facility with installed capacity of 1,08,000 MT per annum at the said location. The company has well established marketing network of agents spread across western and southern region to sell the products manufactured. The Company rated A- (pronounced ICRA A Minus) rating by ICRA Ltd. Also the promoters of the Company have ample experience of the industry. They are well versed with various aspects of manufacturing products. As a result, your company will have advantage to hire and retain competent employee and to manage transport of raw material and finished goods due to its location which is will connected National Highway.

WEAKNESS

Sometimes seasonal factors affects the prices and availability of waste paper and accordingly, the profitability.

OPPORTUNITY

The competitive strengths and the opportunities that are available to the Indian Paper industry are:

- ❖ Its large and growing domestic paper market.
- ❖ Increase use of paper boards in packaging.
- ❖ Qualified technical manpower with capability to manage scale of pulp and paper mills.

THREATS

- ❖ Inadequate and high cost of raw materials.
- ❖ Small and fragmented industry structure.
- ❖ Many non-competitive mills.
- ❖ High energy consumption and costs.
- ❖ Likely closures, owing to increasingly stringent environmental regulations.

SHREE AJIT PULP AND PAPER LIMITED

CHAIRMAN AND MANAGING DIRECTOR'S MESSAGE TO STAKEHOLDERS

"Alone we can do so little; together we can do so much." – Helen Keller

Dear Shareholder,

At the outset, we thank you for your continuous support. I would like to share the results of the performance of Shree Ajit Pulp and Paper Limited ('the Company/SAPPL') for the financial year 2018-19.

Performance in FY 2018-19

FY 2018-19 has been one of the best year in terms of financial performance holistically. Our standalone net profit has been the highest ever. A year in which we achieved superior operational performance. Let me highlight some of the major accomplishments during the year 2018-19, which would not have been possible without your support.

During the FY 2018-19, your Company earned a highest ever profit after tax (PAT) of Rs. 2312.86 lakh against a profit of Rs. 825.41 lakh earned during the FY 2017-18 and achieved turnover of Rs. 26947.64 lakh against a turnover of Rs. 25269.63 lakh during the FY 2017-18.

The Board has recommended a dividend of Rs. 0.75 /- per equity share of Rs.10/- each.

Highest ever paper produced in FY 2018-19 was 89716 MT against the previous production of 82478 MT during the FY 2017-18 registering an increase of 8.78% throughout. This high performance could be achieved by optimal raw material mix, better equipment reliability, timely shutdown adherence and commendable operational discipline.

The total sales volume of all products during the FY 2018-19 has been 89685 MT with a sales value of Rs. 26217.06 lakh which is about 4.97% higher than previous year sales value of Rs. 24974.69 lakh. Also the Company has achieved the highest ever export of Rs. 632.84 Lakh against the export of Rs. 18.07 lakh in the FY 2017-18.

Industry Background 2018-19

Growing e-commerce space and increasing presence of the FMCG and packaged food industries contributed to the growth in the sector. The demand drivers also include high global pulp prices, rising income levels, growing per capita expenditure, rapid urbanization and a larger proportion of earning population which is expected to lead consumption. The low domestic per capita paper consumption also provides potential to the industry in the long-term.

Proactive Action Towards the Future

With newer opportunities in the market and fiercer competition, along with our ambitious capacity augmentation plans, not only should we penetrate and capture newer market but also consolidate our share in existing markets. In short we must be a future ready organization, to support our next phase of growth story. Hence keepingin mind of the same your Company during the mid of the FY 2018-19, started operational excellence program namely "**UTKARSH**" to focus in the following main areas:

- Material Purchase cost reduction
- Manufacturing excellence
- Sales effectiveness Enhancement
- Process & System Improvement

These will positively effect our performance in the form of reduced purchase cost, improved productivity & manufacturing process in the up-coming year/s.

Future Outlook

SAPPL in line with its mission to achieve "**QUALITY** rather than **QUANTITY**", your company always welcomed technology changes and involve automation of plant to sustainably use resources and improve in the quality of paper as well as increase in production capacity and provide the better support and results to stakeholders.

During the year the Board of Directors of the Company have approved setting up a new plant for the manufacture of fluting, Testliner and kraftliner paper in Vapi, Gujarat at an estimated capital outlay approximately of Rs. 275 Crores, as an expansion plan.

Gratitude

On the concluding note, I would like to express my deep appreciation to the Board of Directors for their expertise and guidance. On behalf of the Board, I would also like to express my gratitude to all our stakeholders for their continued support, patronage, trust and confidence. I look forward to your continued trust and support in our journey ahead.

Thank you very much.

Gautam D. Shah
Chairman & Managing Director

SHREE AJIT PULP AND PAPER LIMITED

24TH ANNUAL REPORT 2018-19

BOARD OF DIRECTORS

As on March 31, 2019

Mr. Gautam D. Shah	Chairman and Managing Director
Mrs. Bela G. Shah	Executive Director & Chief Financial Officer
Mr. Laxminarayan J. Garg	Director-Independent
Mr. Darshak B. Shah	Director-Independent
Mr. Nawal Kishor D. Modi	Director-Independent

COMPANY SECRETARY & COMPLIANCE OFFICER
Mr. Rakesh Kumar Kumawat

AUDITORS
Deloitte Haskins & Sells LLP,
Chartered Accountants, Mumbai.

BANKERS
State Bank of India
Indian Overseas Bank

SHARE TRANSFER AGENT
Link Intime India Pvt. Ltd.
C 101, 247 Park, L.B.S. Marg,
Vikhroli (W), Mumbai - 400 083.

REGISTERED OFFICE

Survey No. 239, Near Morai Rly. Crossing, Village Salvav, Via - Vapi-396 191, Gujarat.
CIN: L21010GJ1995PLC025135, Tel: 0260 6635700, Fax: 0260 2437090,
Email: investors@shreeajit.com, Website: www.shreeajit.com

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NOTICE

Notice is hereby given that the Twenty-Fourth Annual General Meeting of the Members of Shree Ajit Pulp and Paper Limited will be held at the Registered Office of the Company at Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via- Vapi – 396191 District Valsad, Gujarat on Tuesday, 10th September, 2019 at 11:00 A.M., to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
   (a) the audited financial statements of the Company for the year ended 31st March, 2019, the auditors' report thereon and the report of the Board of Directors and
   (b) the audited consolidated financial statements of the Company for the year ended 31st March, 2019 and the auditors' report thereon.
2. To declare a dividend for the year 2018-19.
3. To appoint a Director in place of Mrs. Bela G. Shah (DIN: 01044910) who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS:

4. To re-appoint Mr. Laxminarayan J. Garg (DIN- 00786976) as Independent Director:
   To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 149, 152 and Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Laxminarayan J. Garg (DIN- 00786976) be and is hereby re-appointed as Independent Director, not liable to retire by rotation, to hold office for the second term of 5 (five) consecutive years w.e.f. 1st April, 2019 to 31st March, 2024 as per the recommendation of Nomination and Remuneration Committee of the Board and the Board of Directors of the Company.

   FURTHER RESOLVED THAT the Board of Directors of the Company, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."
5. To re-appoint Mr. Darshak B. Shah (DIN-00098897) as Independent Director:

   To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 149, 152 and Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Darshak B. Shah (DIN-00098897) be and is hereby re-appointed as Independent Director, not liable to retire by rotation, to hold office for the second term of 5 (five) consecutive years w.e.f. 1st April, 2019 to 31st March, 2024 as per the recommendation of Nomination and Remuneration Committee of the Board and the Board of Directors of the Company.

   FURTHER RESOLVED THAT the Board of Directors of the Company, be and are hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

6. To approve payment of remuneration of Mrs. Bela G. Shah, Executive Director of the Company:

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

"RESOLVED THAT the Ordinary Resolution passed at the 20th AGM held on 29th September 2015 pursuant to Section 197, 198 and Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modifications or re-enactment thereof, for the time being in force) in respect of the remuneration payable to Mrs. Bela G. Shah, Executive Director, be and is hereby approved and confirmed as Special Resolution w.e.f. 1st April, 2019 for the remaining tenure of her appointment, as set out in the explanatory statement annexed to this notice, in accordance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to alter and vary the remuneration of Mrs. Bela G. Shah from time to time within the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.

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

7. To approve payment of remuneration of Mr. Gautam D. Shah, Managing Director of the Company:

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution:**

"RESOLVED THAT the Ordinary Resolution passed at the 20th AGM held on 29th September 2015 pursuant to Section 197, 198 and Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Including any statutory modifications or re-enactment thereof, for the time being in force) in respect of the remuneration payable to Mr. Gautam D. Shah, Managing Director, be and is hereby approved and confirmed as Special Resolution w.e.f. 1st April, 2019 for the remaining tenure of his appointment, as set out in the explanatory statement annexed to this notice, in accordance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to alter and vary the remuneration of Mr. Gautam D. Shah from time to time within the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification or re-enactment thereof.

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

8. To consider revision in remuneration of Mr. Varun shah, relative of Director:

To consider and if thought fit, to pass, with or without modifications, the following resolution as **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including statutory modification(s) or re- enactment thereof for the time being in force, and as may be enacted from time to time, the consent of Members be and is hereby accorded to increase the payment of remuneration to Mr. Varun Shah, holding office or place of profit, as Technical Manager of the Company w.e.f. 1st October, 2019 as detailed below:

- Salary: Rs. 5,00,000/- (Rs. Five Lacs Only) Per Month.
- Bonus, leave encashment, gratuity, provident fund and other benefits as per the rules of the Company applicable to Senior Personnel of the Company.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to alter and vary from time to time, the designation, responsibilities and the remuneration by way of salary of Mr. Varun Shah within the maximum limit of Rs. 10,00,000/- per month plus other benefits as applicable to the Senior Management personnel of the Company.

FURTHER RESOLVED THAT for the purpose of giving effect to the foregoing Resolution Mr. Gautam D. Shah, Chairman and Managing Director and Company Secretary of the Company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

For and on behalf of the Board of Directors

Place: Vapi
Date: 28th May, 2019

Gautam D. Shah
Chairman and Managing Director
DIN: 00397319

Registered Office:
Survey No. 239, Near Morai Railway Crossing,
Village Salvav, Via-Vapi- 396191,Gujarat.
CIN: L21010GJ1995PLC025135
Tel: 0260 6635700, Fax: 0260 2437090
Email: investors@shreeajit.com
Website: www.shreeajit.com

NOTES:

1. An explanatory statements pursuant to Section 102 of the Companies Act, 2013, setting out the material facts and reasons for the proposed resolutions at item no. 4 to 8 above are appended herein below.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND, ON POLL, TO VOTE IN HIS STEAD. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. MEMBERS/PROXIES SHOULD BRING THEIR ATTENDANCE SLIP ATTACHED HEREWITH DULY FILLED AND SIGNED, IN ACCORDANCE WITH SPECIMEN SIGNATURES REGISTERED WITH THE COMPANY TO ATTEND THE MEETING.
   A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc, must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding 50(fifty) and holding in aggregate not more than 10 (ten) percent of the total share capital of the Company.
3. The Printed copy of the Balance Sheet, the Directors' Report and the Auditors' Report is sent herewith.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from 30/08/2019 to 10/09/2019 (both days inclusive), for the purpose of payment of dividend to those members whose names stand on the Register of Members as on 10/09/2019. The dividend in respect of ordinary shares held in electronic form will be payable to the beneficial owners of the shares as at the end of business hours on 29/08/2019 as per the details furnished by the Depositories for this purpose.
5. The dividend, if any, declared at the Annual General Meeting will be payable on or after 03/10/2019.
6. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, change of address etc to their Depository Participants only and not to the Company's Registrar and Transfer Agent. Changes intimated to the Depository Participants will be automatically reflected in the Company's records. The Members holding securities in physical form are requested to send a written request duly signed by the member to the Registrar and Transfer Agent i.e. Link Intime India Private Limited or the Company Secretary of the Company, which will help the Company and its Registrar and Transfer Agent to provide efficient and better service to the members.
7. The shares of the Company are included in the list for trading in compulsory demat segment w.e.f. 27th February, 2001. The Company has entered into agreements with National Securities Depository

Limited (NSDL) and with Central Depository Services (India) Limited (CDSL) so as to provide facility to the shareholders for transactions under demat segment.

8. Members, who are holding shares in identical order of names in more than one folio, are requested to write to the Company/Share transfer agent enclosing their certificates to enable the Company to consolidate their holdings in one folio.
9. It will be appreciated if queries, if any, on Accounts of the Company are sent to the Company ten days in advance of the meeting so that the answers may be made available at the meeting.
10. Members are requested to bring their copies of Annual Report at the meeting along with attendance slip.
11. Pursuant to Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, members are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH-13 in duplicate (which will be made available on request) to the Registrar and Share Transfer Agent of the Company.
12. The relevant details as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, in respect of Director(s) seeking appointment / re-appointment are attached to this notice.
13. Members wishing to claim dividend, which remain unclaimed, are requested to correspond with the Registrar and Transfer Agent i.e. M/s Link Intime India Private Limited or the Company Secretary of the Company. Members are requested to note that dividends not claimed within a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per the Section 124 of the Companies Act, 2013, be transferred to Investor Education and Protection Fund. Further, shares of such shareholders, who have not encashed any dividend for a consecutive period of 7 years or more, will be transferred to the Investor Education and Protection Fund.

    Members who have neither received nor encashed their dividend warrant(s) for the financial years ended March 31, 2012 upto March 31, 2018, are requested to write to the Company, mentioning the relevant Folio number or DP ID and Client ID, for issuance of duplicate/revalidated dividend warrant(s).
14. In case of joint holders attending the meeting, the joint holder who is higher in the order of name will be entitled to vote at the meeting.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Security market. Members holding Shares in dematerialized form should inform their DP and members holding shares in physical form should inform the Company their PAN details along with proof thereof.
16. Corporate Members intending to send their Authorised Representative to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution to the Company, authorising them to attend and vote on their behalf at the Annual General Meeting.
17. A Route map showing direction to reach the venue of the meeting is given at the end of this Notice.
18. **Voting through electronic means:-**

    In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the 24th Annual General Meeting by electronic means and business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility and a member may avail of the facility at his/her discretions, subject to compliance with the instruction for e-voting given below.

    The facility for voting through poll paper shall also be made available at the AGM and the Members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to vote at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

A Member can vote either by remote e-voting or at the AGM. In case a Member votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the AGM shall be considered invalid.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins on 7th September, 2019 (9.00 AM) and ends on 9th September, 2019 (5.00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 3rd September, 2019 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.

(iii) Click on Shareholders.

(iv) Now enter your user ID

a. For CDSL: 16 digits beneficiary ID,

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

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

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

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com 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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

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

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

(xi) Click on the EVSN for "Shree Ajit Pulp and Paper Limited".

(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 Resolutions 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 a 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 changed password then enter the User ID and the Image Verification Code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also use mobile app – "M-Voting" for e-voting. M-Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to M-Voting using their evoting credentials to vote for the Company resolution(s).

(xix) **Note for Non – Individual Shareholders and Custodians:**

- Non-Institutional shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as corporate.
- 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, user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login 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.

(xx) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited (CDSL), 25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai-400013, or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.

19. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 3rd September, 2019.

20. Mr. Venilal C. Khambhata, Practicing Company Secretary (CP No. 6177), has been appointed as the scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.

21. The scrutinizer after scrutinizing the votes cast at the meeting by poll and through remote e-voting will, not later than 48 hours of conclusion of the meeting make a consolidated Scrutinizer's Report and submit the same to the Chairman or any other person authorised by him in writing, who shall countersign the same.

22. The result declared along with the scrutinizer's report shall be placed on the Company's website and on the website of CDSL within 48 hours of passing of the resolutions at the Annual General Meeting of the Company and communicated to the Stock Exchanges, where the shares of the Company are listed.

23. Notice of the Meeting is also displayed at www.shreeajit.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO. 4

After considering the performance evaluation and based on recommendation received from Nomination and Remuneration Committee, the Board of Directors at its meeting held on 6th February, 2019 re-appointed Mr. Laxminarayan J. Garg as an Independent Director for second term of 5 (five) consecutive years w.e.f. 1st April, 2019 to 31st March, 2024.

Mr. Garg joined the Board of the Company on 15-10-2013 as non-executive Independent Director. He is a businessman and has wide entrepreneurial skills ranging over a period spanning thirty years and expertise in the field of finance, management and administration.

The Board of Directors believe that the association of Mr. Garg as Independent Director with the Company shall be beneficial to the progress of the Company and hence, the Board recommends the re-appointment of Mr. Garg as Independent Director as set out in item No. 4 for the approval of the Shareholder by special resolution at the ensuing Annual General Meeting.

In the opinion of the Board, Mr. Garg fulfils the conditions specified in Section 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Director) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force). Further Mr. Garg has given a declaration to the Board of Directors to the effect that he meets the criteria of independence as provided in Section 149 of the Companies Act, 2013.

No other Director of the Company except Mr. Laxminarayan J. Garg is concerned or interested in this resolution.

ITEM NO. 5

After considering the performance evaluation and based on recommendation received from Nomination and Remuneration Committee, the Board of Directors at its meeting held on 6th February, 2019 re-appointed Mr. Darshak B. Shah as an Independent Director for second term of 5 (five) consecutive years w.e.f. 1st April, 2019 to 31st March, 2024.

Mr. Shah joined the Board of the Company on 11-07-2014 as non-executive Independent Director. He has wide entrepreneurial skills ranging over a period spanning thirteen years and expertise in the field of finance, management and administration.

The Board of Directors believe that the association of Mr. Shah as Independent Director with the Company shall be beneficial to the progress of the Company and hence, the Board recommends the re-appointment of Mr.Shah as Independent Director as set out in item No. 5 for the approval of the Shareholders by special resolution at the ensuing Annual General Meeting.

In the opinion of the Board, Mr. Shah fulfils the conditions specified in Section 149, 152 and Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Director) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force). Further Mr. Shah has given a declaration to the Board of Directors to the effect that he meets the criteria of independence as provided in Section 149 of the Companies Act, 2013.

No other Director of the Company except Mr. Darshak B. Shah is concerned or interested in this resolution.

ITEM NO. 6

The Members of the Company had appointed Mrs. Bela G. Shah as Executive Director of the Company for a period of 5 years with effect from 7th February, 2015 on the terms and conditions of appointment and payment of remuneration as set out in the resolution approved by the members at the 20th Annual General Meeting held on 29th September, 2015 and further revised w.e.f. 1st October, 2017 at the Board meeting held on 13th November, 2017, under the powers vested in the Board vide the aforesaid resolution.

Pursuant to the Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 made effective from April 1, 2019 issued by SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 requires the listed entities to obtain approval of shareholders by way of Special Resolution for payment of annual remuneration to Promoter Executive Director which exceeds Rs. 5 Cr. or 2.5 per cent of the net profits of the listed entity, whichever is higher; or where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the listed entity.

Accordingly, the Board of Directors of the Company recommended the special resolution set out in Item No. 6 of the notice for approval of payment of remuneration to Mrs. Bela G. Shah, Executive Director of the Company with effect from 1st April, 2019 for the remaining period of her appointment, within the limits specified under Schedule V of the Companies Act, 2013 as amended from time to time as under:

A. Salary:

i. Rs. 10,00,000/- (Rupees ten lacs only) per month inclusive of allowances.

ii. Gratuity payable at a rate not exceeding half month's salary for each completed year of service.

iii. Encashment of un-enjoyed leave at the end of tenure.

B. Commission:

Commission on the net profit of the Company at such rate as may be fixed by the Board at the end of every year, having regard to performance of the Company, which including the remuneration mentioned in A above shall not exceed 5% of the net profit of the Company in any one year.

In the event of absence or inadequacy of profit in any year(s), the Executive Director shall be paid minimum remuneration in accordance with Schedule V of the Companies Act, 2013 as amended as under:

i. Rs. 10,00,000/- (Rupees ten lacs only) per month inclusive of allowances.

ii. Gratuity payable at a rate not exceeding half month's salary for each completed year of service.

iii. Encashment of un enjoyed leave at the end of tenure.

iv. Children's education allowance: in case of children studying in or out side India, an allowance limited to a maximum of Rs. 12,000/- per month per child or actual expenses incurred, whichever is less, up to two children.

v. Holiday passage for children studying outside India- Return holiday passage once in a year by economy class or once in two year by first class.

vi. Leave travel concession for self and family in accordance with the rules of the Company, if it is proposed to spend leave in home country instead of anywhere in India.

All other terms and conditions of appointment and remuneration as approved by the Company in General Meeting remain unchanged.

No other director of the Company except Mrs. Bela G. Shah and her relative Mr. Gautam D. Shah are interested or concerned in the proposed resolution.

ITEM NO. 7

The Members of the Company had appointed Mr. Gautam D. Shah as Managing Director of the Company for a period of 5 years with effect from 1st July, 2015 on the terms and conditions of appointment and payment of remuneration as set out in the resolution approved by the members at the 20th Annual General Meeting held on 29th September, 2015 and further revised at the Board meeting held on 13th November, 2017 w.e.f. 1st October, 2017 under the powers vested in the Board vide the aforesaid resolution.

Pursuant to the Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 made effective from April 1, 2019 issued by SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 requires the listed entities to obtain approval of shareholders by way of Special Resolution for payment of annual remuneration to

Promoter Managing Director which exceeds Rs. 5 Cr. or 2.5 per cent of the net profits of the listed entity, whichever is higher; or where there is more than one such Director, the aggregate annual remuneration to such Directors exceeds 5 per cent of the net profits of the listed entity.

Accordingly, the Board of Directors of the Company recommended the special resolution set out in Item No. 7 of the notice for approval of payment of remuneration to Mr. Gautam D. Shah, Managing Director of the Company with effect from 1st April, 2019 for the remaining period of his appointment, within the limits specified under Schedule V of the Companies Act, 2013 as amended from time to time as under:

A. Salary:

   i. Rs. 10,00,000/- (Rupees ten lacs only) per month inclusive of allowances.

   ii. Gratuity payable at a rate not exceeding half month's salary for each completed year of service.

   iii. Encashment of un enjoyed leave at the end of tenure.

B. Commission:

   Commission on the net profit of the Company at such rate as may be fixed by the Board at the end of every year, having regard to performance of the Company, which including the remuneration mentioned in A above shall not exceed 5% of the net profit of the Company in any one year.

In the event of absence or inadequacy of profit in any year(s), the Managing Director shall be paid minimum remuneration in accordance with Schedule V of the Companies Act, 2013 as amended as under:

i. Rs. 10,00,000/- (Rupees ten lacs only) per month inclusive of allowances.
ii. Gratuity payable at a rate not exceeding half month's salary for each completed year of service.
iii. Encashment of un enjoyed leave at the end of tenure.
iv. Leave travel concession for self and family in accordance with the rules of the Company, if it is proposed to spend leave in home country instead of anywhere in India.

All other terms and conditions of appointment and remuneration as approved by the Company in General Meeting remain unchanged.

No other director of the Company except Mr. Gautam D. Shah and his relative Mrs. Bela G. Shah are interested or concerned in the proposed resolution.

ITEM NO. 8

The provisions of Section 188 of the Companies Act, 2013 and the rules made there under stipulate that the appointment to the office or place of profit on a remuneration exceeding Rs. 2.50 lakhs per month in the Company can be made only with prior consent of the members of the Company by way of an ordinary resolution. Mr. Varun Shah, a relative of Mr. Gautam D. Shah, Chairman & Managing Director and Mrs. Bela G. Shah, Executive Director and Chief Financial Officer of the Company, who is Mechatronics Engineer from the UNSW Sydney, Australia, was appointed by the Board as Technical Manager to lead the new project team of the Company, on the recommendation of the Audit Committee of the Company, with effect from 1st October, 2018 on the remuneration including all the benefits not exceeding Rs. 2.50 lakhs per month. Now, the Board of Directors, on the recommendation of the Nomination & Remuneration Committee and the Audit Committee, have, at their meeting held on 28th May, 2019, given its approval, subject to the members of the Company according its consent by way of ordinary resolution listed at item No. 8 of the Notice, to increase the salary payable to Mr. Varun Shah with effect from 1st October, 2019, as detailed below:

- Salary of Rs. 5,00,000/- per month.
- Bonus, leave encashment, gratuity, provident fund and other benefits as per the rules of the Company applicable to Senior Personnel of the Company.

The Board is of the unanimous opinion that this appointment will be in the best interest of the Company and therefore, recommends to the members for approval.

Mr. Gautam D. Shah, Chairman and Managing Director and Mrs. Bela G. Shah, Executive Director and CFO of the Company, being relatives of Mr. Varun Shah, are deemed to be concerned or interested in the resolution. No other Director of the Company is concerned or interested in the resolution.

For and on behalf of the Board of Directors

Gautam D. Shah
Chairman and Managing Director
DIN: 00397319

Place: Vapi
Date: 28th May, 2019

Registered Office:
Survey No. 239, Near Morai Railway Crossing,
Village Salvav,Via-Vapi- 396191, Gujarat.
CIN: L21010GJ1995PLC025135
Tel: 0260 6635700, Fax:0260 2437090
Email: investors@shreeajit.com
Website: www.shreeajit.com

Details of Director's seeking appointment / re-appointment at the Annual General Meeting:

Particulars	Mrs. Bela G. Shah	Mr. Darshak B. Shah	Mr. Laxminarayan J. Garg
DIN	01044910	00098897	00786976
Age	54	43	58
Date of Appointment	07/02/2015	01/04/2019	01/04/2019
Qualifications	Bachelor degree in science with Mathematics	Bachelor degree in commerce	Bachelor degree in commerce
Expertise in specific functional area	Specializing in Management of Business Undertakings	Expertise in the field of finance, management and administration	Expertise in the field of finance, Management and administration
Directorship held in other Public Companies	-	-	Vapi Real Estate Developer's Association
Membership / Chairmanships of Committees of other public Companies (Includes only Audit and Stakeholders Relationship Committee)	-	-	-
Number of Shares held in the Company	387540	-	-
Relationship between Directors inter se	Mr. Gautam D. Shah – Husband	N.A.	N.A.

For other details such as number of meetings of the Board attended during the year, remuneration drawn, please refer to the corporate governance report which is a part of this Annual Report.

STATEMENT OF INFORMATION FOR THE MEMBERS PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013. :

I. General Information:

1. Nature of industry: The Company is engaged into manufacturing of Kraft Paper (Testliner and Multilayer Testliner).
2. Date of commencement of commercial production: The Company carries on manufacturing business since 1997.
3. Financial performance bases on given indicators:

(Rs. In Lakh)

Particulars	2018-19	2017-18
Profit (Loss) after Tax	2,312.86	825.41
Net worth	12,409.00	10,143.36
Earnings per share (In Rs.)	43.18	15.41
Turnover	26,947.64	25,269.63

4. Foreign investments or collaboration, if any: None

II. Information about appointee:

1. Background details:

Name	Gautam D. Shah	Bela G. Shah
Designation	Managing Director	Executive Director
Father's /spouse name	Dhansukhlal G. Shah	Gautam D. Shah
Nationality	Australian	Australian
Date of Birth	24/08/1964	25/03/1965
Qualifications	BE Civil	Bachelor degree in science with Mathematics
Experience	over 31 years' experience	over 18 years' experience

2. Past remuneration:

   Managerial remuneration (Includes Salary, Commission and Provision for leave encashment and gratuity) paid to Managing Director Rs. 180.33 lakh and Executive Director Rs. 180.63 lakh for the financial year 2018-19.
3. Recognition or awards: None
4. Job profile and suitability: The Managing Director is responsible for the management of day to day affairs of the Company subject to superintendence, control and direction of the Board of Directors of the Company.

   The Executive Director is responsible for strategic planning for expansion/diversification of Company's business, general and commercial administration and such other duties as entrusted to her by the Managing Director from time to time subject to superintendence, control and direction of the Board of Directors of the Company.

5. Remuneration proposed: Details of remuneration proposed for approval of the Shareholders at this 24th Annual General Meeting of the Company are as provided in the respective explanatory statements.
6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Compared to the industry average and the size of the Company, the remuneration proposed to be paid is reasonable.
7. Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any: In addition to the remuneration and perquisites paid to them as Managing Director and Executive Director, they are both promoters and also relatives.

III. Other Information:

1. Reason of loss or inadequate profits and steps taken or proposed to be taken for improvement: The Company has been earning profits over last many years. However the profitability of the Company may be adversely impacted in future due to unfavorable business environment and hence the payment of minimum remuneration as per Schedule V of the Companies Act, 2013 is proposed in case of inadequate profit in any one year. The Company is passing the Special Resolutions pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, effective from April 1, 2019 issued by SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018.
2. Steps taken or proposed to be taken for improvement: Not Applicable
3. Expected increase in productivity and profits in measurable terms: The Company has earned the profit after tax of Rs. 2,312.86 lakh for the year ended 31st March, 2019 and the Company is expected to continue to perform well in future.

IV. Disclosures:

The Disclosures as required on all elements of remuneration package such as salary, benefits, bonuses, pension, details of fixed components and performance linked incentives along with performance criteria, service contract details, notice period, severance fees, etc. have been made in the Board's Report under head "Corporate Governance Report" forming part of the Annual report 2018-19. The Company has not granted any stock options to its Directors.

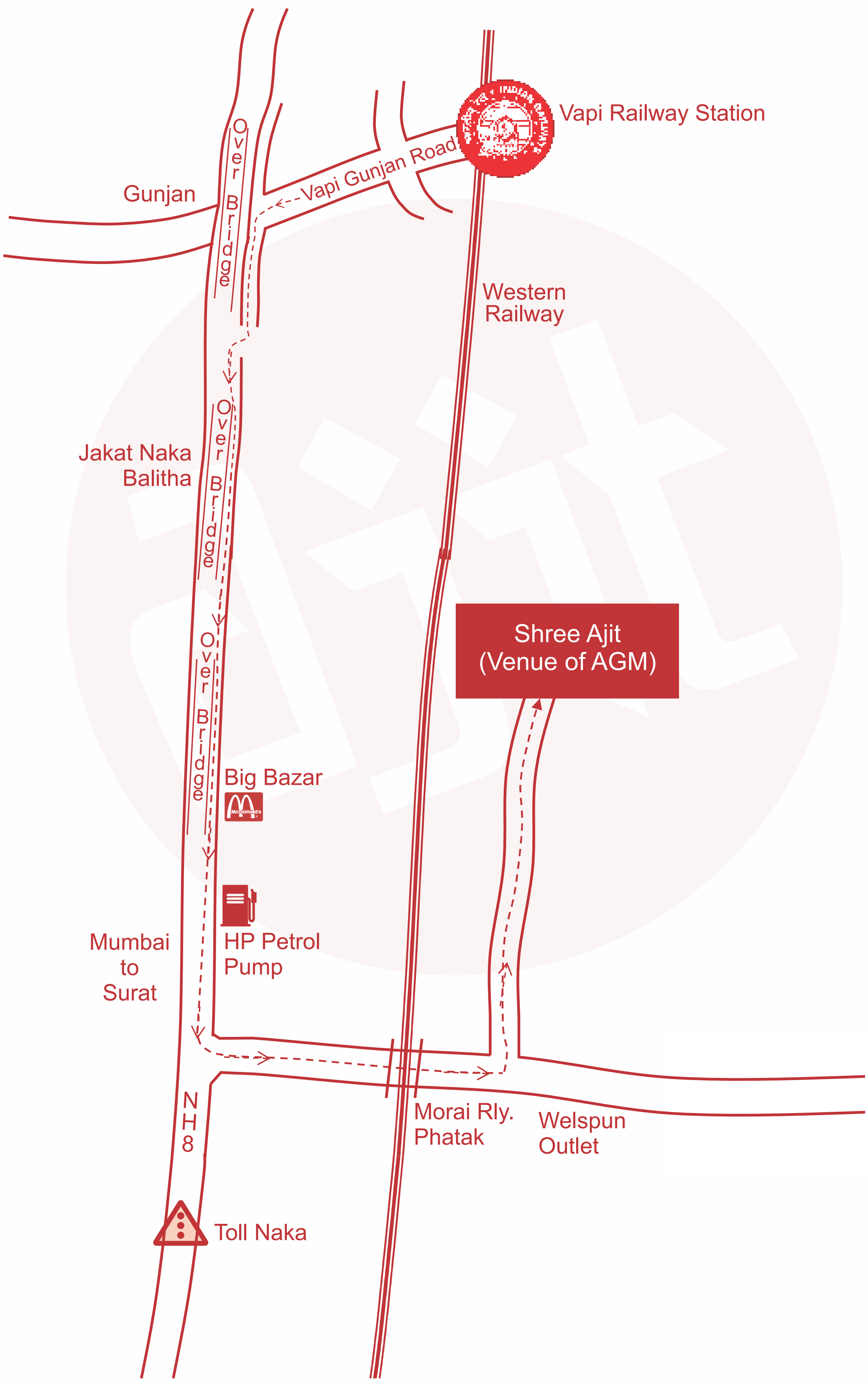
For and on behalf of the Board of Directors

Gautam D. Shah
Chairman and Managing Director
DIN: 00397319

Place: Vapi
Date: 28th May, 2019

Registered Office:
Survey No. 239, Near Morai Railway Crossing,
Village Salvav,Via-Vapi- 396191, Gujarat.
CIN: L21010GJ1995PLC025135
Tel: 0260 6635700, Fax: 0260 2437090
Email: investors@shreeajit.com
Website: www.shreeajit.com

Route Map to the Venue of the 24th AGM of the Company



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DIRECTORS' REPORT

TO THE MEMBERS:

Your Directors have pleasure in presenting their Twenty-Fourth Annual Report and the Audited Financial Statements for the year ended on 31st March 2019, together with the Independent Auditors' Report thereon.

Financial Results:

(Rs. In Lakh)

Particulars	**Current Year Ended 31-03-2019**	Previous Year Ended 31-03-2018
Revenue from operations	**26,970.23**	25,269.76
Other income	**30.35**	24.69
Total income	**27,000.58**	25,294.45
Expenses		
Operating expenditure	**22,523.03**	22,835.74
Depreciation and amortization expenses	**700.47**	646.25
Total expenses	**23,223.50**	23,481.99
Profit before finance cost and tax	**3,777.08**	1,812.46
Finance costs	**515.13**	565.07
Profit before tax (PBT)	**3,261.95**	1,247.39
Current tax expenses	**849.45**	257.44
Deferred tax expenses	**99.64**	105.99
Exceptional item	**-**	58.55
Profit for the year	**2,312.86**	825.41
Total comprehensive income for the year	**2,314.00**	827.65
Balance brought forward from previous year	**9,559.33**	8,780.05
Amount Available for Appropriation	**11,873.33**	9,607.69
Appropriations:		
Proposed Dividend (Including Tax)	**48.36**	48.36
Balance carried to Balance Sheet	**11,824.97**	9,559.33

Dividend:

Your Directors have pleasure in recommending a modest dividend of 7.50%, i.e. Rs. 0.75 per Equity Share (previous year 7.50% i.e. Rs. 0.75) on 5356700 Equity Shares of Rs. 10/- each for the year 2018-2019.

Management Discussion and Analysis:

Attached report on Management Discussion and Analysis, which is forming part of this report, adequately deals with the operations as also current and future outlook of the Company.

Corporate Governance:

Pursuant to Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report titled Corporate Governance is attached to this Annual Report.

Finance:

The repayment of due loan installments and interest payment is being regularly done.

Subsidiary Company, Joint Venture and Consolidated Financial Statements:

The Company's subsidiary Shree Samrudhi Industrial Papers Pvt. Ltd. has not yet commenced any business.

As required by Section 129 (3) of the Companies Act, 2013 and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Consolidated Financial Statements for the year ended on 31st March, 2019, prepared in accordance with the relevant accounting standards as prescribed under Section 133 of the Companies Act, 2013 and the Auditors report there on are attached.

As required by first proviso of Section 129 (3) of the Companies Act, 2013 and Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing the salient features of the financial statements of the Company's subsidiary (Shree Samrudhi Industrial Papers Pvt. Ltd.) and joint venture (Shree Samrat Pulp and Paper Pvt. Ltd.), in form AOC-1 is also attached. The statement also provides the details of performance and financial position of the said subsidiary and joint venture Companies.

Shareholders interested in obtaining a copy of the annual audited financial statements of the subsidiary Company may write to the Company.

Directors and Key Managerial Personnel:

Mrs. Bela G. Shah, Executive Director (DIN: 01044910) retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Your Board of Directors re-appointed Mr. Laxminarayan J. Garg (DIN: 00786976) as Independent Director of the Company for second term of 5 (five) consecutive years with effect from 1st April, 2019. The necessary resolution for approval of his re-appointment under Sections 149, 152 and Schedule IV of the Companies Act, 2013 is being placed before the Annual General Meeting for your consideration.

Your Board of Directors re-appointed Mr. Darshak B. Shah (DIN-00098897) as Independent Director of the Company for second term of 5 (five) consecutive years with effect from 1st April, 2019. The necessary resolution for approval of his re-appointment under Sections 149, 152 and Schedule IV of the Companies Act, 2013 is being placed before the Annual General Meeting for your consideration.

Mr. Dhansukhlal G. Shah (DIN: 00377970) resigned and ceased as Non-executive Director of the Company with effect from 25th March, 2019. The Board places on record its appreciation of the valuable services rendered by him during his long tenure as a Director of the Company.

Extract of the Annual Return:

An extract of the Annual Return in Form MGT-9 for the year ended on 31st March, 2019 pursuant to sub-section (3) of Section 92 of the Companies Act, 2013 is annexed with this report.

Directors' Responsibility Statement:

In accordance with Section 134(5) of the Companies Act, 2013 your Board of Directors confirms that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Directors had prepared the annual accounts on a going concern basis;

(e) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Controls:

Your Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operation. Review of the internal financial controls environment of the Company was undertaken during the year which covered verification of entity level control, process level control, identification, assessment and definition of key business processes and analysis of risk control matrices etc. During the period under review, effectiveness of internal financial controls was evaluated. Reasonable Financial Controls are operative for the business activities of the Company and no material weakness in the design or operation of any control was observed. The internal financial controls with references to the Financial Statements are commensurate with the size and nature of the business of the Company.

Statement on Declaration Given by Independent Directors u/s. 149(6):

Every Independent Director has given declaration that he meets the criteria of independence as provided in Section 149 (6) and Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company's Policy on Directors' Appointment and Remuneration:

Pursuant to provisions of Section 134 (3) read with Section 178 of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board of Directors, on recommendation of the Nomination and Remuneration Committee, has adopted a policy for appointment and payment of remuneration of Directors / KMP(s) and other senior executives of the Company. The policy is placed on website of the Company at www.shreeajit.com.

The Nomination and Remuneration Committee also recommends appointment and remuneration of Directors / KMP(s) and other senior executives of the Company, based on expertise and experience. The Committee also ensures that the remuneration is sufficient to attract, retain and motivate best managerial talents.

Particulars of Loans, Guarantees or Investment u/s. 186:

During the year the Company has not given any loans or guarantees or made any investments exceeding limit under Section 186 of Companies Act, 2013.

Particulars of Contract or Arrangement Regarding Related Party u/s. 188:

During the Financial Year 2018-19 the Company has entered into contract / arrangement / transaction with related parties under Section 188 of the Companies Act, 2013, details of which, as required to be provided under Section 134(3)(h) of the Companies Act, 2013 read with Rule (8)(2) of the Companies (Accounts) Rule, 2014 are disclosed in Form No. AOC-2 as annexure which forms part of this report. The policy on materiality of related party transaction is placed on website of the Company.

Material Changes and Commitments Affecting Financial Position of the Company:

There are no material changes and commitments affecting the financial position of the Company which have occurred between end of the financial year of the Company and the date of Directors' Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo:

The relevant information is given as an annexure to this report.

Change in Nature in Business:

There has been no change in the nature of Business of the Company during the year.

Transfer of Amounts to any Reserve:

The Company was not required to transfer any amount to any reserve during the year.

CSR Committee and Implementation of CSR Projects:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII as amended from time to time, a Corporate Social Responsibility (CSR) Committee of the Board is in place comprising of the Managing Director and two Independent Directors of the Company. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy), from time to time indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The Annual Report for the year 2018-19 on CSR activities is annexed with this report. The detailed CSR policy is placed on the website of the Company.

Establishment of Vigil Mechanism:

The Company has established a vigil mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct and ethics of the Company. It provides for adequate safeguard against the victimization of employees who avail the mechanism and are allowed direct access to the Chairman of the Audit Committee and Ethics Counselor of the Company. The whistle blower policy is placed on the website of the Company.

Performance Evaluation:

Pursuant to the provisions of Section 134 (3) (p), 149(8) and Schedule IV of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, annual performance evaluation of the Directors as well as of the Audit Committee, Nominations and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee of the Board has been carried out.

The performance evaluation of the Independent Directors was carried out by the entire Board and the Performance Evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

Particulars of Remuneration:

The information required under Section 197 of the Companies Act, 2013 and Rules made there under, in respect of employees of the Company is as follows:

1. (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Director's Name	Ratio to median remuneration
Mr. Gautam D. Shah	94.62
Mrs. Bela G. Shah	94.78

Note: Non Executive/Independent Directors are not paid any remuneration except the sitting fees for attending meetings of the Board and Committees thereof.

(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Director's/CFO/CEO/CS/Manager name	% Increase in remuneration
Mr. Gautam D. Shah, CMD	79.36
Mrs. Bela G. Shah, Executive Director	151.54
Mr. Rakesh Kumar Kumawat, Company Secretary	5.02

Note: Non Executive/Independent Directors are not paid any remuneration except the sitting fees for attending meetings of the Board and Committees thereof.

(iii) Percentage increase in the median remuneration of employees in the financial year: 11.91%

(iv) The number of permanent employees on the rolls of the Company: 263

(v) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average increase in salaries of employees other than managerial personnel in 2018-19 was 6.95%. Percentage increase in the managerial remuneration for the year was 106.16% KMP salary increase is decided based on the individual's and Company's performance.

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company: YES

2. Statement pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2019:

Name, and Age	Mr. Gautam D. Shah, 54 years	Mrs. Bela G. Shah, 54 years,
Designation	Chairman and Managing Director	Executive Director
Nature of Employment	Contractual	Contractual
Gross Remuneration	Rs. 1,80,32,692/- (Includes Salary, Commission and Provision for leave encashment and gratuity)	Rs. 1,80,63,463/- (Includes Salary, Commission and Provision for leave encashment and gratuity)
Qualification and Experience	BE Civil / 31 years	Bachelor in Science / 18 years
Date of Joining	01-07-2005	07-02-2015
Previous Employment	N.A.	N.A.
Percentage of equity shares held	19.88%	7.23%
Relation with Other Directors	Mrs. Bela G. Shah – Wife	Mr. Gautam D. Shah – Husband

Risk Management:

The Company is addressing various risks impacting the paper industry. Some of the risks to which the Company is exposed are as under.

Financial Risks:
The Company's policy is to actively manage its foreign exchange risks.

Commodity price risks:
The Company proactively manages risks of price fluctuation of raw materials through forward booking and inventory management. The Company's reputation for quality product mitigates the impact of price risk on finished goods.

Regulatory risks:
The Company is exposed to risks attached to various statutes and regulations. The Company is mitigating these risks by engaging competent person in each functional area and through regular review of legal compliances carried out from time to time.

Human resources risks:
Retaining the existing talents and attracting new talents are major risks. These risks are mitigated by regular interaction with concerned employees and providing congenial working conditions.

Disclosure under Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013:

There was no complaint received from any woman employee during the financial year 2018-19 and hence no complaint is outstanding as on 31st March, 2019 for redressal. The Company has complied with the provisions of the constitution of Internal Compliant Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Public Deposit:

The company has not accepted any deposit from the public within the meaning of Chapter V of the Companies Act, 2013, and rules there under.

Significant and Material Orders Passed by the Regulators:

During the financial year under review, no significant and material orders were passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

Auditors:

The notes on financial statements referred to in the Auditors Report are self-explanatory and do not require further explanation.

Your Company has, at the 21st Annual General Meeting of the Company held on 30th August, 2016, appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (Firm Registration Number-117366W/W-100018) as Statutory Auditors of the Company to hold office up to the conclusion of the 26th Annual General Meeting at a remuneration as may be fixed by the Managing Director in consultation with the said Auditors.

Particulars of Frauds, if any Reported under Sub-Section (12) of Section 143 other than those which are Reportable to the Central Government:

No frauds have been reported by the Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

Secretarial Audit Report:

Pursuant to Section 204 of Companies Act, 2013, your Company had appointed Mr. V. C. Khambhata, Practicing Company Secretary (CP No. 6177) as Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2018-19. The report of Secretarial Auditor is annexed with this report. The report does not contain any qualification, reservation or adverse remark.

Secretarial Standards:

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Meetings of Board and Shareholders.

Maintenance of Cost Records:

The Maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013.

Acknowledgement:

The Board wishes to express its appreciation to the Bankers, Shareholders, Customers, Suppliers and Employees of the Company for their support during the year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Vapi	**Gautam D. Shah**	**Bela G. Shah**
Date: 28th May, 2019	**Chairman and Managing Director**	**Executive Director and CFO**
	DIN:00397319	**DIN:01044910**

Annexure to Directors' Report

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31.03.2019
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i	Corporate Identification Number (CIN)	L21010GJ1995PLC025135
ii	Registration Date	23-03-1995
iii	Name of the Company	Shree Ajit Pulp and Paper Limited
iv	Category / Sub-Category of the Company	Company Limited by Shares
v	Address of the Registered Office and contact details	Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via - Vapi – 396191, Gujarat Tel. No. 0260 -6635700 Email id: investors@shreeajit.com
vi	Whether listed Company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083. Telephone No.: 022- 49186000 Email: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

Sr. No.	Name and description of main products / Services	NIC Code of the Product/ service	% to total turnover of the Company
1	Multilayer Testliner & Testliner Paper	17021	98.78%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the Company	CIN/GIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Shree Samrudhi Industrial Papers Private Limited Address: Office No. 34, IInd Floor, Sahara Market, Silvassa Road, Vapi – 396191, Gujarat	U21000GJ2010PTC060127	Subsidiary	100%	Section 2(87) of the Companies Act, 2013.
2	Shree Samrat Pulp and Paper Private Limited Address: 212, Marine Chamber, 43, New Marine Lines, Opp. SNDT College, Mumbai – 400020, Maharashtra	U21093MH2010PTC209843	Joint Venture / Associate	50%	Section 2(6) of the Companies Act, 2013.

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding:

Category of share holders	No. of share held at the beginning of the year				No. of share held at the end of the year				% of change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	2786590	305300	3091890	57.72	2978450	-	2978450	55.60	(2.12)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Bank /FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub -total (A) (1):	2786590	305300	3091890	57.72	2978450	-	2978450	55.60	(2.12)
(2) Foreign									
a) NRIs-Individual	-	-	-	-	-	-	-	-	-
b) Other-Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Bank /FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):	-	-	-	-	-	-	-	-	-
Total Share Holding of Promoter A=(A)(1)+(A)(2)	**2786590**	**305300**	**3091890**	**57.72**	**2978450**	**-**	**2978450**	**55.60**	**(2.12)**
B. Public Share Holding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Bank / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	38668	-	38668	0.72	26140	-	26140	0.49	(0.23)
ii) Overseas									
b) Individuals									
Individual shareholders holding nominal share capital up to of Rs. 1 lakh	318360	331900	650260	12.14	331542	256200	587742	10.97	(1.17)
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1336429	195960	1532389	28.61	1495766	225460	1721226	32.13	3.52
c) Others									
Clearing Members	17899	-	17899	0.33	5328	-	5328	0.10	(0.23)
Non Resident Indians	7440	3500	10940	0.20	7963	3500	11463	0.21	0.01
Hindu Undivided Family	14654	-	14654	0.27	20937	-	20937	0.39	0.12
IEPF	-	-	-	-	5414	-	5414	0.10	0.10
Sub-Total (B) (2):	1733450	531360	2264810	42.28	1893090	485160	2378250	44.40	2.12
Total Public share holding (B)=(B)(1)+(B)(2)	**1733450**	**531360**	**2264810**	**42.28**	**1893090**	**485160**	**2378250**	**44.40**	**2.12**
C. Share held by custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**4520040**	**836660**	**5356700**	**100.00**	**4871540**	**485160**	**5356700**	**100.00**	**-**

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in share holding during the year
		No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Gautam D. Shah	1064750	19.88	14.44	1064750	19.88	14.44	-
2	Bela G. Shah	387540	7.23	-	387540	7.23	-	-
3	Suresh C. Shah	454000	8.48	-	792860	14.80	-	6.32
4	Sunita S. Shah	184200	3.44	-	184200	3.44	-	-
5	Varun Shah	427700	7.98	-	427700	7.98	-	-
6	Devashri Gautam Shah	121400	2.27	-	121400	2.27	-	-
7	Jayantilal M. Shah*	435000	8.12	-	-	-	-	(8.12)
8	Jaywantiben J. Shah*	17300	0.32	-	-	-	-	(0.32)
	Total	**3091890**	**57.72**	**14.44**	**2978450**	**55.60**	**14.44**	**(2.12)**

* Reclassification application of Mr. Jayantilal M. Shah and Mrs. Jaywantiben J. Shah from promoter shareholders to public shareholders have been approved by the Stock Exchange on 18th September, 2018.

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Suresh C. Shah				
	At the beginning of the year	454000	8.48	454000	8.48
	Increase during the year by share purchase on 21/12/2018	338860	6.32	792860	14.80
	At the end of the year	792860	14.80	792860	14.80
2	Jayantilal M. Shah				
	At the beginning of the year	435000	8.12	435000	8.12
	Reclassified as public shareholding	435000	8.12	-	-
	At the end of the year	-	-	-	-
3	Jaywantiben J. Shah				
	At the beginning of the year	17300	0.32	17300	0.32
	Reclassified as public shareholding	17300	0.32	-	-
	At the end of the year	-	-	-	-

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Bela P. Shah*				
	At the beginning of the year	364500	6.80	364500	6.80
	At the end of the year	25640	0.48	25640	0.48
2	Bharat M. Shah				
	At the beginning of the year	270900	5.06	270900	5.06
	At the end of the year	270900	5.06	270900	5.06

3	Jayantilal M. Shah* At the beginning of the year At the end of the year	 435000 435500	 8.12 8.13	 435000 435500	 8.12 8.13
4	Mahesh H. Shah At the beginning of the year At the end of the year	 230992 230992	 4.31 4.31	 230992 230992	 4.31 4.31
5	Swetalben M. Shah* At the beginning of the year At the end of the year	 142400 156900	 2.66 2.93	 142400 156900	 2.66 2.93
6	Chandra C Shah At the beginning of the year At the end of the year	 112100 112100	 2.09 2.09	 112100 112100	 2.09 2.09
7	Dipak R. Shah At the beginning of the year At the end of the year	 100860 100860	 1.88 1.88	 100860 100860	 1.88 1.88
8	Ritu Garg* At the beginning of the year At the end of the year	 44000 55000	 0.82 1.03	 44000 55000	 0.82 1.03
9	Miss Bhagwati V. Mehta At the beginning of the year At the end of the year	 43400 43400	 0.81 0.81	 43400 43400	 0.81 0.81
10	Jaywantiben J. Shah* At the beginning of the year At the end of the year	 17300 35000	 0.32 0.65	 17300 35000	 0.32 0.65

* The shares of the Company are traded on daily basis and hence the date wise increase / decrease in the shareholding is not indicated.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Director and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Shareholding of Directors	No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Gautam D. Shah At the beginning of the year At the end of the year	 1064750 1064750	 19.88 19.88	 1064750 1064750	 19.88 19.88
2	Mrs. Bela G. Shah At the beginning of the year At the end of the year	 387540 387540	 7.23 7.23	 387540 387540	 7.23 7.23
3	Mr. Laxminarayan J. Garg At the beginning of the year At the end of the year	 - -	 - -	 - -	 - -
4	Mr. Darshak B. Shah At the beginning of the year At the end of the year	 - -	 - -	 - -	 - -
5	Mr. Nawalkishor D. Modi At the beginning of the year At the end of the year	 - -	 - -	 - -	 - -
	Shareholding of Key Managerial Personnel				
1	Mr. Rakesh Kumar Kumawat At the beginning of the year At the end of the year	 - -	 - -	 - -	 - -

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment : (Rs. In Lakh)

Particulars	Secured Loans excluding deposit	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,092.51	-	-	5,092.51
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	16.59	-	-	16.59
Total (i+ii+iii)	**5,109.10**	**-**	**-**	**5,109.10**
Change in indebtedness during the financial year				
Addition	1,074.15	-	-	1,074.15
Reduction	2,591.74	-	-	2,591.74
Net Change	**(1,517.59)**	**-**	**-**	**(1,517.59)**
Indebtedness at the end of the financial year				
i) Principal amount	3,569.49	-	-	3,569.49
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	22.02	-	-	22.02
Total (i+ii+iii)	**3,591.51**	**-**	**-**	**3,591.51**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Rs. In Lakh)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Gautam D. Shah- CMD	Bela G. Shah-WTD	
1	Gross Salary			
	(a) As per provisions contained in section 17(1) of the Income-tax Act, 1961	120.00	84.00	204.00
	(b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961.	-	-	-
	(c) Profit in lieu of salary under section 17(3) of the Income-tax Act, 1961.	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of profit Others, specify	46.00	86.00	132.00
5	Others, please specify*	14.33	10.63	24.96
	Total (A)	**180.33**	**180.63**	**360.96**
	Ceiling as per Act	181.19	181.19	362.38

* Leave encasement and gratuity accrued but not paid.

B. Remuneration to other Directors: (Rs. In Lakh)

Sr. No.	Particulars of Remuneration	Name of Director				Total Amount
1	Independent Directors	Laxminarayan J. Garg	Darshak B. Shah	Nawalkishor D Modi		
	Fee for attending board / committee meetings	0.85	0.70	0.45		2.00
	Commission	-	-	-		-
	Others, please specify	-	-	-		-
	Total (1)	0.85	0.70	0.45		2.00
2	Non-executive Directors				Dhansukhlal G. Shah	
	Fee for attending board / committee meetings				0.20	
	Commission				-	
	Others, please specify				-	
	Total (2)				0.20	0.20
	Total (B)=(1+2)					**2.20**
	Overall Ceiling as per Act	Sitting Fees paid is within the limits specified under the Companies Act, 2013.				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: (Rs. In Lakh)

Sr. No.	Particulars of Remuneration	CS Rakesh Kumar Kumawat	Total
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	5.86	5.86
	(b) Value of perquisites u/s. 17(2) of the Income-tax Act, 1961	-	-
	(c) Profit in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - As % of Profit Others, specify	-	-
5	Others, please specify	-	-
	Total	**5.86**	**5.86**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICER IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

MANAGEMENT DISCUSSION AND ANALYSIS

1. **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

The Company manufactures Multilayer Testliner and Testliner Paper from 80 to 350 GSM and 18 to 35 BF. This product is mainly used for making Corrugated Boxes, Duplex Cartons, Corrugated small e-flute etc. as packaging material.

The Company is having two wind mills for total capacity of 2.75 MW in Gujarat State, set up for captive consumption. These are in operation. The Company is having wheeling arrangement with GETCO and DGVCL whereby the set off is given to the Company for generation of electricity from the wind mills.

2. **AN OVERVIEW:**

The overall performance of the Company during the year under report has been satisfactory in line with general economic conditions in the country. The revenue from operations of the Company has increased by 6.73% to Rs. 26,970.23 lakh during the year from Rs. 25,269.76 lakh in the previous year. The Profit before Tax has increased to Rs.3,261.95 lakh from Rs. 1,188.84 lakh and the Profit after Tax at Rs. 2,312.86 lakh as compared to Rs. 825.41 lakh of the previous year. The profit before tax has increased by 174.38% and profit after tax has increased by 180.21%.

3. **OVERALL PRODUCTION AND SALES PERFORMANCE:**

Name of product	Production (MT)			Sales (MT)		
	2018-19	2017-18	Increase %	2018-19	2017-18	Increase %
Multilayer Testliner & Testliner Paper	89716	82478	8.78	89685	81599	9.91

4. **CURRENT AND FUTURE OUTLOOK:**

The company has been constantly upgrading manufacturing facilities for improving production, quality of products and yields.

The Directors expect that there will be reasonable improvement in production, sales turnover and profitability of the Company in the current year.

5. **PLANS FOR UP-GRADATION AND IMRPOVEMENT:**

The investment in plant and machinery for improvement in quality and reduction in cost of production taken up during the previous year is continuing.

The Board had announced the setting up of the project for manufacture of corrugated boxes plant at the meeting held on 28th March, 2017. On re-examination of the critical aspects of the project, based on the prevailing situation, the Board has now decided to implement in future.

The Board of Directors of the Company in its meeting held on 28th May, 2019 have approved setting up a new plant for the manufacture of fluting, testliner and kraftliner paper in Vapi, Gujarat at an estimated capital outlay approximately of Rs. 275 Crores. This is a capacity expansion plan. This will be financed by appropriate mix of debt and internal accruals of the Company.

The wholly owned subsidiary of the Company, namely Shree Samrudhi Industrial Papers Pvt Ltd has not yet commenced business.

6. **OPPORTUNITIES AND THREATS / RISKS AND CONCERNS:**

The future of the Paper industry in general and Multilayer Testliner and Testliner Paper in particular is linked with the future of world economy. When the economy in general is on the down turn, the demand for Company's products is also likely to fall. On the other hand, when the economy in general is on the up-turn, the demand for the Company's products is likely to increase. The Company is having advantage over most of the other manufacturers as it is professionally managed and its operations are efficient, cost effective and highly competitive.

7. **FINANCIAL ANALYSIS:**

a) **REVENUE:**

During the year under review, the revenue from operations has increased by 6.73% to Rs. 26,970.23 lakh from Rs. 25,269.76 lakh in the previous year. The sales in terms of volume increased by 9.91% compared to previous year. The profit before tax has increased by 174.38%.

b) **DEBT:**

As at 31st March, 2019, the Company's total debt including Term Loans and Working Capital Facilities was Rs. 3,591.51 lakh as compared to Rs. 5,109.10 lakh in the previous year. The finance cost has decreased to Rs. 515.13 lakh during the year under report from Rs. 565.07 lakh during the previous year. The repayment of Term Loan is being done regularly.

c) **PROFIT FOR THE YEAR:**

The profit for the year under review was Rs. 2,312.86 lakh as compared to Rs. 825.41 lakh in the previous year. The EPS has increased to Rs. 43.18 against Rs. 15.41 in the previous year.

d) **INTERNAL CONTROL SYSTEMS:**

The Company has adequate Internal Control System in place. The Internal Audit is conducted by a reputed Firm of Chartered Accountants specializing in Internal Audits, whose report is placed before the Audit Committee periodically. The Audit Committee closely reviews the progress made on the observations which helps strengthen overall financial control. The details of the Audit Committee Meetings are given under the Corporate Governance Section of this report.

8. **INCREASE IN SHAREHOLDER VALUE:**

Your Company makes all efforts to adopt the best systems and methods of doing the business, reduce overheads, improve productivity and establish better customer relations with improved quality and effective distribution network. The Company periodically, evaluates the overall business and tries to shift towards value added products. The Company is making sincere efforts to devise better strategy for growth and improving profitability, thereby enhancing shareholder value in the changing market situation.

9. **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NO. OF PEOPLE EMPLOYED:**

The Company has a team of 36 competent and highly motivated technical and management staff. It has 60 clerical, computer operating and other staff and 167 workmen handling factory operations. There is continuous communication between all levels of employees. The Employer-Employee relations are harmonious and cordial.

10. **DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS AND RETURN ON NETWORTH:**

As per the amendment made under Schedule V to the Listing Regulations read with Regulation 34(3) of the Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company including explanations therefor are given below:

Sr. No.	Particulars	Current year ended 31st March, 2019	Previous year ended 31st March, 2018	% Change	Explanation
1	Debtors turnover	7.47	7.00	6.78	-
2	Inventory turnover	6.48	7.60	(14.73)	-
3	Interest coverage	7.33	3.10	136.23	Higher profitability and reduction in borrowings
4	Current ratio	1.63	1.34	21.56	-
5	Debt equity ratio	0.29	0.50	(42.70)	Higher profitability and reduction in borrowings
6	Operating profit margin (EBIT) (%)	14.02	6.94	101.94	Improved Profitability due to reduction in cost of material consumed
7	Net profit margin (%)	8.57	3.26	162.50	Improved Profitability due to reduction in cost of material consumed
8	Return on net worth (%)	18.64	8.14	129.05	Higher Profitability

CORPORATE GOVERNANCE

1. **BRIEF STATEMENT OF COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company believes in adoption of best Corporate Governance practices. It constantly reviews Corporate Governance practices followed to ensure that they reflect new developments from time to time. It takes feedback into account in its periodic reviews to ensure relevance, effectiveness and responsiveness to the needs of investors and other stakeholders.

2. **COMPOSITION AND CATEGORY OF DIRECTORS, RELATIONSHIP OF DIRECTORS WITH EACH OTHER AND DIRECTORSHIP HELD IN OTHER COMPANIES BY THE DIRECTORS OF THE COMPANY.**

The Composition of the Board is in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board has optimum combination of Executive and Independent / Non-Executive Directors with one Woman Director and not less than 50% comprising Independent Directors. The Chairman of the Company is Executive Director.

Name of the Director	Category	Relationship with each other	Directorship in other Companies*	No. of Membership(s) / Chairmanship (s) of Board Committee in other Companies
Gautam D. Shah	Managing Director / Promoter	Son of Dhansukhlal G. Shah	Shree Samrudhi Industrial Papers Pvt. Ltd. (Deemed Public Company)	-
Bela G. Shah	Executive Director / Promoter	Wife of Gautam D. Shah	Shree Samrudhi Industrial Papers Pvt. Ltd. (Deemed Public Company)	-
Dhansukhlal G. Shah**	Non Executive/ Promoter	Father of Gautam D. Shah	-	-
Laxminarayan J. Garg	Independent Director	-	Vapi Real Estate Developer's Association	-
Darshak B. Shah	Independent Director	-	-	-
Nawalkishor D. Modi	Independent Director	-	Daman Ganga Papers Ltd.	-

Notes:

*The Directorships held by the Directors in other Companies do not include Directorships in Private Limited Companies.

** Resigned and ceased to be Director w.e.f. 25th March, 2019.

Non-Executive / Independent Directors are not holding any shares of the Company.

None of the Directors of the Company is Director in any other listed Company.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

None of the Independent Directors of the Company has resigned during the year 2018-19.

REQUIREMENT OF CORE SKILLS / EXPERTISE / COMPETENCE FOR THE BOARD OF DIRECTORS AS IDENTIFIED FOR PAPER BUSINESS:

The following Core Skills / Expertise / Competence are identified for the Company's Board of Directors:

Sr. No	Area of Core Skill/expertise/Competence
1	Technical
2	Finance and commercial administration
3	Strategic planning for expansion
4	Management and business administration
5	Entrepreneurship
6	Accounting and Audit

The Board of Directors has the necessary Skills/Expertise/ Competence in all the above mentioned areas.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS HELD DURING THE YEAR AND THE LAST AGM:

Sr. No.	Name of Director	No. of Board Meeting held	No. of Board Meeting Attended	Attended Last AGM
1	Mr. Gautam D. Shah	8	8	Yes
2	Mrs. Bela G. Shah	8	7	Yes
3	Mr. Dhansukhlal G. Shah	8	2	No
4	Mr. Laxminarayan J. Garg	8	8	Yes
5	Mr. Darshak B. Shah	8	6	Yes
6	Mr. Nawalkishor D. Modi	8	4	No

NO. OF BOARD OF DIRECTORS MEETINGS HELD, DATES ON WHICH HELD:

Eight (8) Board Meetings were held during the year as against the minimum requirement of four (4) meetings. The dates on which the meetings were held are as follows:

(1) 4th May, 2018 (2) 17th May, 2018 (3) 14th August, 2018 (4) 19th September, 2018 (5) 3rd November, 2018 (6) 17th December, 2018 (7) 6th February, 2019 (8) 25th March, 2019.

The maximum time gap between any two meetings was not more than 120 days. None of the Directors of the Company was a member of more than 10 Committees nor was the Chairman of more than 5 Committees across all Companies in which he was a Director.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The familiarization programme and other disclosures as specified under Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available on the website of the Company at www.shreeajit.com.

INFORMATION PLACED BEFORE THE BOARD:

All the relevant and necessary information and details are placed before the Board at its meetings, such as productions, sales, capital expenditure, budgets, actual performance statistics, review of business, any legal proceedings by or against the Company, quarterly financial results, minutes of meetings of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and other Board Committees, staff matters, significant labour and human relation matters, financial statements of subsidiary and joint ventures and such other information.

The Board also reviews from time to time the legal compliance report presented by the Managing Director.

CODE OF CONDUCT:

The Board has laid down a code of conduct for all Board members and senior management of the Company. All Board members and senior management personnel have affirmed compliance with the code of conduct as on 31st March 2019. This report contains a declaration to this effect signed by the Chairman and Managing Director.

3. BOARD COMMITTEES:

The Company has the following Standing Committees of the Board:

1) AUDIT COMMITTEE:

The Audit Committee of the Company comprises of four Directors, of which three are independent Directors and one Managing Director. Mr. Laxminarayan J. Garg is the Chairman of the Committee and Mr. Darshak B. Shah, Mr. Nawalkishor D. Modi and Mr. Gautam D. Shah, Managing Director are the members of the Committee.

The Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013.
The terms of reference stipulated by the Board of Directors to the Audit Committee are as contained in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, briefly as follows:

a) Oversight of the Company's financial reporting process and the disclosure of its financial information.
b) Recommending the appointment of External Auditors and Internal Auditors, fixation of their Fees and approval for payment for any other services.
c) Reviewing with management the Quarterly, Half Yearly and Annual Financial Statements before submission to the Board, focusing primarily on (i) any changes in accounting policies and practices, (ii) major accounting entries based on exercise of judgment by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) compliance with stock exchanges and legal requirements concerning financial statements and (viii) any related party transactions i.e., transactions of the Company of material nature, with promoters or the management, or relatives etc. that may have potential conflict with the interest of the Company.
d) Reviewing with the management and external and internal auditors, the adequacy and compliance of internal control systems.
e) Reviewing the adequacy of internal audit functions.
f) Discussion with internal auditors on any significant findings and follow-up there of.
g) Reviewing the findings of any internal investigations by the internal auditors into matters where there is irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
h) Discussion with external auditors before the audit commences nature and scope of audit as well as have post-audit discussion to ascertain any area of concern.
i) Any other activities as per the requirement of Regulation 18 of the Listing Regulations and applicable provisions of the Companies Act, 2013.

During the year the Audit Committee has met 6 times as against the minimum requirement of 4 meetings. The Statutory Auditors were also invited to attend the Audit Committee meetings. The dates on which the meetings were held are:

(1) 17th May, 2018 (2) 3rd July, 2018 (3) 14th August, 2018 (4) 19th September, 2018
(5) 3rd November, 2018 (6) 6th February, 2019.

Attendance of each member of Audit Committee meetings held during the year:

Sr. No.	Name of Members	Attendance Particulars
1	Mr. Laxminarayan J. Garg	5
2	Mr. Darshak B. Shah	5
3	Mr. Nawalkishor D. Modi	4
4	Mr. Gautam D. Shah	4

2) NOMINATION AND REMUNERATION COMMITTEE:

The terms of reference of Nomination and Remuneration Committee cover all applicable matters specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, briefly as under:

- Identify persons qualified to become Directors or hold senior management positions and advise the Board for such appointments/ removals where necessary.
- Formulate criteria for determining qualifications, positive attributes and independence of Director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- Evaluate the performance of every Director.
- Devise a policy on Board diversity.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Any other activities as per the requirement of Regulation 19 of the Listing Regulations and the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of three Directors, (1) Mr. Laxminarayan J. Garg, Independent Director- Chairman (2) Mr. Darshak B. Shah, Independent Director- member, and (3) Mr. Dhansukhlal G. Shah, Non-executive Director- member (up to 25/03/2019) (4) Nawalkishor D. Modi, Independent Director- member (from 25/03/2019). The Committee recommends remuneration payable to Executive Director and Managing Director, in terms of requirements of Schedule V of the Companies Act, 2013.

During the year the Nomination and Remuneration Committee has met two times. The date on which the meetings were held are (1) 17th May, 2018 (2) 6th February, 2019.

Attendance of each member of Nomination and Remuneration Committee meetings held during the year:

Sr. No.	Name of Members	Attendance Particulars
1	Mr. Laxminarayan J. Garg	2
2	Mr. Darshak B. Shah	2
3	Mr. Dhansukhlal G. Shah	1
4	Mr. Nawalkishor D. Modi	-

Performance Evaluation Criteria for Independent Directors:

The criteria for performance evaluation are as follows:

1. Attendance and contribution at Board, members and Committee meetings.
2. Compliance with ethical standards & code of conduct of Company.
3. Understanding of the Company and the external environment in which it operates and contribution to strategic direction.
4. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
5. Rendering independent unbiased opinion.
6. Safeguard of stakeholders' interests and under Vigil Mechanism.
7. Reporting of frauds, violation etc.

REMUNERATION OF DIRECTORS:

A statement of remuneration paid to the Executive Directors is given below:

(Rs. in Lakh)

Name of Director	Salary	Perquisites	Profit in lieu of Salary	Commission	Others*	Total
Mr. Gautam D. Shah - Chairman & Managing Director	120.00	-	-	46.00	14.33	180.33
Mrs. Bela G. Shah - Executive Director	84.00	-	-	86.00	10.63	180.63

* Leave encasement and gratuity accrued but not paid.

The remuneration to the Managing Director and Executive Director is fixed by the Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee of the Company and also approved by the Shareholders of the Company.

Name of Director	Service Contract	Notice Period	Severance Fees	Performance Linked Incentives	Stock Option
Mr. Gautam D. Shah - Chairman & Managing Director	5 Year	6 Month	-	-	-
Mrs. Bela G. Shah- Executive Director	5 Year	6 Month	-	-	-

No remuneration is paid to Non-executive Directors / Independent Directors except sitting fees for attending meetings of the Board and Committees.

A statement of sitting fees paid to the Non-Executive Directors / Independent Directors is given below:

Name of Non-Executive / Independent Director	Sitting Fees (Rs. in Lakh)
Mr. Dhansukhlal G. Shah	0.20
Mr. Laxminarayan J. Garg	0.85
Mr. Darshak B. Shah	0.70
Mr. Nawal Kishor D. Modi	0.45

A policy on criteria on making payment to Non Executive Directors is available on Company's website at www.shreeajit.com

3) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee comprises of Mr. Laxminarayan J. Garg – Chairman, Mr. Dhansukhlal G. Shah (upto 25/03/2019), Mr. Gautam D. Shah and Mr. Nawalkishor D. Modi (from 25/03/2019), members.

The Committee looks into redressal of Shareholders' complaints like transfer of shares, non-receipt of annual report, statutory notices and non-receipt of declared dividend etc. The Committee also deals with the matter of approval of issue of duplicate share certificates pursuant to the authority delegated by the Board of Directors. The Committee oversees the performance of the Registrar and Share Transfer Agent and recommends measures for over all improvement in the quality of services.

During the year the Stakeholders Relationship Committee has met two times. The date on which the meetings were held are (1) 16th June, 2018 (2) 24th July, 2018.

Attendance of each member of Stakeholders Relationship Committee meetings held during the year:

Sr. No.	Name of Members	Attendance Particulars
1	Mr. Laxminarayan J. Garg	1
2	Mr. Dhansukhlal G. Shah	1
3	Mr. Gautam D. Shah	2
4	Mr. Nawalkishor D. Modi	-

The Board has designated Mr. Rakesh Kumar Kumawat, Company Secretary as the Compliance Officer of the Company.

No. of complaints received during the year	No. of complaints resolved during the year
Nil	Nil
No. of transfers received during the year (in physical form)	No. of transfers attended during the year (in physical form)
283	271
No. of demat / remat request received during the year	No. of demat / remat requests attended during the year
74	74

4) CORPORATE SOCIAL RESPOSIBILITY COMMITTEE:

The Board has constituted the Corporate Social Responsibility (CSR) Committee, comprising of three Directors, (1) Chairman Mr. Gautam D. Shah, Chairman and Managing Director, (2) Mr. Laxminarayan J. Garg, Member, Independent Director, and (3) Mr. Dhansukhlal G. Shah, Member, Non-Executive Director (upto 25/03/2019) (4) Mr. Nawalkishor D. Modi, Member, Independent Director (From 25/03/2019).

During the year the CSR Committee has met 2 times. The dates on which the meetings were held are (1) 17th May, 2018 (2) 3rd November, 2018.

Attendance of each member of CSR Committee meetings held during the year:

Sr. No.	Name of Members	Attendance Particulars
1	Mr. Gautam D. Shah	2
2	Mr. Laxminarayan J. Garg	2
3	Mr. Dhansukhlal G. Shah	1
4	Mr. Nawalkishor D. Modi	-

5) **MEETING OF INDEPENDENT DIRECTORS:**

In accordance with the Provisions of Schedule IV of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a meeting of Independent Directors of the Company was held on 6th February, 2019.

4. GENERAL BODY MEETINGS:

Location date and time for last three Annual General Meetings were as follows:

Year	Location	Date	Time
2015-16	At Regd. Office at Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi- 396191	30/08/2016	11.00 A.M.
2016-17	-do-	27/09/2017	11.00 A.M.
2017-18	-do-	28/09/2018	11.00 A.M.

Special resolutions were passed in the previous three Annual General Meetings as under.

Year	Date	Special Resolution, if any
2015-16	30/08/2016	None
2016-17	27/09/2017	None
2017-18	28/09/2018	1. Grant loan to the Company's joint venture Company.

During the year ended 31st March, 2019, no special resolution has been proposed / passed by the Company's Shareholders through Postal Ballot.

Three Special Resolutions were passed by way of Postal Ballot during the previous financial year ended 31st March 2018. The Company extended e-voting facility through Central Depository Services (India) Limited (CDSL), as an alternate for its Members to enable them to cast their vote electronically instead of dispatching physical postal ballot forms. Mr. V.C. Khambhata, Practicing Company Secretary was appointed as Scrutinizer for conducting the postal ballot / e-voting process. After receiving the Scrutinizer's Report dated 6th May, 2017, it was announced that all three Special Resolutions were passed with requisite majority on 5th May, 2017. The voting patterns on the said resolutions are as under:

For Resolution No.1 – Increase in borrowing limit:

- % of votes cast in favour of the Resolution: 99.91%
- % of votes cast in against the Resolution: 0%
- % of invalid votes: 0.09%

For Resolution No.2 – Creation of charges on the movable and immovable properties of the Company in respect of borrowings:

- % of votes cast in favour of the Resolution: 99.91%
- % of votes cast in against the Resolution: 0%
- % of invalid votes: 0.09%

For Resolution No.3 – Adoption of new Articles of Association of the Company incorporating provisions of Companies Act, 2013:

- % of votes cast in favour of the Resolution: 99.91%
- % of votes cast in against the Resolution: 0%
- % of invalid votes: 0.09%

LIST OF CREDIT RATING OBTAINED BY THE COMPANY :

During the year ICRA Limited has retained the Company's rating A- (ICRA A minus) for long term rating and A2+ (ICRA A two plus) for short term rating of the Company. The outlook on the long term rating of the Company is stable.

5. DISCLOSURE:

a) Disclosures on materially significant related party transactions, i.e.; Transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large: - None of the transactions with any of the Related Parties were in conflict with the interest of the Company.

b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets during the last three years: - None.

c) Establishment of vigil mechanism is fully dealt with in the Directors report.

d) Mandatory requirements: The Company is fully compliant with the applicable mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as were applicable during the year under review. Adoption of non-mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time to time.

e) Policy for determining material subsidiary is available on the website of the Company at www.shreeajit.com

f) Policy on materiality of related party transaction is available on the website of the Company at www.shreeajit.com

g) Disclosure of Commodity price risk and commodity hedging activities: Not applicable.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement: The Company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32(7A), during the financial year.

i) A certificate from V. C. Khambhata, Company Secretary in Practice has been obtained certifying that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. The requisite certificate Company Secretary in Practice confirming compliance of this condition is attached to the report on Corporate Governance.

j) The Board of Directors of the Company have accepted all the recommendations submitted by the Committees which are mandatorily required, during the financial year.

k) Total fees of Rs. 26.00 lakh was paid to Statutory Auditors during the year for all the services provided to the Company and Rs. 0.12 lakh was paid to Statutory Auditors of the subsidiary Company during the year for all the services provided by them to the subsidiary Company.

l) The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The details of complaints received and redressed during the financial year are as under:

   a) number of complaints filed during the financial year: None

b) number of complaints disposed of during the financial year: None
c) number of complaints pending as on end of the financial year: None

m) Disclosure of transaction of the Company during the year with promoter and promoter group hold 10% or more shareholding of the Company:

Sr. No	Transaction with promoter /promoter group	Remuneration Paid (Rs. In lakh)	Dividend Paid (Rs. In lakh)
1	Gautam D. Shah	180.33	7.99
2	Suresh C. Shah	-	3.41

6. CEO AND CFO CERTIFICATION:

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Chairman and Managing Director and Executive Director & Chief Financial Officer of the Company have submitted a Compliance Certificate for the financial year ended 31st March, 2019, which is attached to this report.

7. MEANS OF COMMUNICATION:

The extract of consolidated unaudited financial results for the quarter ended 30th June 2018, quarter and half year ended 30th September 2018, quarter and nine months ended 31st December 2018 and audited financial results for the quarter and year ended 31st March 2019 were published in Indian Express (English) Baroda Edition and Sandesh (Gujarati) Surat Edition. The said results were put on the Company's website www.shreeajit.com.

8. GENERAL SHARE HOLDERS' INFORMATION:

a) Annual General Meeting:
Date and Time - Tuesday, 10th September, 2019 at 11.00 A. M.
Venue - At Regd. Office of the Company at: Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi-396191, Dist. Valsad, (Gujarat).

b) Financial year: The Company follows 1st April to 31st March as the financial year.

c) Financial Calendar (tentative)

Results for the quarter ending June 30, 2019	- Second week of August, 2019.
Results for the quarter/ half year ending Sept. 30, 2019	- Second week of November, 2019.
Results for the quarter/nine months ending Dec. 31, 2019	- Second week of February, 2020.
Results for the quarter/year ending March 31, 2020	- Last week of May, 2020.
Annual General Meeting	- Last week of September, 2020.

d) Book Closure Date:
From Friday, 30th August, 2019 to Tuesday, 10th September, 2019 (Both days inclusive) for Annual General Meeting and payment of dividend.

e) Dividend Payment Date – 03/10/2019

f) Listing of Equity Shares on Stock Exchanges:
(i) Bombay Stock Exchange Ltd. –Mumbai
(ii) Regional Stock Exchange - Vadodara Stock Exchange Ltd - Vadodara

Annual Listing Fees for the year 2019-20 have been paid to Bombay Stock Exchange Limited. The Vadodara Stock Exchange Ltd has informed the Company that the exchange is under the process of compulsory de-recognition and so as per instruction of SEBI, the exchange is not issuing the listing fee bill since the year 2016-17.

g) (a) Stock Code - Bombay Stock Exchange Ltd. – 538795
- Vadodara Stock Exchange Ltd. – 600252

(b) Demat ISIN Nos. - In NSDL and CDSL – INE185C01017

h) Market Price Data:

High and Low prices of the Company's Shares on BSE with corresponding BSE Sensex.

Months	High		Low	
	Shree Ajit Pulp and Paper Ltd. (Price Rs. per share)	BSE Sensex	Shree Ajit Pulp and Paper Ltd. (Price Rs. per share)	BSE Sensex
April 2018	205.00	35213.30	189.05	32972.56
May 2018	233.00	35993.53	190.50	34302.89
June 2018	237.85	35877.41	203.15	34784.68
July 2018	265.90	37644.59	230.00	35106.57
August 2018	331.10	38989.65	231.05	37128.99
September 2018	318.95	38934.35	244.00	35985.63
October 2018	299.00	36616.64	200.00	33291.58
November 2018	357.80	36389.22	237.45	34303.38
December 2018	299.95	36554.99	255.00	34426.29
January 2019	297.95	36701.03	238.00	35375.51
February 2019	268.90	37172.18	188.70	35287.16
March 2019	257.40	38748.54	209.55	35926.94

i) Registrar and Transfer Agent:
Link Intime India Pvt. Ltd., C-101, 247 Park, L.B.S Marg, Vikhroli (W) Mumbai – 400 083

j) Share Transfer System:
Presently share transfers which are received in physical form are processed and the Share Certificates returned normally within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

k) Distribution of Share Holding As on 31/03/2019:

No. of Equity Shares	No. of Shares Held	% To Total Shares	No. of Shareholders	% To Total Shareholders
1 to 500	240591	4.49	960	79.34
501 to 1000	92636	1.73	110	9.09
1001 to 5000	189646	3.54	84	6.94
5001 to 10000	134401	2.51	20	1.65
10001 and above	4699426	87.73	33	2.98
Total	**5356700**	**100.00**	**1207**	**100.00**

Sr. No.	Category	No. of Shareholders	No. of Shares Held	% To Total Shares
1	Promoters	6	2978450	55.60
2	Public Financial Institutions	-	-	-
3	Bodies Corporate	28	26140	0.49
4	Clearing Member /Market Maker	6	5328	0.10
5	NRI	11	11463	0.21
6	Resident Individuals/HUF	1155	2329905	43.50
7	IEPF	1	5414	0.10
Total		**1207**	**5356700**	**100**

l) Dematerialization of Shares:
As on 31st March, 2019, 835 Shareholders were holding 4871540 Equity Shares in Demat form, which constitutes 90.94% of the total share capital of the Company.

Liquidity: The Company's shares are regularly traded on the Bombay Stock Exchange Limited

m) Plant Location: Survey No. 239, Village Salvav, Survey No. 105/P, 106 /107 & 108/P Morai,Near Morai Rly. Crossing, Via–Vapi – 396191
Wind Mill 1.50 MW: Village Bagasara, Taluka Maliya Miyana, Dist Rajkot, Gujarat
Wind Mill 1.25MW: Village Murvel, Taluka Dwarka, Dist Jamnagar, Gujarat

n) Address for correspondence:
For transfer / dematerialization of shares:

For shares held in physical form:
Link Intime India Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikhroli (W) Mumbai- 400 083.

For shares held in demat form: To the Depository Participants

For any query on Annual Report/ Payment of Dividend etc.
To the Secretarial Dept.
Shree Ajit Pulp and Paper Limited, Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via- Vapi –396191.

o) Buy-back of shares: The Company has not proposed buy-back of shares during the year.

p) Unclaimed Dividend: In terms of Section 124 of the Companies Act, 2013, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account, to the Investor Education and Protection Fund (IEPF). Till the unpaid amount is transferred to IEPF, a shareholder can claim the amount of dividend from the Company.

The following table provides a list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:

Financial year ended	Date of declaration of dividend	Last date for claiming unpaid dividend from Company
31/03/2012	29/09/2012	28/10/2019
31/03/2013	05/08/2013	04/09/2020
31/03/2014	29/09/2014	28/10/2021
31/03/2015	29/09/2015	28/10/2022
31/03/2016	30/08/2016	29/09/2023
31/03/2017	27/09/2017	26/10/2024
31/03/2018	28/09/2018	27/10/2025

CEO and CFO Compliance Certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors of
Shree Ajit Pulp and Paper Limited
Survey No. 239, Near Morai, Railway Crossing,
Village Salvav, Via-Vapi-396191, Gujarat

1. We have reviewed financial statements and the cash flow statement of Shree Ajit Pulp and Paper Limited for the year ended 31st March, 2019 and to the best of our knowledge and belief:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the auditors and the Audit committee:
   (i) that there are no significant changes in internal control over financial reporting during the year;
   (ii) that there are no significant changes in accounting policies during the year;
   (iii) that there are no instances of significant fraud of which we have become aware.

Place; Vapi	**Gautam D. Shah**	**Bela G. Shah**
Date: 28th May, 2019	**Chairman and Managing Director**	**Executive Director and CFO**
	DIN: 00397319	**DIN: 01044910**

DECLARATION ON CODE OF CONDUCT

As required by Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirmed that all the Board Members and Senior Management Personnel have complied with code of conduct for the financial year ended 31st March, 2019.

Place: Vapi
Date: 28th May, 2019

Gautam D. Shah
Chairman and Managing Director
DIN: 00397319

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Shree Ajit Pulp and Paper Limited
Survey No. 239, Near Morai, Railway Crossing,
Village Salvav, Via-Vapi-396191, Gujarat

I have examined the compliance of conditions of Corporate Governance by Shree Ajit Pulp and Paper Limited, for the year ended on 31st March, 2019 as stipulated in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as the "Corporate Governance Requirements").

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

In my opinion and to the best of my information and according to the explanations given to me, and based on the representations made by the Directors and the Management, I certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the above mentioned Corporate Governance Requirements.

I 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.

Place: Vapi
Date: 28th May, 2019

V. C. KHAMBHATA
COMPANY SECRETARY IN PRACTICE
ACS No. 4887
C.P. No. 6177

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

To,
The Members,
Shree Ajit Pulp and Paper Limited
Survey No. 239, Near Morai, Railway Crossing,
Village Salvav, Via-Vapi-396191, Gujarat

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shree Ajit Pulp and Paper Limited having CIN: L21010GJ1995PLC025135 and having registered office at Survey No. 239 Near Morai Railway Crossing, Village Salvav, Via-Vapi - 396191, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para -C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of appointment in the Company
1	Gautam Shah	00397319	23/03/1995
2	Bela Shah	01044910	07/02/2015
3	Darshak Bhupatrai Shah	00098897	11/07/2014
4	Nawalkishor Modi	00722024	08/12/2015
5	Laxminarayan Jethmal Garg	00786976	15/10/2013

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

Place: Vapi
Date: 28th May, 2019

V. C. KHAMBHATA
COMPANY SECRETARY IN PRACTICE
ACS No. 4887
C.P. No. 6177

Annexure to Directors' Report

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

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rule, 2014]

A. Conservation of Energy:

(i) Steps taken or impact on conservation of energy :

All the manufacturing facilities continued their efforts to reduce the specific energy consumption. Specific and total energy consumption is tracked on daily basis at factory level. Energy audits are conducted at manufacturing unit at regular intervals and findings of the audit are implemented. Apart from regular practices and measures for energy conservation, many new initiatives were driven across the unit. The measures taken at the Company's manufacturing unit are briefly enumerated as below:

a) Process optimization and automation:

Efforts have been put consistently to optimize the use of energy consumption in production processes and operation of utilities. A few notable measures are:

- In the power plant, all major equipments like FD fan, ID fan and cooling tower pump motor are installed with VFD to optimize power consumption.
- Recovery of maximum condensate of process steam and return to power plant to increase feed water temperature and reduce fuel consumption.
- Continuous checking and observation on condensing system for any leakage and same is arrested immediately to avoid loss of heat energy.
- Installed VFD in PA fan to optimize power consumption.
- Continuous checking of steam system and steam trap for any leakage and is attended immediately to reduce loss of heat energy.
- Steam and condensate system modified at paper machine plant and steam consumption per ton of paper reduced.
- Installation of auto bed material feeding system at AFBC boiler at our power plant to reduce heat loss to atmosphere during opening of furnace door.
- Proper insulation done in hot zone area of boiler to reduce heat loss to atmosphere and reduce fuel consumption.
- Flash steam from condensate storage tank is used to increase the temperature of DM water with the help of heat exchanger, thus reducing fuel consumption that have been used to generate steam.
- Automization done in power plants which were operating on METSO. A fully automatic power plant.
- For automization, boiler efficiency increased and fuel consumption reduced.
- Very efficient coal crushing plant is installed and it run for less than 3 hours only in 24 hours, hence lot of power saving.
- In boiler bank, tube zone and economizer zone un-burnt particle are re-cycled to reduce final un-burnt percentage.

- Special insulation jacket that are used in high temperature application have been provided in areas of turbine casing, turbine ESV and process lines that has reduced the heat losses due to radiation to surrounding areas, hence lot of energy saving.
- Heat loss reduced by insulating paper machine dryers end cover at both side.
- DC motor of line shaft is replaced by installed sectional AC drive.

b) Optimization of electrical equipment:

The modifications/additions to some of the electrical equipments being done are:

- Timer based operations for air conditioner units across the plant.
- In paper machine, plant energy saving efficient motor installed with VFD at required places to optimize power consumption.
- Idle running of pulper controlled by installation of hours meter.
- Installed energy efficient vacuum pump which leads to reduction in power consumption.
- Machine chest pump and agitator interlocking to avoid idle running of agitator and reduction in power consumption.
- High efficiency low power imported METSO brand new refiner installed, which is controlled by DCS.
- Installed AC VFD in fan pumps and machine chest pumps.

c) Other key initiatives for energy conservation:

With the view of reduction in specific energy consumption across the manufacturing unit, following initiatives were driven by the plant teams:

- Monitoring and analysis of energy consumption on daily basis with respect to energy model.
- Implementing best practices across the plant.
- Make guidelines for purchase of energy efficient equipments like air compressors, motors, air conditioners, cooling tower pumps, transformers etc.
- Sharing of latest updates in field of energy conservation.
- Power audit was carried out by CII.
- Power factor is maintaining up to 0.99.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

The Company will continue to put in efforts to reduce specific energy consumption. Some major initiatives include:

- Company has already installed 2.0 MW Co-generation plant.
- Replacement of conventional light fitting with LED fitting across the manufacturing unit:
- VFD for pumps and blowers in utilities.
- Replacement of reciprocating air compressor with VFD based screw compressor.
- Company has already installed two windmills for power generation of total 2.75 MW Capacity.

(iii) Capital Investment on energy conservation equipments:

The Company selects equipments and electrical motors (IE3) based on their higher energy efficiency. Old equipments and motors are being phased out with new energy efficient equipments for conservation of energy resources. Thermal insulations of equipments and boilers are regularly monitored and replaced to conserve heat energy and reduce heat loss to atmosphere. The Company is reviewing various proposals for reduction in consumption of energy, mainly by way of replacement of existing equipments by modern and energy efficient equipments.

B. Technology absorption:

(i) Efforts made towards technology absorption:
- Upgradation of existing product and process to save cycle time, energy consumption and overall operational efficiency.
- Optimization of products and process to minimize waste generation and address environmental operational efficiency.
- Fresh water consumption further reduced by recycling the machine back water at machine, pulp mill and vacuum pumps.
- Water consumption further reduced by installation of IBS shower system.
- Development of in house domain expertise to support product development.

(ii) Benefits derived like product improvement, cost reduction, product development or import substitution:
- Control over the grammage variation of paper by installation of METSO and Valmet QCS system.
- Fresh water consumption reduced and ETP load minimized by installation of PDF.
- Reduction in the SS load in primary clarifier.
- Reduction in the COD & BOD load.
- Emission in the air is negligible and monitoring all emission parameters by installation of SPM analyzer.
- Better production with quality.
- Power Conservation.
- High degree of automation.
- Less loads on production.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
- Details of technology imported / year of imports: The Company regularly imports new technology equipments to achieve maximum efficiency from the plant.
- Whether the technology has been fully absorbed: Yes.
- If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable.

(iv) The expenditure incurred on Research and Development: NIL

C. Foreign exchange earnings and outgo:

(i) During the year the Company has done export business transactions.

(ii) Foreign Exchange earned: (Rs. In Lakh) ➢ 704.20 from export business including advance for export business and 12.09 against Import Raw Material claims.

(iii) Foreign Exchange used:

a) C.I.F. Value of import of Raw material and components, Capital Goods and Advance against capital goods (Rs. In Lakh) ➢ 9,696.80

b) Others – For expenses (Rs In Lakh) ➢ 17.89

Annexure to Directors' Report

CORPORATE SOCIAL RESPONSIBILITY

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs: The CSR policy of the Company is available on the Company's website at www.shreeajit.com

Composition of CSR Committee:
Mr. Gautam D. Shah, Chairman and Managing Director as Chairman
Mr. Laxminarayan J. Garg, Independent Director as Member
Mr. Nawalkishor D. Modi, Independent Director as Member

Average net profit and prescribed CSR expenditure;

Particulars	(Rs. In Lakh)
Average net profits for last three financial year	1,300.79
Prescribed CSR expenditure (2% of the amount as above)	26.02

Details of CSR spent during the financial year 2018-19

Particulars	(Rs. In Lakh)
Amount unspent brought forward from previous year	27.97
Prescribed CSR Amount for the financial year 2018-19	26.02
Total amount spent during the year	30.87
Amount unspent carry forward	23.12

Manner in which the amount spent during the financial year for the year 2016-17 is detailed below;

(Rs. In Lakh)

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the project or programs Sub-heads: (1) Direct expenditure on project or programs. (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementing agency
1	Contribution to Maheshwari Education Charitable Trust to Enrichment of academy contents under privileged of children.	Education	Local Area	0.51	0.51	0.51	Implementing Agency
2	Contribution to Spandan for promotion and protection of art & culture.	Protection of art & culture	Local Area	0.15	0.15	0.15	Implementing Agency
3	Contribution to Rotary Charitable Trust for enrichment of medical aid.	Healthcare	Local Area	2.72	2.72	2.72	Implementing Agency
			Total	**3.38**	**3.38**	**3.38**	

Manner in which the amount spent during the financial year for the year 2017-18 is detailed below;

(Rs. In Lakh)

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the project or programs Sub-heads: (1) Direct expenditure on project or programs. (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent: Director through implementing agency
1	Contribution to Rotary Charitable Trust for enrichment of medical aid.	Healthcare	Local Area	2.28	2.28	2.28	Implementing Agency
2	Contribution to R.N.C. Eye Hospital for enrichment of medical aid.	Healthcare	Valsad	0.85	0.85	0.85	Implementing Agency
3	Contribution to Giants International Charitable Trust for enrichment of medical aid.	Healthcare	Mumbai	0.25	0.25	0.25	Implementing Agency
4	Contribution to Maheshwari Mahila Mandal for eradicating hunger, poverty and malnutrition.	Hunger & Poverty	Local Area	0.11	0.11	0.11	Implementing Agency
5	Contribution to Shri Hari Satsang Samiti for enrichment of academy contents to tribals.	Education	Local Area	3.00	3.00	3.00	Implementing Agency
6	Contribution to Shri Agarwal Seva Samiti for construction of multipurpose hall.	Measures for reducing inequalities faced by socially and economically backward groups	Local Area	18.10	18.10	18.10	Implementing Agency
			Total	**24.59**	**24.59**	**24.59**	

Manner in which the amount spent during the financial year for the year 2018-19 is detailed below;

(Rs. In Lakh)

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the project or programs Sub-heads: (1) Direct expenditure on project or programs. (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementing agency
1	Contribution to Shri Agarwal Seva Samiti for construction of multipurpose hall.	Measures for reducing inequalities faced by socially and economically backward groups	Local Area	2.90	2.90	2.90	Implementing Agency
			Total	**2.90**	**2.90**	**2.90**	

Reason for unspent CSR amount: The Company has spent Rs. 30.87 lakh and balance amount of Rs. 23.12 lakh could not be spent as the suitable projects could not be finalized in time. The same will now be spent in coming year.

Responsibility Statement: Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, Chairman and Managing Director Mr. Gautam D. Shah, Chairman of CSR committee, do confirm that the implementation and monitoring of CSR Policy, are in compliance with the CSR objectives and policy of the Company.

Place: Vapi
Date: 28th May, 2019

Gautam D. Shah
Chairman (CSR Committee)

Annexure to Directors' Report
Form No. MR-3
SECRETARIAL AUDIT REPORT
For the financial year ended 31st March, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Shree Ajit Pulp and Paper Limited.
Survey No. 239, Near Morai Railway Crossing,
Village Salvav,Vapi – 396191.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shree Ajit Pulp and Paper Limited (hereinafter called "the Company") for the financial year ended 31st March, 2019. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the amendments from time to time: Not applicable to the Company during the audit period.
    (d) The Securities and Exchange Board of India (Share based Employee Benefits) Regulation, 2014: Not applicable to the Company during the audit period.
    (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not applicable to the Company during the audit period.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: Not applicable to the Company.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: Not applicable to the Company during the audit period.

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: Not applicable to the Company during the audit period.

(vi) I have relied on the representations made by the Company and its officers for the systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given hereunder:

(a) Factories Act, 1948
(b) Industries (Development & Regulation) Act, 1951
(c) Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, Compensation etc.
(d) Acts prescribed under Environment and Control of Pollution
(e) Acts prescribed under Environmental Protection
(f) Acts as prescribed under Direct Tax and Indirect Tax
(g) Land Revenue Laws of the State
(h) Labour Welfare Act of the State
(i) Trade Marks Act, 1999 & Copy Right Act, 1957

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Ltd., and Vadodara Stock Exchange Ltd and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that during the audit period the Company has passed a Special Resolution in the last Annual General Meeting, in respect of the following matter:-

1. Grant unsecured loan to the Company's Joint Venture Company.

I further report that during the audit period, no major action having a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. have taken place.

V. C. KHAMBHATA
COMPANY SECRETARY IN PRACTICE
ACS No. 4887
C.P.No. 6177

Place: Vapi
Date: 28th May, 2019

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

Annexure to the Secretarial Audit report

To,
The Members,
Shree Ajit Pulp and Paper Limited.

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. I believe that the process and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

V. C. KHAMBHATA
COMPANY SECRETARY IN PRACTICE
ACS No. 4887
C.P. No. 6177

Place: Vapi
Date: 28th May, 2019

Annexure to Directors' Report

Form AOC-1		
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Account) Rules, 2014)		
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures		
Part "A" : Subsidiaries		
		(Amount in Rs.)
1	Sr. No.	1
2	Name of the subsidiary	Shree Samrudhi Industrial Papers Pvt. Ltd.
3	The date since when subsidiary was acquired	02-04-2010
4	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	01-04-2018 to 31-03-2019
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
6	Share capital	50,00,000
7	Reserves & surplus	13,87,162
8	Total Assets	66,03,900
9	Total Liabilities	2,16,738
10	Investments	Nil
11	Turnover	Nil
12	Profit before taxation	3,52,868
13	Provision for taxation	95,318
14	Profit after taxation	2,57,550
15	Proposed Dividend	Nil
16	Extent of shareholding (in %)	100%
1	Names of subsidiaries which are yet to commence operations	Shree Samrudhi Industrial Papers Pvt. Ltd.
Part "B" : Associates and Joint Ventures		
		(Amount in Rs.)
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures		
	Name of Associates / Joint Ventures	Shree Samrat Pulp and Paper Pvt. Ltd.
1	Latest audited Balance Sheet Date	31-03-2019
2	Date on which the associate or joint venture was associated or acquired	08-11-2010
3	Shares of Associates / Joint Ventures held by the Company on the year end	
	No.	81,25,000
	Amount of Investment in Associates / Joint Venture	8,12,50,000
	Extent of Holding %	50%
4	Description of how there is significant influence	Joint Venture where the Company has 50% voting power.
5	Reason why the associate / Joint venture is not consolidated	Not Applicable
6	Networth attributable to Shareholding as per latest audited Balance Sheet	7,55,54,958
7	Profit / Loss for the year	
	i. Considered in consolidated	79,84,149
	ii. Not Considered in Consolidated	NIL

For and on behalf of the Board of Directors

Gautam D Shah
CMD
DIN:00397319

Bela G Shah
Executive Director & CFO
DIN:01044910

Rakesh Kumar Kumawat
Company Secretary
Membership No.:A37556

Place : Vapi
Date : 28th May, 2019

Annexure to Directors' Report

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Particulars	1	2
a)	Name(s) of the related party and nature of relationship	Varun Shah-Son of Mr. Gautam D. Shah, Chairman and Managing Director & Mrs. Bela G. Shah, Executive Director and CFO.	Shree Samrat Pulp and Paper Pvt Ltd- Joint Venture Company and the Company holds 50% shareholding.
b)	Nature of contracts / arrangements / transactions	Appointment of a relative of Directors to office or place of profit under Section 188 (f) of the Act. Designation- Technical Manager.	Purchase of Material.
c)	Salient terms of the contracts or arrangements or transactions including the value, if any	Remuneration- Rs. 2.20 Lakh per month plus bonus, leave encashment, gratuity and provident fund as per rules and other benefits applicable to Senior Management Personnel w.e.f 01.10.2018 (Within the total approved limit by the Board of Rs. 2.50 Lakh per month).	Purchase of Imported waste paper of Rs. 40.69 Lakhs.
d)	Duration of the contracts / arrangements / transactions	Full-time employee of the Company.	F.Y. (2018-19)
e)	Justification for entering into such contracts or arrangements or transactions	Mr. Varun Shah is Mechatronics Engineer from the UNSW Sydney Australia. He is well qualified, enthusiastic and energetic youth and can lead the new project team of the Company and his appointment will be in the best long term interest of the Company.	As per the raw material requirement of the Company.
f)	Date(s) of approval by the Board	19-09-2018	19-09-2018
g)	Amount paid as advances, if any	NIL	NIL
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not Applicable	Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	There were no material contracts or arrangements or transactions entered into during the year ended 31st March, 2019.
b)	Nature of contract / arrangement / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Date(s) of approval by the Board, if any	
f)	Amount paid as advances, if any	

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Vapi
Date: 28th May, 2019

Gautam D. Shah
Chairman and Managing Director
DIN:00397319

Bela G. Shah
Executive Director and CFO
DIN:01044910

INDEPENDENT AUDITOR'S REPORT

To The Members of Shree Ajit Pulp and Paper Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Shree Ajit Pulp and Paper Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income),the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' report and Chairman and Managing Director's message to stake holders, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equityof the Company in accordance with the Ind AS and other accounting principles generally accepted in India.This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

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

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended in our opinion and to the best of our information and according to the explanations given to us:
   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements in note 33.8.
   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Place: Mumbai
Date: May 28, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Shree Ajit Pulp and Paper Limited ("the Company") as of 31 March, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Place: Mumbai
Date: May 28, 2019

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / other documents evidencing title provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except in respect of freehold land purchased during the year in Vapi admeasuring 20,020 Sq. meter aggregating Rs. 381.81 lakh, wherein the Company has made an application for registration of title deed in its name.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence reporting under clause (v) of the CARO 2016 is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

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

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Goods and Services Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Goods and Services Tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31 March, 2019 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. In lakh)	Amount Unpaid (Rs. In lakh)
Finance Act, 1994	Service Tax	Additional Commissioner	April 2014-March 2015	9.30	9.30
The Customs Act, 1962	Custom Duty	CESTAT	April 2011-March 2013	62.07	56.54
Income Tax Act, 1961	Income Tax	CIT(Appeal)	A.Y. 2016-17	5.22	4.17

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not issued any debentures.

(ix) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).

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

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Place: Mumbai
Date: May 28, 2019

BALANCE SHEET AS AT 31 MARCH, 2019

PARTICULARS	Note No.	As at 31 March, 2019	As at 31 March, 2018
ASSETS		₹ Lakh	₹ Lakh
(1) Non-current assets			
(a) Property, Plant and Equipment	3	**12,591.56**	11,060.39
(b) Capital work-in-progress		**332.10**	181.99
(c) Intangible assets	3	**76.19**	85.81
(d) Financial Assets			
(i) Investments	4	**864.96**	639.99
(ii) Security Deposits	5	**10.16**	10.12
(e) Income Tax Assets (net)	6	**76.84**	42.68
(f) Other non-current assets	7	**190.88**	283.68
Total Non-current assets		**14,142.69**	12,304.66
(2) Current assets			
(a) Inventories	8	**2,314.85**	2,215.93
(b) Financial Assets			
(i) Trade receivables	9	**3,146.61**	4,066.91
(ii) Cash and cash equivalents	10	**11.96**	1.44
(iii) Bank balances other than (ii) above	11	**100.45**	88.16
(iv) Other Financial Assets	12	**4.65**	15.27
(c) Other current assets	13	**238.54**	114.24
Total current assets		**5,817.06**	6,501.95
TOTAL ASSETS		**19,959.75**	18,806.61
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14	**535.67**	535.67
(b) Other Equity	15	**11,873.33**	9,607.69
TOTAL EQUITY		**12,409.00**	10,143.36
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	**2,047.17**	2,149.85
(b) Provisions	17	**46.56**	49.98
(c) Deferred tax liabilities (net)	33.7	**1,835.29**	1,609.62
(d) Other Non-current liabilities	18	**49.35**	-
Total Non-current liabilities		**3,978.37**	3,809.45
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	**861.68**	2,251.93
(ii) Trade Payables	20		
- Total outstanding dues of micro enterprises and small enterprises		**101.96**	17.94
- Total outstanding dues of creditors other than micro enterprises and small enterprises		**1,565.81**	1,514.35
(iii) Other Financial Liabilities	21	**882.47**	807.32
(b) Other current liabilities	22	**134.04**	150.09
(c) Provisions	23	**26.42**	30.53
(d) Income tax Liabilities (net)	24	**-**	81.64
Total Current liabilities		**3,572.38**	4,853.80
TOTAL LIABILITIES		**7,550.75**	8,663.25
TOTAL EQUITY AND LIABILITIES		**19,959.75**	18,806.61
See accompanying notes to the financial statements	1-33		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K Bhatt	**Gautam D Shah**	**Bela G Shah**	**Rakesh Kumar Kumawat**
Partner	**CMD**	**Executive Director & CFO**	**Company Secretary**
Membership No. 46930	**DIN: 00397319**	**DIN: 01044910**	**Membership No. A37556**

Place : Mumbai
Date : 28th May, 2019

Place : Vapi
Date : 28th May, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2019

	Particulars	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
			₹ Lakh	₹ Lakh
I	Revenue From Operations	25	**26,970.23**	25,269.76
II	Other Income	26	**30.35**	24.69
III	**Total Income (I+II)**		**27,000.58**	25,294.45
IV	**Expenses**			
	a) Cost of materials consumed	27	**14,677.87**	16,483.84
	b) Purchases of stock-in- Trade		**336.40**	-
	c) Changes in inventories of finished goods and work-in-progress	28	**36.85**	(294.49)
	d) Excise duty		**-**	343.53
	e) Employee benefits expense	29	**1,649.43**	1,377.79
	f) Finance costs	30	**515.13**	565.07
	g) Depreciation and amortisation expense	3	**700.47**	646.25
	h) Other expenses	31	**5,822.48**	4,925.07
	Total Expenses (IV)		**23,738.63**	24,047.06
V	**Profit before exceptional items and tax (III-IV)**		**3,261.95**	1,247.39
VI	Exceptional Item	33.11	**-**	58.55
VII	**Profit before tax for the year (V-VI)**		**3,261.95**	1,188.84
VIII	**Tax Expense**	33.7		
	a) Current Tax		**849.45**	257.44
	b) Deferred Tax		**99.64**	105.99
	Total Income Tax Expenses (VIII)		**949.09**	363.43
IX	**Profit for the year (VII-VIII)**		**2,312.86**	825.41
X	**Other Comprehensive Income**	32		
A	(i) Items that will not be reclassified to profit or loss		**1.60**	3.33
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**(0.46)**	(1.09)
B	(i) Items that will be reclassified to profit or loss		**-**	-
	Total Other Comprehensive Income (X) (A+B)		**1.14**	2.24
XI	**Total Comprehensive Income for the period (IX+X)**		**2,314.00**	827.65
XII	Earnings per equity share Basic and Diluted	33.6	**43.18**	15.41
See accompanying notes to the financial statements		1-33		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K Bhatt
Partner
Membership No. 46930

Gautam D Shah
CMD
DIN: 00397319

Bela G Shah
Executive Director & CFO
DIN: 01044910

Rakesh Kumar Kumawat
Company Secretary
Membership No. A37556

Place : Mumbai
Date : 28th May, 2019

Place : Vapi
Date : 28th May, 2019

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

PARTICULARS	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	**3,261.95**	1,188.84
Adjustments for:		
Depreciation and amortisation Expense	**700.47**	646.25
Gain on disposal of Property, Plant and Equipment	**-**	(9.22)
Net unrealised foreign exchange (gain)/ loss	**(4.16)**	6.69
Sundry balances written off/ (written back)	**(22.29)**	(11.66)
Allowance for bad receivables	**5.06**	17.00
Provision for leave encashment	**1.44**	2.01
Interest on Income tax	**11.70**	3.90
Finance costs	**503.43**	561.17
Dividend income from other long-term investments	**(0.08)**	(0.08)
Interest income on fixed deposits, margin money deposits etc.	**(7.98)**	(3.73)
Operating profit before working capital changes	**4,449.54**	2,401.17
Movements in working capital :		
(Increase)/decrease in inventories	**(98.92)**	(93.21)
(Increase)/decrease in trade receivables	**915.24**	(915.88)
(Increase)/decrease in security deposits	**(0.04)**	(0.85)
(Increase)/decrease in other financial assets	**8.08**	433.96
(Increase)/decrease in other non current assets	**(8.99)**	(13.01)
(Increase)/decrease in other current assets	**(124.30)**	212.72
Increase/(decrease) in provisions	**(7.34)**	(7.29)
Increase/(decrease) in other non current liabilities	**49.35**	-
Increase/(decrease) in trade payables	**161.93**	(155.69)
Increase/(decrease) in other financial liabilities	**7.81**	0.96
Increase/(decrease) in other current liabilities	**(16.05)**	92.62
	886.77	(445.67)
Cash generated from operations	**5,336.31**	1,955.50
Income taxes paid	**(851.38)**	(181.16)
Net cash from operating activities	**4,484.93**	1,774.34
II. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment *	**(2,166.38)**	(1,798.58)
Payments for intangible assets	**(11.96)**	(36.90)
Proceeds from disposal of property, plant and equipment	**-**	61.35
Payments for purchase of Investments in joint venture	**(225.00)**	(40.00)
Movements in bank deposits not considered as cash and cash equivalents	**(12.29)**	(33.35)
Interest received	**10.52**	0.72
Dividend received on investments	**0.08**	0.08
Net cash (used in) investing activities	**(2,405.03)**	(1,846.68)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings (non-current)	**1,074.15**	1,320.46
Repayment of borrowings (non-current)	**(1,206.92)**	(647.60)
Net (repayment) / proceeds from borrowings (current)	**(1,390.25)**	(0.23)
Dividend paid on equity share (including tax thereon)	**(48.36)**	(48.36)
Interest paid	**(498.00)**	(552.71)
Net cash (used in) / generated by financing activities	**(2,069.38)**	71.56
Net increase/(decrease) in cash and cash equivalents (I+II+III)	**10.52**	(0.78)
Cash and cash equivalents at the beginning of the year	**1.44**	2.22
Cash and cash equivalents at the end of the year (refer note 10)	**11.96**	1.44
See accompanying notes forming part of the financial statements (refer notes 1-33)		

* Includes ₹ 51.84 lakh in repect of concession in custom duty (refer note 18.1).

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K Bhatt
Partner
Membership No. 46930

Gautam D Shah
CMD
DIN: 00397319

Bela G Shah
Executive Director & CFO
DIN: 01044910

Rakesh Kumar Kumawat
Company Secretary
Membership No. A37556

Place : Mumbai
Date : 28th May, 2019

Place : Vapi
Date : 28th May, 2019

Statement of Changes in Equity for the year ended 31st March 2019 (SOCIE)

(₹ Lakh)

Particulars	Equity Share Capital [A]	Other Equity [B]			Total Other Equity [B] [a+b+c]	Total Equity [A+B]
		Capital Reserve [a]	Retained earnings [b]	Equity Instruments through Other Comprehensive Income [c]		
Balance as at 1st April 2017	**535.67**	**12.93**	**8,813.58**	**1.89**	**8,828.40**	**9,364.07**
Profit for the year ended 31st March, 2018	-	-	825.41	-	825.41	825.41
Other comprehensive income for the year ended 31st March, 2018 (refer note 32)	-	-	2.95	(0.71)	2.24	2.24
Dividend Paid #	-	-	(40.18)	-	(40.18)	(40.18)
Tax on Dividend Paid	-	-	(8.18)	-	(8.18)	(8.18)
Balance as at 31st March 2018	**535.67**	**12.93**	**9,593.58**	**1.18**	**9,607.69**	**10,143.36**
Profit for the year ended 31st March, 2019	-	-	2,312.86		2,312.86	2,312.86
Other comprehensive income for the year ended 31st March, 2019 (refer note 32)	-	-	1.16	(0.02)	1.14	1.14
Dividend Paid *	-	-	(40.18)	-	(40.18)	(40.18)
Tax on Dividend Paid	-	-	(8.18)	-	(8.18)	(8.18)
Balance as at 31st March 2019	**535.67**	**12.93**	**11,859.24**	**1.16**	**11,873.33**	**12,409.00**

On 29th September, 2017, a dividend of ₹ 0.75 per share was paid to holders of fully paid equity shares for the financial year 2016-2017
*On 1st October, 2018, a dividend of ₹ 0.75 per share was paid to holders of fully paid equity shares for the financial year 2017-2018

See accompanying notes to the financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K Bhatt
Partner
Membership No. 46930

Gautam D Shah
CMD
DIN: 00397319

Bela G Shah
Executive Director & CFO
DIN: 01044910

Rakesh Kumar Kumawat
Company Secretary
Membership No.A37556

Place : Mumbai
Date : 28th May, 2019

Place : Vapi
Date : 28th May, 2019

Notes forming part of the Standalone Financial Statements

Note: 1 Corporate information:

Shree Ajit Pulp And Paper Ltd ('the Company') is a public company incorporated in India. Its shares are listed on Bombay Stock Exchange and Vadodara Stock Exchange. The Company is engaged in the manufacturing of Kraft Paper (Testliner / Multilayer Testliner) which is mainly used for manufacturing of corrugated boxes.

The Company owns and operates manufacturing unit located in the state of Gujarat, India at Morai, Vapi.

Note: 2

A. Basis of preparation and presentation

i) Statement of compliance

The financial statements as at and for the year ended March 31, 2019 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

ii) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

1. Financial assets and financial liabilities measured at fair value (refer accounting policy on financial instruments);
2. Defined benefit and other long-term employee benefits.

B. Summary of significant accounting policies

a) Property, Plant and Equipment

All items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are added to existing item's carrying amount or recognised as a separate item, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other subsequent costs related to an item are charged to the statement of profit and loss during the reporting period in which they are incurred.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

b) Capital work-in-progress

Capital work-in-progress includes material, labour and other directly attributable costs incurred on assets.

c) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/ depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Intangible assets are amortised over their estimated useful life.

d) Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash –generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

e) Inventories

Inventories are stated at the lower of cost and net realisable value.

Inventories of raw material, stores and spares, consumable and packing material are valued on First in First out basis and Inventories of finished goods and work-in-progress are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

f) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

g) Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

For sale of goods, revenue is recognised when control of the goods is transferred at a point in time i.e. when the goods have been dispatched from the factory. On dispatch, the customer has full discretion over the manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised by the Company when the goods are dispatched to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Sales includes excise duty and excludes Goods and Services Tax, Value added tax/sales tax. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Effective 1st April, 2018, the Company has adopted Ind AS 115 – Revenue from Contracts with Customers which replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The application of Ind AS 115 did not have any impact on financial statements of the Company.

Income from windmills

Income from electricity units generated by windmills is accounted as income from windmills at landed cost and has been shown as such in the Statement of Profit and Loss.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

h) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

j) **Government Grant:**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

k) **Employee benefits**

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

i] Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

ii] Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item ‘Employee benefits expense’. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs

iii] Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(ii) in case of non-accumulating compensated absences, when the absences occur.

iv] Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

I) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to thecontractual provisions of the instruments.

i) Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at Amortised Cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment in subsidiary and Joint Venture

The Company has accounted for its investments in subsidiary and joint venture at cost.

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

E. Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on trade receivables and other contractual rights to receive cash or other financial instruments.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash short falls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 -month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

ii) Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

m) Segment reporting

The Board of directors assesses performance of the Company as Chief Operating Decision Maker (CODM).

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's CODM and make decisions and for which discrete financial information is available. The CODM have identified one reportable segment i.e. Paper.

n) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition,deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments insubsidiary and joint venture, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, deferred tax asset is recognised in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax for the year

Current and deferred tax are recognised in the statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

o) Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

C. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. In the following areas the management of the Company has made critical judgements and estimates.

Useful lives of property, plant and equipment

The Company reviews the useful lives and carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Estimation of defined benefit obligation

The Company has defined benefit plans for its employees which are actuarially valued. Such valuation is based on many estimates and other factors, which may have a scope of causing a material adjustment to the carrying amounts of assets and liabilities.

Recognition of deferred tax assets

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure so provided and included as liability.

Note: 3 Property, Plant and Equipment (PPE) and Intangible Assets

(₹ lakh)

Description	Property, Plant and Equipment								Total (PPE)	Intangible Assets
	Freehold land (refer note 3.2)	Buildings	Plant and Equipment	Windmills	Electrical Installations	Furniture and Fixtures	Vehicles	Office Equipment		Computer Software (acquired)
Cost or deemed cost										
Balance as at 1st April, 2017	112.14	972.42	6,336.50	1,133.46	397.47	112.42	178.61	155.45	9,398.47	17.78
Additions	1,604.56	110.09	1,004.92	-	14.75	3.54	98.99	45.59	2,882.44	86.89
Disposals	-	-	-	-	-	-	89.18	-	89.18	-
Balance as at 31st March, 2018	1,716.70	1,082.51	7,341.42	1,133.46	412.22	115.96	188.42	201.04	12,191.73	104.67
Additions	396.93	80.14	1,541.54	-	7.72	25.23	125.49	33.01	2,210.06	11.96
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	**2,113.63**	**1,162.65**	**8,882.96**	**1,133.46**	**419.94**	**141.19**	**313.91**	**234.05**	**14,401.79**	**116.63**
Accumulated depreciation and impairment:										
Balance as at 1st April, 2017	-	43.14	275.95	67.31	79.07	8.37	32.29	31.17	537.30	3.70
Depreciation and amortisation expense	-	63.84	328.31	67.50	80.64	13.17	30.02	47.61	631.09	15.16
Disposals	-	-	-	-	-	-	37.05	-	37.05	-
Balance as at 31st March, 2018	-	106.98	604.26	134.81	159.71	21.54	25.26	78.78	1,131.34	18.86
Depreciation and amortisation expense	-	82.48	367.61	67.31	63.50	15.16	31.49	51.34	678.89	21.58
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	**-**	**189.46**	**971.87**	**202.12**	**223.21**	**36.70**	**56.75**	**130.12**	**1,810.23**	**40.44**
Carrying amount										
Balance as at 31st March, 2018	1,716.70	975.53	6,737.16	998.65	252.51	94.42	163.16	122.26	11,060.39	85.81
Balance as at 31st March, 2019	**2,113.63**	**973.19**	**7,911.09**	**931.34**	**196.73**	**104.49**	**257.16**	**103.93**	**12,591.56**	**76.19**

Note 3.1 Property, Plant and Equipment and Intangible assets have been offered as security against the term loans and working capital loans provided by the banks. (refer note 16.1 and 19.1)

Note 3.2 Additions to freehold land includes ` 381.81 lakh in respect of land purchased during the year for which the Company has applied for transfer of title deeds in the name of the Company.

Notes forming part of the Standalone Financial Statements

Note: 4 Non-current Investments (In Equity Instruments)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
A Investments measured at Cost less impairment , if any (Unquoted)		
a) In Equity Shares of Subsidiary Company		
5,00,000 (Previous year 5,00,000) shares of Shree Samrudhi Industrial Papers Private Limited of ₹ 10 each fully paid up (out of the above 20 equity shares of ₹ 10 each are held in the names of nominees of the company)	**50.00**	50.00
b) In Equity Shares of Joint Venture		
81,25,000 (Previous year 58,75,000) shares of Shree Samrat Pulp and Paper Private Limited of ₹ 10, each fully paid up. (out of the above 10 equity shares of ₹ 10 each are held in the name of a nominee of the company)	**812.50**	587.50
Total of Investments measured at Cost (Unquoted)	**862.50**	637.50
B Other Investments (measured at Fair Value through Other Comprehensive Income)		
a) Unquoted investments (all fully paid) (refer note 4.1)		
501 (Previous year 501) shares of Sardar Bhiladwala Pardi Peoples Co Operative Bank Limited of ₹ 100.	**0.50**	0.50
1 (Previous year 1) share of Shri Damanganga Sahakari Khand Udyog Mandali Limited of ₹ 2,000.	**0.02**	0.02
300 (Previous year 300) shares of Wel-Treat Enviro Management Organisation of ₹ 10	**0.03**	0.03
Total of Unquoted investments (a)	**0.55**	0.55
b) Quoted investments (all fully paid)		
2,300 (Previous year 2,300) equity shares of Gujarat State Financial Corporation of ₹ 10 each	*	*
2,000 (Previous year 2,000) equity shares of Punjab National Bank of ₹ 2 each (Previous year ₹ 2 each) fully paid up	**1.91**	1.94
Total of Quoted investments (b)	**1.91**	1.94
Total of Other Investments (a+b)	**2.46**	2.49
Total (A+B)	**864.96**	639.99

* Fully impaired.		
Aggregate amount of quoted investments (Gross)	**0.65**	0.65
Aggregate Market value of quoted investments	**1.91**	1.94
Aggregate amount of unquoted investments (Gross)	**863.05**	638.05

Note: 4.1 The company considers that the carrying amount recognised in the financial statements approximate their fair values.

Note: 5 Security Deposits

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Security deposits (Unsecured)		
Considered good	**10.16**	10.12
Doubtful	**5.00**	5.00
	15.16	15.12
Less: Allowance for doubtful deposit	**5.00**	5.00
Total	**10.16**	10.12

Notes forming part of the Standalone Financial Statements

Note: 6 Income Tax Assets (net)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Advance income tax (net of provision for tax ₹ 1,181.21 lakh (Previous year ₹ 567.87 lakh))	76.84	42.68
Total	76.84	42.68

Note: 7 Other non-current assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
a) Capital advances	131.00	232.79
b) Prepaid expenses	17.24	7.80
c) Deposit paid under protest	26.73	25.68
d) Prepaid rent on leasehold land	15.91	17.41
Total	190.88	283.68

Note: 8 Inventories (refer note 8.1 below)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
a) Raw materials (At lower of cost and net realisable value)	1,326.94	1,180.14
b) Work-in-progress (At lower of cost and net realisable value)	57.10	54.05
c) Finished goods (At lower of cost and net realisable value)	345.24	385.14
d) Stores and spares (At or lower than cost)	563.15	591.11
e) Consumables (At lower of cost and net realisable value)	13.85	0.42
f) Packing material stock (At lower of cost and net realisable value)	8.57	5.07
Total	2,314.85	2,215.93

Note: 8.1 Inventories have been offered as security against the term loans and working capital loans provided by the banks (refer note 16.1 and 19.1).

Note: 9 Trade Receivables (refer note 33.4 (d) (i))

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Trade Receivables considered good- Secured	-	-
Trade Receivables considered good- Unsecured	3,168.67	4,083.91
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables- Credit Impaired	(22.06)	(17.00)
Total	3,146.61	4,066.91

Note: 9.1 Information about major customers : Two customers (previous year one customer) contributed to more than 10% of the total revenue individually for the year ended March 31, 2019. Total revenue from these customers is ₹ 8,350.18 lakh (previous year ₹ 4,528.40 lakh) for the year ended March 31, 2019.

Note: 10 Cash and cash equivalents

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹Lakh	₹ Lakh
Cash and cash equivalents		
(a) Cash on hand	1.33	1.32
(b) Balances with banks		
- In current accounts	10.63	0.12
Total	11.96	1.44

Notes forming part of the Standalone Financial Statements

Note : 11 Bank balances other than note 10 above

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Other bank balances *		
In earmarked accounts		
- In deposit accounts	**0.68**	0.45
- Balances held as margin money	**85.05**	80.80
- Unclaimed dividend accounts	**14.72**	6.91
Total	**100.45**	88.16

* Restricted cash balance.

Note : 12 Other Financial Assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Loans and advances to employees (unsecured considered good)	**2.31**	3.07
Interest accrued on fixed deposits, margin money deposits etc.	**1.16**	3.70
Other Insurance claims	**1.18**	8.50
Total	**4.65**	15.27

Note : 13 Other current assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Unsecured and considered good		
Prepaid expenses	**68.34**	54.37
Balances with government authorities		
-Custom duty advance	**1.12**	2.66
Advance to vendors	**159.84**	55.58
Prepaid rent on leasehold land	**1.50**	1.50
Export incentive receivable	**7.74**	0.13
Total	**238.54**	114.24

Note: 14 Equity Share Capital

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
a) **AUTHORISED** 1,50,00,000 (Previous year 1,50,00,000) Equity Shares of ₹ 10 each with voting rights.	**1,500.00**	1,500.00
	1,500.00	1,500.00
b) **ISSUED** 53,56,700 (Previous year 53,56,700) Equity Shares of ₹ 10 each with voting rights.	**535.67**	535.67
c) **SUBSCRIBED AND FULLY PAID UP** 53,56,700 (Previous year 53,56,700) Equity Shares of ₹ 10 each with voting rights.	**535.67**	535.67
Total	**535.67**	535.67

Notes forming part of the Standalone Financial Statements

Note: 14.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars	As at 31 March, 2019	As at 31 March, 2018
Equity Shares at the beginning and at the end of the year	**5,356,700**	5,356,700

Note: 14.2 Details of Shares held by each shareholder holding more than 5 % shares (In numbers):

Name of the Shareholders	As at 31 March, 2019	As at 31 March, 2018
Gautam D Shah	**1,064,750**	1,064,750
% Holding	**19.88%**	19.88%
Sureshbhai C Shah	**792,860**	454,000
% Holding	**14.80%**	8.48%
Jayantilal M Shah	**435,500**	435,000
% Holding	**8.13%**	8.12%
Varun Shah	**427,700**	427,700
% Holding	**7.98%**	7.98%
Bela G Shah	**387,540**	387,540
% Holding	**7.23%**	7.23%
Bharat Mafatlal Shah	**270,900**	270,900
% Holding	**5.06%**	5.06%

Note: 14.3 Terms and Rights attached to Equity Shares :

The company has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder of equity share is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also announce an interim dividend.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts in proportion to their shareholdings.

Note: 15 Other Equity (refer SOCIE)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
a) Capital Reserve (refer note 15.1)	**12.93**	12.93
b) Retained earnings	**11,859.24**	9,593.58
c) Equity Instruments through Other Comprehensive Income (refer note 15.2)	**1.16**	1.18
Total	**11,873.33**	9,607.69

Note: 15.1 Capital reserve represent shares forfeited during the year ended 31 March, 2012.

Note: 15.2 The Company recognises the profit or loss on fair value of investments Through Other Comprehensive Income (FVTOCI) reserve.

Note: 16 Non Current Financial Liabilities- Borrowings (refer note 16.1)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Secured Borrowings		
Term loans from banks	**2,047.17**	2,149.85
Total	**2,047.17**	2,149.85

Notes forming part of the Standalone Financial Statements

Note: 16.1 Details of terms of repayment and securities provided

Sr. No.	Particulars	* Balance as at 31 March, 2019	* Balance as at 31 March, 2018	Start date of loan repayment	Repayment of instalments	Number of instalments sanctioned (Monthly)	End date of loan repayment
		₹Lakh	₹Lakh		₹Lakh		
	Term loan						
1	-from bank (Refer note c)	**-**	82.78	October, 2013	13.75	60	September, 2018
2	-from bank (Refer note a)	**412.17**	564.45	April, 2016	14.16	72	March, 2022
3	-from bank (Refer note c)	**48.76**	93.78	May, 2015	3.75	60	April, 2020
4	-from bank (Refer note a)	**246.33**	247.47	February, 2018	5.16	72	January, 2024
5	-from bank (Refer note a)	**987.97**	988.26	February, 2018	20.67	72	January, 2024
6	-from bank (Refer note b)	**-**	480.65	June, 2019	68.43 #	72	May, 2025
7	-from bank (Refer note b)	**-**	53.41	June, 2019	7.61 #	72	May, 2025
8	-from bank (Refer note a)	**662.58**	117.10	October, 2018	8.43 #	84	September, 2025
9	-from bank (Refer note a)	**75.32**	13.01	October, 2018	0.94 #	84	September, 2025
10	-from Bank (Refer note e)	**105.82**	110.00	December, 2016	1.19	180	November, 2031
11	-from Bank (Refer note d)	**1.96**	9.35	July, 2016	0.66	36	June, 2019
12	-from Bank (Refer note d)	**2.68**	5.36	March, 2017	0.26	36	February, 2020
13	-from Bank (Refer note d)	**61.84**	74.96	March, 2018	1.59	60	February, 2023
14	-from Bank (Refer note a)	**70.06**	-	October, 2018	1.94	48	September, 2022
15	-from Bank (Refer note a)	**32.32**	-	January, 2019	0.70	60	December, 2023
	Total	**2,707.81**	2,840.58				

* Includes as at 31st March, 2019 ₹ 660.64 lakh (previous year ₹ 690.73 lakh) current maturities of Long term borrowings (refer note 21).

Represents instalment amount at the initial period, subsequently instalment amounts are changing as per the terms of repayment.

Note a. Term loan is secured by way of pari passu charges on plant and machinery and office building and other construction at Vapi of the company and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company.

Note b. Equitable mortgage over all that piece and parcel of the immovable property being N.A. Land bearing Survey No. 345 and 346/P2 situated at Village Karaya, Taluka Vapi, Dist Valsad, Gujarat.

Note c. Term loan is secured by way of exclusive charge on plant and machinery and building of co generation power plant situated at Vapi of the company and equitable mortgage on immovable property situated at Vapi of the company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the company on pari passu basis.

Note d. Vehicle loans are secured by way of hypothecation of Vehicles.

Note e. Housing loan is secured by way of mortgage on Guest house situated at Daman.

Note f. All term loans from banks and from others are further secured by way of shares pledged and personal guarantee of Mr. Gautam D Shah Managing Director of the company and bears rate of interest at base rate plus 2.65 % to 3.50 %.

Notes forming part of the Standalone Financial Statements

Note: 17 Non Current Provisions

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Provision for employee benefits		
a) Provision for gratuity	-	5.45
b) Provision for compensated absences	46.56	44.53
Total	**46.56**	49.98

Note: 18 Other Non-current liabilities

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Deferred Revenue Income- (refer note 18.1)	49.35	-
Total	**49.35**	-

Note: 18.1 The Deferred revenue arises as a result of the benefit received by the company on import of capital equipment under the 'Export Promotion Capital Goods' Scheme of the Central Government at a concessional/zero rate of custom duty.

Note: 19 Current Financial Liabilities - Borrowings (refer note 19.1)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Secured Borrowings		
Loan repayable on demand from banks	861.68	2,251.93
Total	**861.68**	2,251.93

Note: 19.1 Cash Credit is secured by way of hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment and plant and machinery and equitable mortgage of immovable properties on pari passu basis and personal guarantee of Chairman and Managing Director of the Company. The Cash Credit is repayable on demand and bears interest at the rate of base rate plus 1.5% to 2.75%.

Note: 20 Current Financial Liabilities - Trade Payables

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Total outstanding dues of micro enterprises and small enterprises (refer note 20.1)	101.96	17.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,565.81	1,514.35
Total	**1,667.77**	1,532.29

Notes forming part of the Standalone Financial Statements

Note: 20.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
(i) The principal amount remaining unpaid to any supplier at the end of each accounting year	98.80	17.94
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	0.30	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	2.86	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Total	101.96	17.94

Dues to Micro, Small and Medium Enterprises (MSME) have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note: 21 Current Financial Liabilities- Others

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
(a) Current maturities of long-term borrowings (refer note 16 and 21.1)	660.64	690.73
(b) Interest accrued but not due on borrowings	22.02	16.59
(c) Unclaimed dividend *	14.72	6.91
(d) Other Payables		
i) Payables on purchase of fixed assets	185.09	93.09
Total	882.47	807.32

*There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Note : 21.1 Current maturities of long-term borrowings consist of :

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
(a) Term Loans from banks (Secured)	660.64	676.49
(b) Other loans (Secured)	-	14.24
Total	660.64	690.73

Notes forming part of the Standalone Financial Statements

Note: 22 Other current liabilities

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Other Payables		
i) Advances from customers	5.88	8.00
ii) Deferred Revenue Income	2.07	-
iii) Statutory remittances		
Tax deducted at source payable	79.27	36.44
Goods and services tax payable	39.29	98.89
Others (VAT, Excise, Service tax, Provident Fund, etc)	7.53	6.76
Total	134.04	150.09

Note: 23 Current Provisions

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Provision For Employee Benefits		
Provision for gratuity	7.09	10.61
Provision for compensated absences	19.33	19.92
Total	26.42	30.53

Note: 24 Income tax Liabilities (net)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Provision for tax (net of advance tax Nil (Previous year ₹ 181.15 lakh))	-	81.64
Total	-	81.64

Note : 25 Revenue from Operations

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Sale of products (including excise duty) (refer note 25.1 and 25.2)	26,546.40	25,269.63
Sale of traded goods	401.24	-
Other Operating Revenue		
Export benefits (including Government grant)	22.59	0.13
Total	26,970.23	25,269.76

Note: 25.1 Information relating to products sold

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Multilayer Testliner and Testliner Paper	26,217.06	24,974.69
Income from windmills	329.34	294.94
Total	26,546.40	25,269.63

Notes forming part of the Standalone Financial Statements

Note: 25.2 Consequent to introduction of Goods and Services Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed to GST. In accordance with Ind AS -115 and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT are not part of Revenue. The following additional information is being provided to facilitate such understanding:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Revenue from operations (A)	26,546.40	25,269.63
Excise duty on sales (B)	-	343.53
Revenue from operations excluding excise duty (A-B)	26,546.40	24,926.10

Note: 26 Other Income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Interest income on fixed deposits, margin money deposits etc. (at amortised cost)	7.98	3.73
Dividend income from other long-term investments	0.08	0.08
Gain on disposal of Property, Plant and Equipment	-	9.22
Sundry credit balances written back	22.29	11.66
Total	30.35	24.69

Note: 27 Cost of materials consumed

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Opening stock	1,180.14	1,337.34
Add: Purchases	14,824.67	16,326.64
	16,004.81	17,663.98
Less: Closing stock	1,326.94	1,180.14
Total	14,677.87	16,483.84

Note: 27.1 Consumption of raw material

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Consumption of raw material		
Imported		
Imported waste paper	9,595.09	7,093.24
Colour and chemical	180.01	1,095.35
Total of Imported	9,775.10	8,188.59
% of Consumption	66.60%	49.68%
Indigenous		
Indian waste paper	3,207.28	7,629.59
Colour and chemical	1,695.49	665.66
Total of Indigenous	4,902.77	8,295.25
% of Consumption	33.40%	50.32%
Total	14,677.87	16,483.84

Notes forming part of the Standalone Financial Statements

Note: 28 Changes in Inventories of Finished Goods and work-in-progress

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Inventories at the end of the year		
Finished goods	**345.24**	385.14
Work-in- progress	**57.10**	54.05
Total	**402.34**	439.19
Inventories at the beginning of the year		
Finished goods	**385.14**	141.53
Work-in-progress	**54.05**	3.17
Total	**439.19**	144.70
Total	**36.85**	(294.49)

Note: 29 Employee Benefits Expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Salaries and wages	**1,589.54**	1,318.66
Contribution to provident fund and other funds (refer note 33.1)	**35.72**	34.61
Gratuity expenses (refer note 33.1)	**5.16**	6.11
Staff welfare expenses	**19.01**	18.41
Total	**1,649.43**	1,377.79

Note: 30 Finance Costs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
a) Interest expense on		
i) Borrowings	**396.05**	549.80
Less: Interest capitalised	**-**	59.21
	396.05	490.59
ii) Interest on income tax	**11.70**	3.90
b) Other borrowing costs including bank charges	**104.22**	70.58
c) Interest on delayed payment to MSME	**3.16**	-
Total	**515.13**	565.07

Notes forming part of the Standalone Financial Statements

Note: 31 Other Expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Consumption of stores and spare parts	**585.76**	428.16
Power and fuel	**3,329.81**	2,911.93
Packing material consumed	**273.97**	285.20
Unloading charges	**168.58**	143.90
Insurance	**66.84**	61.65
Repairs and maintenance- Machinery	**131.12**	100.42
Repairs and maintenance- Building	**0.15**	6.19
Repairs and maintenance - Others	**45.64**	43.46
Increase/(decrease) of excise duty on inventory	**-**	(8.17)
Other manufacturing expenses	**122.33**	99.07
Selling expenses	**133.80**	123.37
Commission on sale	**240.53**	252.32
Audit fees (refer note 33.9)	**26.00**	23.64
Consultancy fees	**208.44**	25.68
Foreign exchange fluctuation expenses (net)	**(6.17)**	5.22
Rent (refer note 33.5 a)	**45.23**	16.67
Professional charges	**32.26**	29.06
Rates and taxes	**6.94**	5.46
Security charges	**69.61**	56.87
Travelling expenses	**60.83**	47.50
Vehicle expenses	**17.71**	21.56
Expenditure on Corporate Social Responsibilities (refer note 33.10)	**30.87**	13.15
Windmill expenses	**82.22**	76.82
Miscellaneous expenses	**150.01**	155.94
Total	**5,822.48**	4,925.07

Note: 32 Other Comprehensive Income

	Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
A	**(i) Items that will not be reclassified to profit or loss:**	₹ Lakh	₹ Lakh
	- Remeasurement of defined benefit obligation gains / (losses)	**1.63**	4.41
	- Net fair value gain on investments in equity shares at FVTOCI	**(0.03)**	(1.08)
	Total	**1.60**	3.33
	(ii) Income tax relating to items that will not be reclassified to profit or loss:		
	- Current Tax	**(0.47)**	(1.46)
	- Deferred Tax	**0.01**	0.37
	Total	**(0.46)**	(1.09)
B	**Items that will be reclassified to profit or loss**	**-**	-
	Total Other Comprehensive Income (A+B)	**1.14**	2.24

Notes forming part of the Standalone Financial Statements

Disclosures under Indian Accounting Standards:

Note: 33.1 Employee Benefit Obligations

a. Short-term Employee Benefits

These benefits include wages and salaries, including other monetary and non-monetary benefits, compensated absences which are either non-accumulating or accumulated and expected to be availed within twelve months after the end of the reporting period.

b. Long-term Employee Benefits

i) Defined Contribution Plans

The Company makes Provident Fund contributions, which are defined contribution plans, for qualifying employees. Company has no further payment obligations once the contributions have been paid. Under the Provident Fund Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are in compliance with the rates specified in the rules of the schemes. The Company recognised ₹35.72 lakh (previous year ₹ 34.61Lakh) as an expense and included in Note 29 – Employee Benefits Expense ‘Contribution to provident fund and other funds’ in the Statement of Profit and Loss for the year ended March 31, 2019.

Contribution to defined contribution plans, recognised as expenses for the year are as under :

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Employer's contribution to provident fund	**5.68**	5.79
Employer's contribution to pension scheme	**10.09**	9.98
Employer's contribution to Employees' State Insurance Corporation	**19.95**	18.84
Total Expense recognised in the Statement of Profit and Loss	**35.72**	34.61

ii) Defined Benefit Plans

The Company has a defined benefit plan for gratuity plan in India (funded). The company’s defined benefit plan for gratuity is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy

During the year, there were no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

Amount recognised in the Statement of Profit and Loss

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Current service cost	**3.90**	4.07
Interest cost (Net)	**1.26**	2.04
Total Expense recognised in the Statement of Profit and Loss	**5.16**	6.11

Notes forming part of the Standalone Financial Statements

Amount recognised in Other Comprehensive Income (OCI)

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Due to change in Financial Assumptions (gains) / losses	**0.24**	(2.03)
Due to Experience (gains) / losses	**(1.37)**	(1.55)
Return on plan assets excluding interest income (gains) / losses	**(0.50)**	(0.83)
Total remeasurement of defined benefit obligation (gains) / losses recognised in OCI	**(1.63)**	(4.41)

The following table sets out the funded status of the defined benefit plans and the amount recognised in the financial statement

Net Liability recognized in the Balance Sheet

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Present value of defined benefit obligation	**44.43**	40.77
Fair value of plan assets	**37.34**	24.71
Net Liability recognized in the Balance sheet	**7.09**	16.06

Change in defined benefit obligations (DBO) during the year

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Present value of DBO at beginning of the period	**40.77**	39.09
Current service cost	**3.90**	4.07
Interest cost	**3.20**	2.87
Actuarial losses/(gains) due to change in Financial Assumption	**0.24**	(2.03)
Actuarial losses/(gains) due to experience	**(1.37)**	(1.55)
Benefits paid from the fund	**(2.31)**	(0.78)
Benefit paid directly by the Employer	**-**	(0.90)
Present value of DBO at the end of the period	**44.43**	40.77

Change in the fair value of asset during the year

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Fair Value of Plan Assets at beginning of the year	**24.71**	11.33
Interest Income	**1.94**	0.83
Return on Plan Assets excluding Interest Income	**0.50**	0.83
Employer contribution	**12.50**	12.50
Benefits paid from the fund	**(2.31)**	(0.78)
Plan Assets as at the end of the year	**37.34**	24.71

Notes forming part of the Standalone Financial Statements

Category of Assets (₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Insurance Fund (Maintained by LIC)	**37.34**	24.71

Principal Actuarial assumptions

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Discount rate	**7.79%**	7.85%
Salary escalation	**5.00%**	5.00%
Attrition Rate	**2.00%**	2.00%
Mortality table	Indian Assured Lives Mortality (2006-08) Ultimate	
Prescribed contribution for the next year (₹ Lakh)	**10.43**	10.61

Maturity Analysis of the Benefit Payments: From the fund

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Projected Benefits Payable In Future Years From The Date Of Reporting	Gratuity (Funded)	
	₹ Lakh	₹ Lakh
1st Following Year	**3.40**	3.08
2nd Following Year	**1.38**	1.62
3rd Following Year	**3.96**	1.51
4th Following Year	**7.42**	3.76
5th Following Year	**4.08**	7.18
Sum of Years 6 to 10	**13.37**	13.76
Sum of Years 11 and above	**77.56**	75.75

These plans typically expose the Group to actuarial risks such as:

Investment risk - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Interest rate risk - A fall in the discount rate which is linked to the Government Securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Asset Liability Matching Risk (ALM) : The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than the assumed level will increase the plan's liability.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Sensitivity

Sensitivity of the projected benefit obligation on assumptions:

(₹ Lakh)

Particulars	Change in Assumption	As at March 31, 2019	
		Increase by	Decrease by
Discount rate	1%	(3.69)	4.32
Expected rate of escalation in salary	1%	4.40	(3.82)
Attrition rate	1%	1.04	(1.18)

(₹ Lakh)

Particulars	Change in Assumption	As at March 31, 2018	
		Increase by	Decrease by
Discount rate	1%	(3.53)	4.15
Expected rate of escalation in salary	1%	4.23	(3.66)
Attrition rate	1%	1.04	(1.18)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

iii) Other Long-term Employee Benefits

Compensated absences which are accumulated and not expected to be availed within twelve months after the end of the reporting period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

An amount of ₹ 51.96 Lakh (previous year ₹ 49.61 Lakh) has been charged to the Statement of Profit and Loss for the year ended March 31, 2019 towards Compensated absences.

Note: 33.2 Segment Information

a. Description of segments and principal activities

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Board of Directors (BoD) i.e. CODM to make decisions about resources to be allocated to the segments and assess their performance.

The company has a single operating segment i.e. manufacturing of kraft paper (Testliner and Multilayer Testliner). Accordingly the segment revenue, segment result, segment assets and segment liabilities are reflected in the financial statements as at and for the financial year ended March 31, 2019 and March 31, 2018 respectively.

Notes forming part of the Standalone Financial Statements

b. Geographical Information

Revenue from customers is earned mainly in India and non-current assets are located in India.

c) Information about products and services

The company is in single line of business of manufacturing of Kraft paper (Testliner and Multilayer Testliner).

Note: 33.3 Related Party Disclosure

Details of Related Parties:

Description of Relationship	Names of Related Parties
(i) Subsidiary	Shree Samrudhi Industrial Papers Private Limited
(ii) Joint Venture	Shree Samrat Pulp and Paper Private Limited
(iii) Key Managerial Personnel	Mr. Gautam D Shah and Mrs. Bela G Shah.
(iv) Relative of Key Managerial Personnel (KMP)	Varun Shah and Devashri Shah.

Transactions with related parties during the year

(₹ Lakh)

Particulars	Joint Venture Entity	Key Management Personnel	Relative of KMP
Purchases of goods			
Shree Samrat Pulp and Paper Private Limited	**194.33**	-	-
	-	-	-
Salary			
Mr. Varun Shah	-	-	**13.20**
	-	-	-
Managerial remuneration			
(i) Mr. Gautam D Shah	-	**180.33**	-
	-	*100.54*	-
(ii) Mrs. Bela G Shah	-	**180.63**	-
	-	*71.81*	-
Investment in Share Capital			
Shree Samrat Pulp and Paper Private Limited	**225.00**	-	-
	40.00	-	-
Dividend paid			
	-		
(i) Mr. Gautam D Shah	-	**7.99**	-
	-	*7.99*	-
(ii) Mrs. Bela G Shah	-	**2.91**	-
	-	*2.89*	-
(iii) Others		-	**4.12**
	-	-	*4.12*

Previous year figures are shown in italics.

Notes forming part of the Standalone Financial Statements

Note: 33.4 Financial Instruments (Fair Value Measurements) :

The Company has various financial assets and liabilities. The disclosures regarding the classification, fair value hierarchy, capital management, markets risk, credit risks and liquidity risks are as follows:

a. Classification of Financial Assets and Liabilities

(₹ Lakh)

Particulars	As at 31 March, 2019	As at 31 March, 2018
A. Financial Assets		
I. Measured at Amortised Cost		
(i) Security Deposits	**10.16**	10.12
(ii) Trade Receivables	**3,146.61**	4,066.91
(iii) Cash and Cash Equivalents	**11.96**	1.44
(iv) Bank balances other than (iii) above	**100.45**	88.16
(v) Other Financial Assets	**4.65**	15.27
II. Measured at FVTOCI		
(i) Investments *	**2.46**	2.49
Total (A)	**3,276.29**	4,184.39
B. Financial Liabilities		
I. Measured at Amortised Cost		
(i) Borrowings	**2,908.85**	4,401.78
(ii) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	**101.96**	17.94
- Total outstanding dues of creditors other than micro enterprises and small enterprises	**1,565.81**	1,514.35
(iii) Other Financial Liabilities	**882.47**	807.32
Total (B)	**5,459.09**	6,741.39

*Excludes Financial Assets measured at Cost (refer note b-ii below)

b. Fair Value Hierarchy of Financial Assets and Liabilities

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (i) recognised and measured at fair value and (ii) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, Company has classified its financial instruments into three levels prescribed under the accounting standards below:

Level 1: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Level 3 inputs are unobservable inputs for the asset or liability.

Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(i) Measured at Amortised Cost for which Fair Value is disclosed

The fair values of all current financial assets and liabilities including trade receivables, cash and cash equivalents, bank balances, trade payables, and other current financial assets and liabilities are considered to be the same as their carrying values, due to their short term nature. The fair values of all non-current financial assets and liabilities are considered to be the same as their carrying values, as the impact of fair valuation is not material.

(ii) Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

The company has investments in quoted equity shares of Gujarat State Financial Corporation and Punjab National Bank. These equity investments have been classified as Fair Value through Other Comprehensive Income (FVTOCI). Fair value movements are recognized directly in other comprehensive income on such investments. Accordingly, such quoted investments fall under fair value hierarchy level 1. The fair value of these investments as at March 31,2019 and March 31, 2018 is ₹ 2.46 lakh and ₹ 2.49 lakh respectively.

c. Capital Management and Gearing ratio

Total equity as shown in the balance sheet includes equity share capital, capital reserve, general reserves and retained earnings.

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

The gearing ratio at end of the reporting period was as follows.

(₹ Lakh)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Gross Debt	**3,569.49**	5,092.51
Cash and Bank Balances	**112.41**	89.60
Net Debt (A)	**3,457.08**	5,002.91
Total Equity (As per Balance Sheet) (B)	**12,409.00**	10,143.36
Net Debt to Equity Ratio (A/B)	**0.28**	0.49

d. Financial risk management

Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and its impact on the financial statements

(i) **Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess the impairment loss or gain.

Age of receivables as at 31 March, 2019

(₹ Lakh)

Ageing	Not Due	Upto 90 days	91 to 365 days	More than 365 days	Total
Gross Amount	2,230.09	891.61	6.80	40.17	3,168.67
Allowance for bad receivables	-	-	-	22.06	22.06
Net Trade receivables	**2,230.09**	**891.61**	**6.80**	**18.11**	**3,146.61**

Age of receivables as at 31 March, 2018

(₹ Lakh)

Ageing	Not Due	Upto 90 days	91 to 365 days	More than 365 days	Total
Gross Amount	2,243.37	1,726.32	73.90	40.32	4,083.91
Allowance for bad receivables	-	-	-	17.00	17.00
Net Trade receivables	**2,243.37**	**1,726.32**	**73.90**	**23.32**	**4,066.91**

Notes forming part of the Standalone Financial Statements

Reconciliation of loss allowance (₹ Lakh)

Particulars	Amount
Loss allowance as at 31 March, 2018	17.00
Changes in loss allowance	5.06
Loss allowance as at 31 March, 2019	**22.06**

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will find it difficult in meeting its obligations associated with its financial liabilities in time.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The tables below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

As at 31 March, 2019 (₹ Lakh)

Particulars	Upto 1 year	1 to 5 year	5+ years	Total	Carrying Value
Borrowings- Current	861.68	-	-	861.68	861.68
Borrowings- Non Current	-	1,784.10	263.07	2,047.17	2,047.17
Trade Payables					
- Total outstanding dues of micro enterprises and small enterprises	101.96	-	-	101.96	101.96
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,565.81	-	-	1,565.81	1,565.81
Other Financial Liabilities- Current					
Current maturities of long-term borrowings	660.64	-	-	660.64	660.64
Interest accrued but not due on borrowings	22.02	-	-	22.02	22.02
Unclaimed dividend	14.72	-	-	14.72	14.72
Payables on purchase of fixed assets	185.09	-	-	185.09	185.09
Total	**3,411.92**	**1,784.10**	**263.07**	**5,459.09**	**5,459.09**

As at 31 March, 2018 (₹ Lakh)

Particulars	Upto 1 year	1 to 5 year	5+ years	Total	Carrying Value
Borrowings- Current	2,251.93	-	-	2,251.93	2,251.93
Borrowings- Non Current	-	2,065.22	84.63	2,149.85	2,149.85
Trade Payables					
- Total outstanding dues of micro enterprises and small enterprises	17.94	-	-	17.94	17.94
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,514.35	-	-	1,514.35	1,514.35
Other Financial Liabilities- Current					
Current maturities of long-term borrowings	690.73	-	-	690.73	690.73
Interest accrued but not due on borrowings	16.59	-	-	16.59	16.59
Unclaimed dividend	6.91	-	-	6.91	6.91
Payables on purchase of fixed assets	93.09	-	-	93.09	93.09
Total	**4,591.54**	**2,065.22**	**84.63**	**6,741.39**	**6,741.39**

(iii) Market Risk

The Company is exposed to the movement in price of key raw materials in domestic and international markets. The Company has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Company manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material and prices under control to the extent possible.

A) Foreign Exchange Risk

The Company is exposed to foreign exchange risk arising from direct transactions in foreign currency and also indirectly through transactions denominated in foreign currency though settled in functional currency (INR), primarily with respect to the US Dollar (USD). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

The risk is measured through a forecast of highly probable foreign currency cash flows. As per the risk management policy, the foreign currency exposure is unhedged.

The table below shows the unhedged currency exposure of financial liabilities:

Particulars	Currency	As at 31 March, 2019	
		Forex in Lakh	(₹ Lakh)
Import of Goods and Services	USD	0.67	46.58
Capital Imports	EURO	1.33	103.04

Particulars	Currency	As at 31 March, 2018	
		Forex in Lakh	(₹ Lakh)
Import of Goods and Services	USD	0.82	53.67
Capital Imports	EURO	0.57	45.36
Import of Goods and Services	EURO	0.01	0.74

The sensitivity of profit or loss and equity to changes in the exchange rates that arise from foreign currency denominated financial instruments mentioned above is as below:

(₹ Lakh)

Particulars	As at 31 March, 2019	As at 31 March, 2018
USD Sensitivity :		
Increase by 5%	**(2.33)**	(2.68)
Decrease by 5%	**2.33**	2.68
EURO Sensitivity :		
Increase by 5%	**(5.15)**	(2.31)
Decrease by 5%	**5.15**	2.31

B) Interest Rate Risk and Sensitivity :

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates expose the Company to cash flow interest rate risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the company and impact of floating rate borrowings on company's profitability.

Interest Rate Exposure

(₹ Lakh)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Floating Rate Borrowings	**3,294.80**	4,892.84
Fixed Rate Borrowings	**274.69**	199.67

Notes forming part of the Standalone Financial Statements

Sensitivity on floating rate borrowings

(₹ Lakh)

Particulars	Impact on Profit and Loss Account		Impact on Equity	
	As at 31 March, 2019	As at 31 March, 2018	**As at 31 March, 2019**	As at 31 March, 2018
Interest Rate Increase by 0.25%	**(8.24)**	(12.23)	**(8.24)**	(12.23)
Interest Rate Decrease by 0.25%	**8.24**	12.23	**8.24**	12.23

Note: 33.5 Operating Leases

a. Rental Expenses relating to Operating Leases

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Minimum Lease Payments	**-**	-
Others	**45.23**	16.67
Total Rent Expense	**45.23**	**16.67**

b. The company does not have any non-cancellable operating leases.

Note: 33.6 Earnings per Share (EPS)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Net profit after tax attributable to equity shareholders (₹ Lakh)	**2,312.86**	825.41
b) Weighted Average Number of Equity Shares	**5,356,700**	5,356,700
c) EPS (₹) [Basic and Diluted (a/b)]	**43.18**	15.41
(Face value per share ₹ 10)		

Note: 33.7 Income Tax

a. Components and movements of Deferred Tax Liability (Net):

(₹ Lakh)

Particulars	As at 1 April, 2018	Recognised to Statement of Profit and Loss	Recognised in Other Comprehensive Income	Utilised during the year	As at 31 March, 2019
	(a)	(b)	(C)	(d)	(e=a+b+c+d)
i. Items of Deferred Tax Liabilities :					
Property, Plant and Equipment and Intangible Assets	1,781.11	107.66	-	-	**1,888.77**
Financial Assets Fair Value through OCI	0.64	-	(0.01)	-	**0.63**
Total Deferred Tax Liability (i)	**1,781.75**	**107.66**	**(0.01)**	**-**	**1,889.40**
ii. Items of Deferred Tax Assets :					
Allowance for doubtful trade receivables and deposits	7.61	1.82	-	-	**9.43**
Disallowances under Section 43B of the Income Tax Act, 1961	38.48	6.20	-	-	**44.68**
Mat Credit Entitlement	126.04	-	-	(126.04)	**-**
Total Deferred Tax Assets (ii)	**172.13**	**8.02**	**-**	**(126.04)**	**54.11**
Net Deferred Tax Liability (DTL) (i-ii)	**1,609.62**	**99.64**	**(0.01)**	**126.04**	**1,835.29**

b. Components of Income Tax Expense

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Income Tax Expense		
i. Current Tax		
Current Tax on Profits for the year	**849.45**	257.44
Adjustment for current tax of prior periods	**-**	-
Total Current Tax (i)	**849.45**	257.44
ii. Deferred Tax		
Decrease / (Increase) in Deferred Tax Assets	**(8.02)**	(0.18)
Increase / (Decrease) in Deferred Tax Liability	**107.66**	106.17
Total Deferred Tax (ii)	**99.64**	105.99
Total Income Tax Expense (i+ii)	**949.09**	363.43

Notes forming part of the Standalone Financial Statements

c. Reconciliation of Income Tax Expense with Accounting Profit :

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
i. Profit Before Tax	**3,261.95**	1,188.84
ii. Tax at Indian Tax Rate of 34.944 % (previous year 33.063%)	**1,139.86**	393.07
iii. Tax effect of Permanent Differences :		
a. Windmill income exempt u/s 80 IA (iv)	**(44.03)**	(41.09)
b. CSR expenditure disallowed	**6.01**	3.45
c. Due to impact of change in tax rates	**16.85**	-
d. Income tax at lower rate	**(168.80)**	-
e. Others	**(0.80)**	8.00
Total Tax effect of Permanent Differences (iii = a+b+c+d+e)	**(190.77)**	(29.64)
iv. Income Tax Expense as per Statement of Profit and Loss (ii+iii)	**949.09**	363.43

Note: 33.8 Contingent liabilities and commitments (to the extent not provided for)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Contingent liabilities	**(₹ Lakh)**	(₹ Lakh)
Claims against the company not acknowledged as debt (deposit paid ₹ 20 lakh as at 31 March, 2019 (previous year ₹ 20 lakh))	**28.37**	28.37
Custom duty demand disputed by the Company relating to issues of classification (Deposit paid ₹ 5.53 lakh as at 31 March, 2019 (previous year ₹ 5.53 lakh))	**62.07**	62.07
Service tax demand disputed by the Company relating to issues of applicability	**9.30**	9.30
Income tax demand disputed by the Company relating to disallowance of expenses (deposit paid ₹ 1.05 lakh as at 31 March, 2019 (previous year NIL))	**5.22**	-
There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The Group is evaluating various interpretative issues and its impact.		
Future cash outflows in respect of above matters are determinable only on receipt of judgements /decisions pending at various forums /authorities and the company does not expect any outflow of resources.		
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**149.32**	641.39
The Company has export obligations on account of concessional/ zero rates of import duties paid on capital goods under the Export Promotion Capital Goods Scheme enacted by the Government of India which is to be fulfilled over the next six years. The Company does not anticipate a loss with respect to these obligations and hence has not made any provision in its financial statements.	**213.83**	-

Notes forming part of the Standalone Financial Statements

Note: 33.9 Payment to Auditors as :

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Payment to auditors comprise (net of goods and services tax/service tax input credit, where applicable)		
To statutory auditors		
For audit	**25.00**	22.64
Tax Audit Fees	**1.00**	1.00
Total	**26.00**	23.64
For reimbursement of expenses	**0.20**	-

Note: 33.10 Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of Companies Act , 2013 read with schedule III are as below :

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Gross amount required to be spent by the Company during the year	**26.02**	24.59
b) Amount spent during the year :		
- in respect of amount required to be spent for the year ended March 31, 2019	**2.90**	-
- in respect of unspent amount for the year ended March 31, 2018	**24.59**	-
- in respect of unspent amount for the year ended March 31, 2017	**3.38**	13.15
Total	**30.87**	13.15

This amount is spent for healthcare, education, measures for reducing inequalities faced by socially and economically backward groups, hunger & poverty and protection of art & culture.

Amount spent on construction / acquisition of any assets is NIL.

Note: 33.11 Fire occurred at one of the raw material godowns of the Company on 31st August, 2016 resulting into loss of raw material inventory amounting to ₹ 422.99 lakh. The Company has lodged an insurance claim for loss of raw material inventory based on its assessment and taking into consideration terms and conditions of insurance policy. During the previous year the Company has received ₹ 364.44 lakh against the claim lodged. Accordingly balance amount of ₹ 58.55 lakh is charged to statement of profit and loss as an exceptional item for the previous year ended 31st March, 2018.

Note: 33.12 Events after the reporting period

The Board of Directors, at its meeting held on 28th May, 2019, has proposed a final dividend of ₹ 0.75/- per equity share of face value ₹ 10/- each for the financial year ended March 31, 2019. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held and if approved would result in a cash outflow of approximately ₹ 40.18 Lakh for dividend.

Note: 33.13 Approval of financial statements

The financial statements were approved by the board of directors on 28th May, 2019.

For and on behalf of the Board of Directors

Gautam D Shah
CMD
DIN: 00397319

Bela G Shah
Executive Director & CFO
DIN: 01044910

Rakesh Kumar Kumawat
Company Secretary
Membership No. A37556

Place : Vapi
Date : 28th May, 2019

INDEPENDENT AUDITOR'S REPORT

To The Members of Shree Ajit Pulp and Paper Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Shree Ajit Pulp and Paper Limited (”the Parent”) and its subsidiary, (the Parent and its subsidiary together referred to as “the Group”) which includes the Group's share of profit in its joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income),the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor on separate financial statements of the subsidiary and joint venture referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Directors' report and Chairman and Managing Director's message to stake holders, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiary and joint venture audited by the other auditor, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiary and joint venture is traced from their financial statements audited by the other auditor.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its joint venture, in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

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

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

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

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

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

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

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 66.04 lakh as at 31 March, 2019, total revenues of Nil and net cash inflows amounting to Rs. 0.10 lakh for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 79.56 lakh for the year ended 31 March, 2019, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint venture is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditor on the separate financial statements of subsidiary and joint venture referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our auditof the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditor.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on 31 March, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditor of its subsidiary company and joint venture company incorporated in India, none of the directors of the Group companies and joint venture company incorporated in India is disqualified as on 31 March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”which is based on the auditors' reports of the Parent, subsidiary company and joint venture company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

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

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

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

i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint venture in consolidated financial statements in note 33.10;

ii) The Group and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary and joint venture company incorporated in India.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Place: Mumbai
Date: May 28, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended 31 March, 2019, we have audited the internal financial controls over financial reporting of Shree Ajit Pulp and Paper Limited (hereinafter referred to as "the Parent"), its subsidiary and its joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent, its subsidiary and its joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary and joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent, its subsidiary and its joint venture, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary and one joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No.046930)

Place: Mumbai
Date: May 28, 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

PARTICULARS	Note No.	As at 31 March, 2019	As at 31 March, 2018
ASSETS		₹ Lakh	₹ Lakh
(1) Non-current assets			
(a) Property, Plant and Equipment	3	**12,591.56**	11,060.39
(b) Capital work-in-progress		**332.10**	181.99
(c) Intangible assets	3	**76.19**	85.81
(d) Financial Assets			
(i) Investments	4	**758.01**	453.20
(ii) Security Deposits	5	**11.01**	10.97
(e) Income Tax Assets (net)	6	**76.84**	42.68
(f) Other non-current assets	7	**190.88**	283.68
Total Non-current assets		**14,036.59**	12,118.72
(2) Current assets			
(a) Inventories	8	**2,314.85**	2,215.93
(b) Financial Assets			
(i) Trade receivables	9	**3,146.61**	4,066.91
(ii) Cash and cash equivalents	10	**13.25**	2.63
(iii) Bank balances other than (ii) above	11	**161.52**	147.29
(iv) Other Financial Assets	12	**7.47**	17.20
(c) Other current assets	13	**238.54**	114.24
Total current assets		**5,882.24**	6,564.20
TOTAL ASSETS		**19,918.83**	18,682.92
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	14	**535.67**	535.67
(b) Other Equity	15	**11,830.24**	9,482.18
TOTAL EQUITY		**12,365.91**	10,017.85
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	**2,047.17**	2,149.85
(b) Provisions	17	**46.56**	49.98
(c) Deferred tax liabilities (net)	33.7	**1,835.29**	1,609.62
(d) Other Non-current liabilities	18	**49.35**	-
Total Non-current liabilities		**3,978.37**	3,809.45
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	**861.68**	2,251.93
(ii) Trade Payables	20		
- Total outstanding dues of micro enterprises and small enterprises		**101.96**	17.94
- Total outstanding dues of creditors other than micro enterprises and small enterprises		**1,567.42**	1,515.61
(iii) Other Financial Liabilities	21	**882.47**	807.32
(b) Other current liabilities	22	**134.04**	150.09
(c) Provisions	23	**26.42**	30.53
(d) Income tax Liabilities (net)	24	**0.56**	82.20
Total Current liabilities		**3,574.55**	4,855.62
TOTAL LIABILITIES		**7,552.92**	8,665.07
TOTAL EQUITY AND LIABILITIES		**19,918.83**	18,682.92
See accompanying notes to the consolidated financial statements	1-33		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner
Membership No. 46930

Place : Mumbai
Date : 28th May, 2019

For and on behalf of the Board of Directors

Gautam D Shah
CMD
DIN: 00397319

Bela G Shah
Executive Director & CFO
DIN: 01044910

Rakesh Kumar Kumawat
Company Secretary
Membership No. A37556

Place : Vapi
Date : 28th May, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

	Particulars	Notes	For the year ended 31 March 2019	For the year ended 31 March 2018
			₹ Lakh	₹ Lakh
I	Revenue From Operations	25	**26,970.23**	25,269.76
II	Other Income	26	**34.44**	28.75
III	**Total Income (I+II)**		**27,004.67**	25,298.51
IV	**Expenses**			
	a) Cost of materials consumed	27	**14,677.87**	16,483.84
	b) Purchases of stock-in- Trade		**336.40**	-
	c) Changes in inventories of finished goods and work-in-progress	28	**36.85**	(294.49)
	d) Excise duty		**-**	343.53
	e) Employee benefits expense	29	**1,649.43**	1,377.79
	f) Finance costs	30	**515.13**	565.07
	g) Depreciation and amortisation expense	3	**700.47**	646.25
	h) Other expenses	31	**5,823.04**	4,925.64
	Total Expenses (IV)		**23,739.19**	24,047.63
V	**Profit before exceptional items, share of profit/(loss) of joint venture and tax (III-IV)**		**3,265.48**	1,250.88
VI	**Share of profit/(loss) of joint venture accounted for using equity method (net of tax)**		**79.56**	(60.81)
VII	**Profit before exceptional items and tax (V+VI)**		**3,345.04**	1,190.07
VIII	Exceptional Item	33.13	**-**	58.55
IX	**Profit before tax for the year (VII-VIII)**		**3,345.04**	1,131.52
X	**Tax Expense**	33.7		
	a) Current Tax		**850.40**	258.41
	b) Deferred Tax		**99.64**	105.99
	Total Income Tax Expenses (X)		**950.04**	364.40
XI	**Profit for the year (IX-X)**		**2,395.00**	767.12
XII	**Other Comprehensive Income**	32		
A	(i) Items that will not be reclassified to profit or loss		**1.60**	3.33
	(ii) Share of other comprehensive income of joint venture (net of tax)		**0.28**	-
	(iii) Income tax relating to items that will not be reclassified to profit or loss		**(0.46)**	(1.09)
B	(i) Items that will be reclassified to profit or loss		**-**	-
	Total Other Comprehensive Income (XII) (A+B)		**1.42**	2.24
XIII	**Total Comprehensive Income for the period (XI+XII)**		**2,396.42**	769.36
XIV	Earnings per equity share Basic and Diluted	33.6	**44.71**	14.32
	See accompanying notes to the consolidated financial statements	1-33		

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rupen K Bhatt
Partner
Membership No. 46930

Place : Mumbai
Date : 28th May, 2019

For and on behalf of the Board of Directors

Gautam D Shah
CMD
DIN: 00397319

Bela G Shah
Executive Director & CFO
DIN: 01044910

Rakesh Kumar Kumawat
Company Secretary
Membership No. A37556

Place : Vapi
Date : 28th May, 2019

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

PARTICULARS	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax as per Statement of Profit and Loss	**3,345.04**	1,131.52
Adjustments for:		
Depreciation and amortisation Expense	**700.47**	646.25
Gain on disposal of Property, Plant and Equipment	**-**	(9.22)
Net unrealised foreign exchange (gain)/ loss	**(4.16)**	6.69
Share in (profit)/loss in joint venture	**(79.56)**	60.81
Sundry balances written off/ (written back)	**(22.29)**	(11.66)
Allowance for bad receivables	**5.06**	17.00
Provision for leave encashment	**1.44**	2.01
Interest on Income tax	**11.70**	3.90
Finance costs	**503.43**	561.17
Dividend income from other long-term investments	**(0.08)**	(0.08)
Interest income on fixed deposits, margin money deposits etc.	**(12.07)**	(7.79)
Operating profit before working capital changes	**4,448.98**	2,400.60
Movements in working capital :		
(Increase)/decrease in inventories	**(98.92)**	(93.21)
(Increase)/decrease in trade receivables	**915.24**	(915.88)
(Increase)/decrease in security deposits	**(0.04)**	(0.85)
(Increase)/decrease in other financial assets	**8.08**	433.96
(Increase)/decrease in other non current assets	**(8.99)**	(13.01)
(Increase)/decrease in other current assets	**(124.30)**	212.72
Increase/(decrease) in provisions	**(7.34)**	(7.29)
Increase/(decrease) in other non current liabilities	**49.35**	-
Increase/(decrease) in trade payables	**162.28**	(155.25)
Increase/(decrease) in other financial liabilities	**7.81**	0.96
Increase/(decrease) in other current liabilities	**(16.05)**	92.62
	887.12	(445.23)
Cash generated from operations	**5,336.10**	1,955.37
Income taxes paid	**(852.33)**	(182.34)
Net cash from operating activities	**4,483.77**	1,773.03
II. CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment *	**(2,166.38)**	(1,798.65)
Payments for intangible assets	**(11.96)**	(36.90)
Proceeds from disposal of property, plant and equipment	**-**	61.35
Payments for purchase of Investments in joint venture	**(225.00)**	(40.00)
Movements in bank deposits not considered as cash and cash equivalents	**(14.23)**	(36.32)
Interest received	**13.72**	5.81
Dividend received on investments	**0.08**	0.08
Net cash (used in) investing activities	**(2,403.77)**	(1,844.63)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings (non-current)	**1,074.15**	1,320.46
Repayment of borrowings (non-current)	**(1,206.92)**	(647.60)
Net (repayment) / proceeds from borrowings (current)	**(1,390.25)**	(0.23)
Dividend paid on equity share (including tax thereon)	**(48.36)**	(48.36)
Interest paid	**(498.00)**	(552.71)
Net cash (used in) / generated by financing activities	**(2,069.38)**	71.56
Net increase/(decrease) in cash and cash equivalents (I+II+III)	**10.62**	(0.04)
Cash and cash equivalents at the beginning of the year	**2.63**	2.67
Cash and cash equivalents at the end of the year (refer note 10)	**13.25**	2.63
See accompanying notes forming part of the consolidated financial statements (refer notes 1-33)		

* Includes ₹ 51.84 lakh in repect of concession in custom duty (refer note 18.1).

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K Bhatt
Partner
Membership No. 46930

Gautam D Shah
CMD
DIN: 00397319

Bela G Shah
Executive Director & CFO
DIN: 01044910

Rakesh Kumar Kumawat
Company Secretary
Membership No. A37556

Place : Mumbai
Date : 28th May, 2019

Place : Vapi
Date : 28th May, 2019

Consolidated Statement of Changes in Equity for the year ended 31st March 2019 (SOCIE)

(₹ Lakh)

Particulars	Equity Share Capital [A]	Other Equity [B]			Total Other Equity [B] [a+b+c]	Total Equity [A+B]
		Capital Reserve [a]	Retained earnings [b]	Equity Instruments through Other Comprehensive Income [c]		
Balance as at 1st April 2017	**535.67**	**12.93**	**8,746.36**	**1.89**	**8,761.18**	**9,296.85**
Profit for the year ended 31st March, 2018	-	-	767.12	-	767.12	767.12
Other comprehensive income for the year ended 31st March, 2018 (refer note 32)	-	-	2.95	(0.71)	2.24	2.24
Dividend Paid #	-	-	(40.18)	-	(40.18)	(40.18)
Tax on Dividend Paid	-	-	(8.18)	-	(8.18)	(8.18)
Balance as at 31st March 2018	**535.67**	**12.93**	**9,468.07**	**1.18**	**9,482.18**	**10,017.85**
Profit for the year ended 31st March, 2019	-	-	2,395.00	-	2,395.00	2,395.00
Share of other comprehensive income of joint venture (refer note 32)	-	-	-	0.28	0.28	0.28
Other comprehensive income for the year ended 31st March, 2019 (refer note 32)	-	-	1.16	(0.02)	1.14	1.14
Dividend Paid *	-	-	(40.18)	-	(40.18)	(40.18)
Tax on Dividend Paid	-	-	(8.18)	-	(8.18)	(8.18)
Balance as at 31st March 2019	**535.67**	**12.93**	**11,815.87**	**1.44**	**11,830.24**	**12,365.91**

On 29th September, 2017, a dividend of ₹ 0.75 per share was paid to holders of fully paid equity shares for the financial year 2016-2017.

*On 1st October, 2018, a dividend of ₹ 0.75 per share was paid to holders of fully paid equity shares for the financial year 2017-2018.

See accompanying notes to the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors

Rupen K Bhatt
Partner
Membership No. 46930

Gautam D Shah
CMD
DIN: 00397319

Bela G Shah
Executive Director & CFO
DIN: 01044910

Rakesh Kumar Kumawat
Company Secretary
Membership No.A37556

Place : Mumbai
Date : 28th May, 2019

Place : Vapi
Date : 28th May, 2019

Notes forming part of the Consolidated Financial Statements

Note : 1

Corporate information:

Shree Ajit Pulp And Paper Ltd ('the Parent Company') is a public company incorporated in India. Its shares are listed on Bombay Stock Exchange and Vadodara Stock Exchange. The Parent Company is engaged in the manufacturing of Kraft Paper (Testliner / Multilayer Testliner) which is mainly used for manufacturing of corrugated boxes.

The Parent Company owns and operates manufacturing unit located in the state of Gujarat, India at Morai, Vapi.

The consolidated financial statements incorporate the financial statements of following entities :

Sr No.	Name of the entity	Relationship	Country of incorporation	% of holding as at 31st March, 2019	% of holding as at 31st March, 2018
1	Samrudhi Industrial Papers Private Limited	Subsidiary Company	India	100%	100%
2	Shree Samrat Pulp and Paper Private Limited	Joint Venture	India	50%	50%

Samrudhi Industrial Papers Private Limited ('the subsidiary') has not yet started any activity.

The Parent Company and its subsidiary together referred as 'Group'.

Note: 2

A) Basis of preparation and presentation

i) Statement of compliance

The consolidated financial statements as at and for the year ended March 31, 2019 have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

ii) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain items that are measured at fair value as required by relevant Ind AS:

1. Financial assets and financial liabilities measured at fair value (refer accounting policy on financial instruments);
2. Defined benefit and other long-term employee benefits.

iii) Basis of consolidation

Subsidiary

The consolidated financial statements incorporate the financial statements of the Company and its subsidiary. Control is achieved when the Company (a) has power over the investee, (b) is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Interests in joint arrangements

A joint arrangement is an agreement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are incorporated in these consolidated financial statements using the equity method of accounting as described below.

Equity method of accounting (equity accounted investees)

An interest in an associate or joint venture is accounted for using the equity method from the date in which the investee becomes an associate or a joint venture and are recognised initially at cost. The Company's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Company's share of profits or losses and equity movements of equity accounted investees, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Company's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long – term investments in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee.

When the Company transacts with an associate or joint venture of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in its associate or joint venture.

B) Summary of significant accounting policies

a) Property, Plant and Equipment

All items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are added to existing item's carrying amount or recognised as a separate item, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other subsequent costs related to an item are charged to the consolidated statement of profit and loss during the reporting period in which they are incurred.

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

b) Capital work-in-progress

Capital work-in-progress includes material, labour and other directly attributable costs incurred on assets.

c) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation/ depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Intangible assets are amortised over their estimated useful life.

d) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash –generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

e) Inventories

Inventories are stated at the lower of cost and net realisable value.

Inventories of raw material, stores and spares, consumable and packing material are valued on First in First out basis and Inventories of finished goods and work-in-progress are valued at the lower of cost (on weighted average basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

f) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

g) Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

For sale of goods, revenue is recognised when control of the goods is transferred at a point in time i.e. when the goods have been dispatched from the factory. On dispatch, the customer has full discretion over the manner of distribution, price to sell the goods and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised by the Group when the goods are dispatched to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Sales includes excise duty and excludes Goods and Services Tax, Value added tax/sales tax. Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Effective 1st April, 2018, the Group has adopted Ind AS 115 – Revenue from Contracts with Customers which replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The application of Ind AS 115 did not have any impact on consolidated financial statements of the Group.

Income from windmills

Income from electricity units generated by windmills is accounted as income from windmills at landed cost and has been shown as such in the consolidated statement of profit and loss.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

h) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

i) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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

All other borrowing costs are recognised in the consolidated statement of profit and loss in the period in which they are incurred.

j) Government Grant:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

k) Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

i] Defined contribution plans

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

ii] Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in the consolidated statement of profit and loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs

iii] Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(i) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(ii) in case of non-accumulating compensated absences, when the absences occur.

iv] Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

l) Financial instruments

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

i) Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at Amortised Cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL.

C. Investment in subsidiary and Joint Venture

The Group has accounted for its investments in subsidiary and joint venture at cost.

D. Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in consolidated statement of profit and loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

E. Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on trade receivables and other contractual rights to receive cash or other financial instruments.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and ail the cash flows that the Group expects to receive, discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12 - month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

ii) Financial liabilities

A. Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the consolidated statement of profit and loss as finance cost.

B. Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

m) Segment reporting

The Board of directors assesses performance of the Group as Chief Operating Decision Maker (CODM).

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's CODM and make decisions and for which discrete financial information is available. The CODM have identified one reportable segment i.e. Paper.

n) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary and joint venture, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, deferred tax asset is recognised in the consolidated balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Current and deferred tax for the year

Current and deferred tax are recognised in the consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

o) Foreign exchange transactions and translation

Transactions in foreign currencies i.e. other than the Group's functional currency of Indian Rupees are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in the consolidated statement of profit and loss in the period in which they arise except for exchange differences on transactions entered into in order to hedge certain foreign currency risks.

C. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. In the following areas the management of the Group has made critical judgements and estimates.

Useful lives of property, plant and equipment

The Group reviews the useful lives and carrying amount of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Estimation of defined benefit obligation

The Group has defined benefit plans for its employees which are actuarially valued. Such valuation is based on many estimates and other factors, which may have a scope of causing a material adjustment to the carrying amounts of assets and liabilities.

Recognition of deferred tax assets

Deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

Recognition and measurement of other provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure so provided and included as liability.

Note: 3 Property, Plant and Equipment (PPE) and Intangible Assets

(₹ lakh)

Description	Property, Plant and Equipment								Total (PPE)	Intangible Assets
	Freehold land (refer note 3.2)	Buildings	Plant and Equipment	Windmills	Electrical Installations	Furniture and Fixtures	Vehicles	Office Equipment		Computer Software (acquired)
Cost or deemed cost										
Balance as at 1st April, 2017	112.14	972.42	6,336.50	1,133.46	397.47	112.42	178.61	155.45	9,398.47	17.78
Additions	1,604.56	110.09	1,004.92	-	14.75	3.54	98.99	45.59	2,882.44	86.89
Disposals	-	-	-	-	-	-	89.18	-	89.18	-
Balance as at 31st March, 2018	1,716.70	1,082.51	7,341.42	1,133.46	412.22	115.96	188.42	201.04	12,191.73	104.67
Additions	396.93	80.14	1,541.54	-	7.72	25.23	125.49	33.01	2,210.06	11.96
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	**2,113.63**	**1,162.65**	**8,882.96**	**1,133.46**	**419.94**	**141.19**	**313.91**	**234.05**	**14,401.79**	**116.63**
Accumulated depreciation and impairment:										
Balance as at 1st April, 2017	-	43.14	275.95	67.31	79.07	8.37	32.29	31.17	537.30	3.70
Depreciation and amortisation expense	-	63.84	328.31	67.50	80.64	13.17	30.02	47.61	631.09	15.16
Disposals	-	-	-	-	-	-	37.05	-	37.05	-
Balance as at 31st March, 2018	-	106.98	604.26	134.81	159.71	21.54	25.26	78.78	1,131.34	18.86
Depreciation and amortisation expense	-	82.48	367.61	67.31	63.50	15.16	31.49	51.34	678.89	21.58
Disposals	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March, 2019	**-**	**189.46**	**971.87**	**202.12**	**223.21**	**36.70**	**56.75**	**130.12**	**1,810.23**	**40.44**
Carrying amount										
Balance as at 31st March, 2018	1,716.70	975.53	6,737.16	998.65	252.51	94.42	163.16	122.26	11,060.39	85.81
Balance as at 31st March, 2019	**2,113.63**	**973.19**	**7,911.09**	**931.34**	**196.73**	**104.49**	**257.16**	**103.93**	**12,591.56**	**76.19**

Note: 3.1 Property, Plant and Equipment and Intangible assets have been offered as security against the term loans and working capital loans provided by the banks. (refer note 16.1 and 19.1)

Note: 3.2 Additions to freehold land includes ₹ 381.81 lakh in respect of land purchased during the year for which the Company has applied for transfer of title deeds in the name of the Parent Company.

Notes forming part of the Consolidated Financial Statements

Note : 4 Non-current Investments (In Equity Instruments)

	Particulars	As at 31 March, 2019 ₹ Lakh	As at 31 March, 2018 ₹ Lakh
A	**Investments measured at Cost less impairment , if any (Unquoted)**		
	In Equity Shares of Joint Venture		
	81,25,000 (Previous year 58,75,000) shares of Shree Samrat Pulp and Paper Private Limited of ₹10, each fully paid up. (out of the above 10 equity shares of ₹10 each are held in the name of a nominee of the company)	**755.55**	450.71
	Total of Investments measured at Cost (Unquoted)	**755.55**	450.71
B	**Other Investments (measured at Fair Value through Other Comprehensive Income)**		
a)	**Unquoted investments (all fully paid) (refer note 4.1)**		
	501 (Previous year 501) shares of Sardar Bhiladwala Pardi Peoples Co Operative Bank Limited of ₹100.	**0.50**	0.50
	1 (Previous year 1) share of Shri Damanganga Sahakari Khand Udyog Mandali Limited of ₹2,000.	**0.02**	0.02
	300 (Previous year 300) shares of Wel-Treat Enviro Management Organisation of ₹ 10	**0.03**	0.03
	Total of Unquoted investments (a)	**0.55**	0.55
b)	**Quoted investments (all fully paid)**		
	2,300 (Previous year 2,300) equity shares of Gujarat State Financial Corporation of ₹10 each	*	*
	2,000 (Previous year 2,000) equity shares of Punjab National Bank of ₹2 each (Previous year ₹ 2 each) fully paid up	**1.91**	1.94
	Total of Quoted investments (b)	**1.91**	1.94
	Total of Other Investments (a+b)	**2.46**	2.49
	Total (A+B)	**758.01**	453.20

	2019	2018
* Fully impaired.		
Aggregate amount of quoted investments (Gross)	**0.65**	0.65
Aggregate Market value of quoted investments	**1.91**	1.94
Aggregate amount of unquoted investments (Gross)	**756.10**	451.26

Note 4.1 : The Group considers that the carrying amount recognised in the consolidated financial statements approximate their fair values.

Notes forming part of the Consolidated Financial Statements

Note: 5 Security Deposits

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Security deposits (Unsecured)		
Considered good	**11.01**	10.97
Doubtful	**5.00**	5.00
	16.01	15.97
Less: Allowance for doubtful deposit	**5.00**	5.00
Total	**11.01**	10.97

Note: 6 Income Tax Assets (net)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Advance income tax (net of provision for tax ₹ 1,181.21 lakh (Previous year ₹ 567.87 lakh))	**76.84**	42.68
Total	**76.84**	42.68

Note: 7 Other non-current assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
a) Capital advances	**131.00**	232.79
b) Prepaid expenses	**17.24**	7.80
c) Deposit paid under protest	**26.73**	25.68
d) Prepaid rent on leasehold land	**15.91**	17.41
Total	**190.88**	283.68

Note: 8 Inventories (refer note 8.1 below)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
a) Raw materials (At lower of cost and net realisable value)	**1,326.94**	1,180.14
b) Work-in-progress (At lower of cost and net realisable value)	**57.10**	54.05
c) Finished goods (At lower of cost and net realisable value)	**345.24**	385.14
d) Stores and spares (At or lower than cost)	**563.15**	591.11
e) Consumables (At lower of cost and net realisable value)	**13.85**	0.42
f) Packing material stock (At lower of cost and net realisable value)	**8.57**	5.07
Total	**2,314.85**	2,215.93

Note: 8.1 Inventories have been offered as security against the term loans and working capital loans provided by the banks (refer note 16.1 and 19.1).

Notes forming part of the Consolidated Financial Statements

Note: 9 Trade Receivables (refer note 33.4 (d) (i))

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Trade Receivables considered good- Secured	-	-
Trade Receivables considered good- Unsecured	3,168.67	4,083.91
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables- Credit Impaired	(22.06)	(17.00)
Total	3,146.61	4,066.91

Note: 9.1 Information about major customers : Two customers (previous year one customer) contributed to more than 10% of the total revenue individually for the year ended March 31, 2019 . Total revenue from these customers is ₹ 8,350.18 lakh (previous year ₹ 4,528.40 lakh) for the year ended March 31, 2019.

Note: 10 Cash and cash equivalents

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Cash and cash equivalents		
(a) Cash on hand	1.35	1.37
(b) Balances with banks		
- In current accounts	11.90	1.26
Total	13.25	2.63

Note: 11 Bank balances other than note 10 above

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Other bank balances *		
In earmarked accounts		
- In deposit accounts	61.75	59.58
- Balances held as margin money	85.05	80.80
- Unclaimed dividend accounts	14.72	6.91
Total	161.52	147.29

* Restricted cash balance.

Note: 12 Other Financial Assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Loans and advances to employees (unsecured considered good)	2.31	3.07
Interest accrued on fixed deposits, margin money deposits etc.	3.98	5.63
Other Insurance claims	1.18	8.50
Total	7.47	17.20

Notes forming part of the Consolidated Financial Statements

Note: 13 Other current assets

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Unsecured and considered good		
Prepaid expenses	**68.34**	54.37
Balances with government authorities		
-Custom duty advance	**1.12**	2.66
Advance to vendors	**159.84**	55.58
Prepaid rent on leasehold land	**1.50**	1.50
Export incentive receivable	**7.74**	0.13
Total	**238.54**	114.24

Note: 14 Equity Share Capital

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
a) **AUTHORISED** 1,50,00,000 (Previous year 1,50,00,000) Equity Shares of ₹ 10 each with voting rights.	**1,500.00**	1,500.00
	1,500.00	1,500.00
b) **ISSUED** 53,56,700 (Previous year 53,56,700) Equity Shares of ₹ 10 each with voting rights.	**535.67**	535.67
c) **SUBSCRIBED AND FULLY PAID UP** 53,56,700 (Previous year 53,56,700) Equity Shares of ₹ 10 each with voting rights.	**535.67**	535.67
Total	**535.67**	535.67

Note: 14.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year.

Particulars	As at 31 March, 2019	As at 31 March, 2018
Equity Shares at the beginning and at the end of the year	**5,356,700**	5,356,700

Note: 14.2 Details of Shares held by each shareholder holding more than 5 % shares (In numbers):

Name of the Shareholders	As at 31 March, 2019	As at 31 March, 2018
Gautam D Shah	**1,064,750**	1,064,750
% Holding	**19.88%**	19.88%
Sureshbhai C Shah	**792,860**	454,000
% Holding	**14.80%**	8.48%
Jayantilal M Shah	**435,500**	435,000
% Holding	**8.13%**	8.12%
Varun Shah	**427,700**	427,700
% Holding	**7.98%**	7.98%
Bela G Shah	**387,540**	387,540
% Holding	**7.23%**	7.23%
Bharat Mafatlal Shah	**270,900**	270,900
% Holding	**5.06%**	5.06%

Note: 14.3 Terms and Rights attached to Equity Shares :

The Group has only one class of equity shares having a par value of ₹ 10 per share. Each Shareholder of equity share is entitled to one vote per share. The Group declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Further, the Board of Directors may also announce an interim dividend.

In the event of liquidation of the Group, the holder of equity shares will be entitled to receive remaining assets of the Group after distribution of all preferential amounts in proportion to their shareholdings.

Note: 15 Other Equity (refer SOCIE)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
a) Capital Reserve (refer note 15.1)	12.93	12.93
b) Retained earnings	11,815.87	9,468.07
c) Equity Instruments through Other Comprehensive Income (refer note 15.2)	1.44	1.18
Total	**11,830.24**	9,482.18

Note: 15.1 Capital reserve represent shares forfeited during the year ended 31 March, 2012.

Note: 15.2 The Company recognises the profit or loss on fair value of investments Through Other Comprehensive Income (FVTOCI) reserve.

Note: 16 Non Current Financial Liabilities- Borrowings (refer note 16.1)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Secured Borrowings		
Term loans from banks	2,047.17	2,149.85
Total	**2,047.17**	2,149.85

Notes forming part of the Consolidated Financial Statements

Note: 16.1 Details of terms of repayment and securities provided

Sr. No.	Particulars	* Balance as at 31 March, 2019	* Balance as at 31 March, 2018	Start date of loan repayment	Repayment of instalments	Number of instalments sanctioned (Monthly)	End date of loan repayment
		₹ Lakh	₹ Lakh		₹ Lakh		
	Term loan						
1	-from bank (Refer note c)	-	82.78	October, 2013	13.75	60	September, 2018
2	-from bank (Refer note a)	**412.17**	564.45	April, 2016	14.16	72	March, 2022
3	-from bank (Refer note c)	**48.76**	93.78	May, 2015	3.75	60	April, 2020
4	-from bank (Refer note a)	**246.33**	247.47	February, 2018	5.16	72	January, 2024
5	-from bank (Refer note a)	**987.97**	988.26	February, 2018	20.67	72	January, 2024
6	-from bank (Refer note b)	-	480.65	June, 2019	68.43 #	72	May, 2025
7	-from bank (Refer note b)	-	53.41	June, 2019	7.61 #	72	May, 2025
8	-from bank (Refer note a)	**662.58**	117.10	October, 2018	8.43 #	84	September, 2025
9	-from bank (Refer note a)	**75.32**	13.01	October, 2018	0.94 #	84	September, 2025
10	-from Bank (Refer note e)	**105.82**	110.00	December, 2016	1.19	180	November, 2031
11	-from Bank (Refer note d)	**1.96**	9.35	July, 2016	0.66	36	June, 2019
12	-from Bank (Refer note d)	**2.68**	5.36	March, 2017	0.26	36	February, 2020
13	-from Bank (Refer note d)	**61.84**	74.96	March, 2018	1.59	60	February, 2023
14	-from Bank (Refer note a)	**70.06**	-	October, 2018	1.94	48	September, 2022
15	-from Bank (Refer note a)	**32.32**	-	January, 2019	0.70	60	December, 2023
	Total	**2,707.81**	2,840.58				

* Includes as at 31st March, 2019 ₹ 660.64 lakh (previous year ₹ 690.73 lakh) current maturities of Long term borrowings (refer note 21).

Represents instalment amount at the initial period, subsequently instalment amounts are changing as per the terms of repayment.

Note a. Term loan is secured by way of pari passu charges on plant and machinery and office building and other construction at Vapi of the Parent company and equitable mortgage on immovable property situated at Vapi of the Parent company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the Parent company.

Note b. Equitable mortgage over all that piece and parcel of the immovable property being N.A. Land bearing Survey No. 345 and 346/P2 situated at Village Karaya, Taluka Vapi, Dist Valsad, Gujarat.

Note c. Term loan is secured by way of exclusive charge on plant and machinery and building of co generation power plant situated at Vapi of the Parent company and equitable mortgage on immovable property situated at Vapi of the Parent company, further secured by hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment situated at Vapi of the Parent company on pari passu basis.

Note d. Vehicle loans are secured by way of hypothecation of Vehicles.

Note e. Housing loan is secured by way of mortgage on Guest house situated at Daman.

Note f. All term loans from banks and from others are further secured by way of shares pledged and personal guarantee of Mr. Gautam D Shah Managing Director of the company and bears rate of interest at base rate plus 2.65 % to 3.50 %.

Notes forming part of the Consolidated Financial Statements

Note: 17 Non Current Provisions

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Provision for employee benefits		
a) Provision for gratuity	-	5.45
b) Provision for compensated absences	46.56	44.53
Total	**46.56**	49.98

Note: 18 Other Non-current liabilities

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Deferred Revenue Income- (refer note 18.1)	49.35	-
Total	**49.35**	-

Note: 18.1 The Deferred revenue arises as a result of the benefit received by the Group on import of capital equipment under the 'Export Promotion Capital Goods' Scheme of the Central Government at a concessional/zero rate of custom duty.

Note: 19 Current Financial Liabilities - Borrowings (refer note 19.1)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Secured Borrowings		
Loan repayable on demand from banks	861.68	2,251.93
Total	**861.68**	2,251.93

Note: 19.1 Cash Credit is secured by way of hypothecation of stocks, book debts, furniture, fixture and fitting, office equipment and plant and machinery and equitable mortgage of immovable properties on pari passu basis and personal guarantee of Chairman and Managing Director of the Group. The Cash Credit is repayable on demand and bears interest at the rate of base rate plus 1.5% to 2.75%.

Note: 20 Current Financial Liabilities - Trade Payables

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Total outstanding dues of micro enterprises and small enterprises (refer note 20.1)	101.96	17.94
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,567.42	1,515.61
Total	**1,669.38**	1,533.55

Note: 20.1 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at 31 March, 2019 ₹ Lakh	As at 31 March, 2018 ₹ Lakh
(a) The amount remaining unpaid to any supplier at the end of each accounting year-		
(i) The principal amount remaining unpaid to any supplier at the end of each accounting year	**98.80**	17.94
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	**0.30**	-
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	**-**	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	**2.86**	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	**3.16**	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-

Dues to Micro, Small and Medium Enterprises (MSME) have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note: 21 Current Financial Liabilities- Others

Particulars	As at 31 March, 2019 ₹ Lakh	As at 31 March, 2018 ₹ Lakh
(a) Current maturities of long-term borrowings (refer note 16 and 21.1)	**660.64**	690.73
(b) Interest accrued but not due on borrowings	**22.02**	16.59
(c) Unclaimed dividend *	**14.72**	6.91
(d) Other Payables		
i) Payables on purchase of fixed assets	**185.09**	93.09
Total	**882.47**	807.32

*There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.

Note: 21.1 Current maturities of long-term borrowings consist of :

Particulars	As at 31 March, 2019 ₹ Lakh	As at 31 March, 2018 ₹ Lakh
a) Term Loans from banks (Secured)	**660.64**	676.49
b) Other loans (Secured)	**-**	14.24
Total	**660.64**	690.73

Notes forming part of the Consolidated Financial Statements

Note: 22 Other current liabilities

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Other Payables		
i) Advances from customers	**5.88**	8.00
ii) Deferred Revenue Income	**2.07**	-
iii) Statutory remittances		
Tax deducted at source payable	**79.27**	36.44
Goods and services tax payable	**39.29**	98.89
Others (VAT, Excise, Service tax, Provident Fund, etc)	**7.53**	6.76
Total	**134.04**	150.09

Note: 23 Current Provisions

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Provision For Employee Benefits		
Provision for gratuity	**7.09**	10.61
Provision for compensated absences	**19.33**	19.92
Total	**26.42**	30.53

Note: 24 Income tax Liabilities (net)

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Provision for tax (net of advance tax ₹ 0.44 lakh (Previous year ₹ 181.15 lakh))	**0.56**	82.20
Total	**0.56**	82.20

Note: 25 Revenue from Operations

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Sale of products (including excise duty) (refer note 25.1 and 25.2)	**26,546.40**	25,269.63
Sale of traded goods	**401.24**	-
Other Operating Revenue		
Export benefits (including Government grant)	**22.59**	0.13
Total	**26,970.23**	25,269.76

Note: 25.1 : Information relating to products sold

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Multilayer Testliner and Testliner Paper	**26,217.06**	24,974.69
Income from windmills	**329.34**	294.94
Total	**26,546.40**	25,269.63

Notes forming part of the Consolidated Financial Statements

Note: 25.2 Consequent to introduction of Goods and Services Tax (GST) with effect from 1st July, 2017, Central Excise, Value Added Tax (VAT) etc. have been subsumed to GST. In accordance with Ind AS -115 and Schedule III of the Companies Act, 2013, unlike Excise Duties, levies like GST, VAT are not part of Revenue. The following additional information is being provided to facilitate such understanding. The following additional information is being provided to facilitate such understanding:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Revenue from operations (A)	**26,546.40**	25,269.63
Excise duty on sales (B)	**-**	343.53
Revenue from operations excluding excise duty (A-B)	**26,546.40**	24,926.10

Note: 26 Other Income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Interest income on fixed deposits, margin money deposits etc. (at amortised cost)	**12.07**	7.79
Dividend income from other long-term investments	**0.08**	0.08
Gain on disposal of Property, Plant and Equipment	**-**	9.22
Sundry credit balances written back	**22.29**	11.66
Total	**34.44**	28.75

Note: 27 Cost of materials consumed

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Opening stock	**1,180.14**	1,337.34
Add: Purchases	**14,824.67**	16,326.64
	16,004.81	17,663.98
Less: Closing stock	**1,326.94**	1,180.14
Total	**14,677.87**	16,483.84

Note: 27.1 Consumption of raw material

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Consumption of raw material		
Imported		
Imported waste paper	**9,595.09**	7,093.24
Colour and chemical	**180.01**	1,095.35
Total of Imported	**9,775.10**	8,188.59
% of Consumption	**66.60%**	49.68%
Indigenous		
Indian waste paper	**3,207.28**	7,629.59
Colour and chemical	**1,695.49**	665.66
Total of Indigenous	**4,902.77**	8,295.25
% of Consumption	**33.40%**	50.32%
Total	**14,677.87**	16,483.84

Notes forming part of the Consolidated Financial Statements

Note: 28 Changes in Inventories of Finished Goods and work-in-progress

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Inventories at the end of the year		
Finished goods	345.24	385.14
Work-in- progress	57.10	54.05
Total	402.34	439.19
Inventories at the beginning of the year		
Finished goods	385.14	141.53
Work-in-progress	54.05	3.17
Total	439.19	144.70
Total	36.85	(294.49)

Note: 29 Employee Benefits Expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Salaries and wages	1,589.54	1,318.66
Contribution to provident fund and other funds (refer note 33.1)	35.72	34.61
Gratuity expenses (refer note 33.1)	5.16	6.11
Staff welfare expenses	19.01	18.41
Total	1,649.43	1,377.79

Note: 30 Finance Costs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
a) Interest expense on		
i) Borrowings	396.05	549.80
Less: Interest capitalised	-	59.21
	396.05	490.59
ii) Interest on income tax	11.70	3.90
b) Other borrowing costs including bank charges	104.22	70.58
c) Interest on delayed payment to MSME	3.16	-
Total	515.13	565.07

Notes forming part of the Consolidated Financial Statements

Note: 31 Other Expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Consumption of stores and spare parts	**585.76**	428.16
Power and fuel	**3,329.81**	2,911.93
Packing material consumed	**273.97**	285.20
Unloading charges	**168.58**	143.90
Insurance	**66.84**	61.65
Repairs and maintenance- Machinery	**131.12**	100.42
Repairs and maintenance- Building	**0.15**	6.19
Repairs and maintenance -Others	**45.64**	43.46
Increase/(decrease) of excise duty on inventory	**-**	(8.17)
Other manufacturing expenses	**122.33**	99.07
Selling expenses	**133.80**	123.37
Commission on sale	**240.53**	252.32
Audit fees (refer note 33.11)	**26.12**	23.76
Consultancy fees	**208.44**	25.68
Foreign exchange fluctuation expenses (net)	**(6.17)**	5.22
Rent (refer note 33.5 a)	**45.59**	17.03
Professional charges	**32.31**	29.11
Rates and taxes	**6.94**	5.46
Security charges	**69.61**	56.87
Travelling expenses	**60.83**	47.50
Vehicle expenses	**17.71**	21.56
Expenditure on Corporate Social Responsibilities (refer note 33.12)	**30.87**	13.15
Windmill expenses	**82.22**	76.82
Miscellaneous expenses	**150.04**	155.98
Total	**5,823.04**	4,925.64

Note: 32 Other Comprehensive Income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
A (i) Items that will not be reclassified to profit or loss:	₹ Lakh	₹ Lakh
- Remeasurement of defined benefit obligation gains / (losses)	**1.63**	4.41
- Net fair value gain on investments in equity shares at FVTOCI	**(0.03)**	(1.08)
- Share of other comprehensive income of joint venture	**0.28**	-
Total	**1.88**	3.33
(ii) Income tax relating to items that will not be reclassified to profit or loss:		
- Current Tax	**(0.47)**	(1.46)
- Deferred Tax	**0.01**	0.37
Total	**(0.46)**	(1.09)
B Items that will be reclassified to profit or loss	**-**	-
Total Other Comprehensive Income (A+B)	**1 .42**	2.24

Notes forming part of the Consolidated Financial Statements

Disclosures under Indian Accounting Standards:

Note: 33.1 Employee Benefit Obligations

a. Short-term Employee Benefits

These benefits include wages and salaries, including other monetary and non-monetary benefits, compensated absences which are either non-accumulating or accumulated and expected to be availed within twelve months after the end of the reporting period.

b. Long-term Employee Benefits

i) Defined Contribution Plans

The Group makes Provident Fund contributions, which are defined contribution plans, for qualifying employees. Group has no further payment obligations once the contributions have been paid. Under the Provident Fund Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Group are in compliance with the rates specified in the rules of the schemes. The Group recognised ₹ 35.72 lakh (previous year ₹ 34.61 Lakh) as an expense and included in Note 29 – Employee Benefits Expense 'Contribution to provident fund and other funds' in the consolidated Statement of Profit and Loss for the year ended March 31, 2019.

Contribution to defined contribution plans, recognised as expenses for the year are as under :

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Employer's contribution to provident fund	5.68	5.79
Employer's contribution to pension scheme	10.09	9.98
Employer's contribution to Employees' State Insurance Corporation	19.95	18.84
Total Expense recognised in the consolidated Statement of Profit and Loss	**35.72**	34.61

ii) Defined Benefit Plans

The group has a defined benefit plan for gratuity plan in India (funded). The group's defined benefit plan for gratuity is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the year, there were no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

Amount recognised in the Consolidated Statement of Profit and Loss (₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Current service cost	3.90	4.07
Interest cost (Net)	1.26	2.04
Total Expense recognised in the Consolidated Statement of Profit and Loss	**5.16**	6.11

Notes forming part of the Consolidated Financial Statements

Amount recognised in Other Comprehensive Income (OCI)

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Due to change in Financial Assumptions (gains) / losses	**0.24**	(2.03)
Due to Experience (gains) / losses	**(1.37)**	(1.55)
Return on plan assets excluding interest income (gains) / losses	**(0.50)**	(0.83)
Total remeasurement of defined benefit obligation (gains) / losses recognised in OCI	**(1.63)**	(4.41)

The following table sets out the funded status of the defined benefit plans and the amount recognised in the consolidated financial statement

Net Liability recognized in the Consolidated Balance Sheet

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Present value of defined benefit obligation	**44.43**	40.77
Fair value of plan assets	**37.34**	24.71
Net Liability recognized in the Balance sheet	**7.09**	16.06

Change in defined benefit obligations (DBO) during the year

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Present value of DBO at beginning of the period	**40.77**	39.09
Current service cost	**3.90**	4.07
Interest cost	**3.20**	2.87
Actuarial losses/(gains) due to change in Financial Assumption	**0.24**	(2.03)
Actuarial losses/(gains) due to experience	**(1.37)**	(1.55)
Benefits paid from the fund	**(2.31)**	(0.78)
Benefit paid directly by the Employer	**-**	(0.90)
Present value of DBO at the end of the period	**44.43**	40.77

Change in the fair value of asset during the year

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Fair Value of Plan Assets at beginning of the year	**24.71**	11.33
Interest Income	**1.94**	0.83
Return on Plan Assets excluding Interest Income	**0.50**	0.83
Employer contribution	**12.50**	12.50
Benefits paid from the fund	**(2.31)**	(0.78)
Plan Assets as at the end of the year	**37.34**	24.71

Notes forming part of the Consolidated Financial Statements

Category of Assets (₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Insurance Fund (Maintained by LIC)	**37.34**	24.71

Principal Actuarial assumptions

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	Gratuity (Funded)	
Discount rate	**7.79%**	7.85%
Salary escalation	**5.00%**	5.00%
Attrition Rate	**2.00%**	2.00%
Mortality table	Indian Assured Lives Mortality (2006-08)	
Prescribed contribution for the next year (₹ Lakh)	**10.43**	10.61

Maturity Analysis of the Benefit Payments: From the fund

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Projected Benefits Payable In Future Years From The Date Of Reporting	Gratuity (Funded)	
	(₹ Lakh)	(₹ Lakh)
1st Following Year	**3.40**	3.08
2nd Following Year	**1.38**	1.62
3rd Following Year	**3.96**	1.51
4th Following Year	**7.42**	3.76
5th Following Year	**4.08**	7.18
Sum of Years 6 to 10	**13.37**	13.76
Sum of Years 11 and above	**77.56**	75.75

These plans typically expose the Group to actuarial risks such as:

Investment risk - The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Interest rate risk - A fall in the discount rate which is linked to the Government Securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Asset Liability Matching Risk (ALM) : The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than the assumed level will increase the plan's liability.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance Group and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Sensitivity

Sensitivity of the projected benefit obligation on assumptions:

(₹ Lakh)

Particulars	Change in Assumption	As at March 31, 2019	
		Increase by	Decrease by
Discount rate	1%	(3.69)	4.32
Expected rate of escalation in salary	1%	4.40	(3.82)
Attrition rate	1%	1.04	(1.18)

(₹ Lakh)

Particulars	Change in Assumption	As at March 31, 2018	
		Increase by	Decrease by
Discount rate	1%	(3.53)	4.15
Expected rate of escalation in salary	1%	4.23	(3.66)
Attrition rate	1%	1.04	(1.18)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the consolidated balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

iii) Other Long-term Employee Benefits

Compensated absences which are accumulated and not expected to be availed within twelve months after the end of the reporting period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

An amount of ₹51.96 Lakh (previous year ₹ 49.61 Lakh) has been charged to the consolidated Statement of Profit and Loss for the year ended March 31, 2019 towards Compensated absences.

Note: 33.2 Segment Information

a. Description of segments and principal activities

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Board of Directors (BoD) i.e. CODM to make decisions about resources to be allocated to the segments and assess their performance.

The Group has a single operating segment i.e. manufacturing of kraft paper (Testliner and Multilayer Testliner). Accordingly the segment revenue, segment result, segment assets and segment liabilities are reflected in the consolidated financial statements as at and for the financial year ended March 31, 2019 and March 31, 2018 respectively.

Notes forming part of the Consolidated Financial Statements

b. Geographical Information

Revenue from customers is earned mainly in India and non-current assets are located in India.

c) Information about products and services

The Group is in single line of business of manufacturing of Kraft paper (Testliner and Multilayer Testliner).

Note: 33.3 Related Party Disclosure

Details of Related Parties:

Description of Relationship	Names of Related Parties
(i) Subsidiary	Shree Samrudhi Industrial Papers Private Limited
(ii) Joint Venture	Shree Samrat Pulp and Paper Private Limited
(iii) Key Managerial Personnel	Mr. Gautam D Shah and Mrs. Bela G Shah.
(iv) Relative of Key Managerial Personnel (KMP)	Varun Shah and Devashri Shah.

Transactions with related parties during the year

(₹ Lakh)

Particulars	Joint Venture Entity	Key Management Personnel	Relative of KMP
Purchases of goods			
Shree Samrat Pulp and Paper Private Limited	**194.33**	-	-
Salary			
Mr. Varun Shah	-	-	**13.20**
Managerial remuneration			
(i) Mr. Gautam D Shah	-	**180.33**	-
	-	*100.54*	-
(ii) Mrs. Bela G Shah	-	**180.63**	-
	-	*71.81*	-
Investment in Share Capital			
Shree Samrat Pulp and Paper Private Limited	**225.00**	-	-
	40.00	-	-
Dividend paid			
(i) Mr. Gautam D Shah	-	**7.99**	-
	-	*7.99*	-
(ii) Mrs. Bela G Shah	-	**2.91**	-
	-	*2.89*	-
(iii) Others	-	-	**4.12**
	-	-	*4.12*

Previous year figures are shown in italics.

Note: 33.4 Financial Instruments (Fair Value Measurements) :

The Group has various financial assets and liabilities. The disclosures regarding the classification, fair value hierarchy, capital management, markets risk, credit risks and liquidity risks are as follows:

a. Classification of Financial Assets and Liabilities

(₹ Lakh)

Particulars	As at 31 March, 2019	As at 31 March, 2018
A. Financial Assets		
I. Measured at Amortised Cost		
(i) Security Deposits	**11.01**	10.97
(ii) Trade Receivables	**3,146.61**	4,066.91
(iii) Cash and Cash Equivalents	**13.25**	2.63
(iv) Bank balances other than (iii) above	**161.52**	147.29
(v) Other Financial Assets	**7.47**	17.20
II. Measured at FVTOCI		
(i) Investments *	**2.46**	2.49
Total (A)	**3,342.32**	4,247.49
B. Financial Liabilities		
I. Measured at Amortised Cost		
(i) Borrowings	**2,908.85**	4,401.78
(ii) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	**101.96**	17.94
- Total outstanding dues of creditors other than micro enterprises and small enterprises	**1,567.42**	1,515.61
(iii) Other Financial Liabilities	**882.47**	807.32
Total (B)	**5,460.70**	6,742.65

*Excludes Financial Assets measured at Cost (refer note b-ii below)

b. Fair Value Hierarchy of Financial Assets and Liabilities

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (i) recognised and measured at fair value and (ii) measured at amortised cost and for which fair values are disclosed in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, Group has classified its financial instruments into three levels prescribed under the accounting standards below:

Level 1: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Level 3 inputs are unobservable inputs for the asset or liability.

Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(i) Measured at Amortised Cost for which Fair Value is disclosed

The fair values of all current financial assets and liabilities including trade receivables, cash and cash equivalents, bank balances, trade payables, and other current financial assets and liabilities are considered to be the same as their carrying values, due to their short term nature. The fair values of all non-current financial assets and liabilities are considered to be the same as their carrying values, as the impact of fair valuation is not material.

(ii) Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

The Group has investments in quoted equity shares of Gujarat State Financial Corporation and Punjab National Bank. These equity investments have been classified as Fair Value through Other Comprehensive Income (FVTOCI). Fair value movements are recognized directly in other comprehensive income on such investments. Accordingly, such quoted investments fall under fair value hierarchy level 1. The fair value of these investments as at March 31,2019 and March 31, 2018 is ₹ 2.46 lakh and ₹ 2.49 lakh respectively.

c. Capital Management and Gearing ratio

Total equity as shown in the consolidated balance sheet includes equity share capital, capital reserve, general reserves and retained earnings.

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

The gearing ratio at end of the reporting period was as follows.

(₹ Lakh)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Gross Debt	**3,569.49**	5,092.51
Cash and Bank Balances	**174.77**	149.92
Net Debt (A)	**3,394.72**	4,942.59
Total Equity (As per Balance Sheet) (B)	**12,365.91**	10,017.85
Net Debt to Equity Ratio (A/B)	**0.27**	0.49

d. Financial risk management

Group's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and its impact on the consolidated financial statements.

(i) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. Trade receivables are typically unsecured and are derived from revenue earned from customers located in India. Credit risk has always been managed by the group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain.

Age of receivables as at 31 March, 2019

(₹ Lakh)

Ageing	Not Due	Upto 90 days	91 to 365 days	More than 365 days	Total
Gross Amount	2,230.09	891.61	6.80	40.17	3,168.67
Allowance for bad receivables	-	-	-	22.06	22.06
Net Trade receivables	**2,230.09**	**891.61**	**6.80**	**18.11**	**3,146.61**

Age of receivables as at 31 March, 2018

(₹ Lakh)

Ageing	Not Due	Upto 90 days	91 to 365 days	More than 365 days	Total
Gross Amount	2,243.37	1,726.32	73.90	40.32	4,083.91
Allowance for bad receivables	-	-	-	17.00	17.00
Net Trade receivables	**2,243.37**	**1,726.32**	**73.90**	**23.32**	**4,066.91**

Reconciliation of loss allowance

(₹ Lakh)

Particulars	Amount
Loss allowance as at 31 March, 2018	17.00
Changes in loss allowance	5.06
Loss allowance as at 31 March, 2019	**22.06**

(ii) Liquidity Risk

Liquidity risk is the risk that the Group will find it difficult in meeting its obligations associated with its financial liabilities in time.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows.

The tables below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities.

As at 31 March, 2019 (₹ Lakh)

Particulars	Upto 1 year	1 to 5 year	5+ years	Total	Carrying Value
Borrowings- Current	861.68	-	-	861.68	861.68
Borrowings- Non Current	-	1,784.10	263.07	2,047.17	2,047.17
Trade Payables					
- Total outstanding dues of micro enterprises and small enterprises	101.96	-	-	101.96	101.96
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,567.42	-	-	1,567.42	1,567.42
Other Financial Liabilities- Current					
Current maturities of long-term borrowings	660.64	-	-	660.64	660.64
Interest accrued but not due on borrowings	22.02	-	-	22.02	22.02
Unclaimed dividend	14.72	-	-	14.72	14.72
Payables on purchase of fixed assets	185.09	-	-	185.09	185.09
Total	**3,413.53**	**1,784.10**	**263.07**	**5,460.70**	**5,460.70**

As at 31 March, 2018 (₹ Lakh)

Particulars	Upto 1 year	1 to 5 year	5+ years	Total	Carrying Value
Borrowings- Current	2,251.93	-	-	2,251.93	2,251.93
Borrowings- Non Current	-	2,065.22	84.63	2,149.85	2,149.85
Trade Payables					
- Total outstanding dues of micro enterprises and small enterprises	17.94	-	-	17.94	17.94
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,515.61	-	-	1,515.61	1,515.61
Other Financial Liabilities- Current					
Current maturities of long-term borrowings	690.73	-	-	690.73	690.73
Interest accrued but not due on borrowings	16.59	-	-	16.59	16.59
Unclaimed dividend	6.91	-	-	6.91	6.91
Payables on purchase of fixed assets	93.09	-	-	93.09	93.09
Total	**4,592.80**	**2,065.22**	**84.63**	**6,742.65**	**6,742.65**

(iii) Market Risk

The Group is exposed to the movement in price of key raw materials in domestic and international markets. The Group has in place policies to manage exposure to fluctuations in the prices of the key raw materials used in operations. The Group manages fluctuations in raw material price through hedging in the form of advance procurement when the prices are perceived to be low and also enters into advance buying contracts as strategic sourcing initiative in order to keep raw material and prices under control to the extent possible.

Notes forming part of the Consolidated Financial Statements

A) Foreign Exchange Risk

The Group is exposed to foreign exchange risk arising from direct transactions in foreign currency and also indirectly through transactions denominated in foreign currency though settled in functional currency (INR), primarily with respect to the US Dollar (USD). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR).

The risk is measured through a forecast of highly probable foreign currency cash flows. As per the risk management policy, the foreign currency exposure is unhedged.

The table below shows the unhedged currency exposure of financial liabilities:

Particulars	Currency	As at 31 March, 2019	
		Forex in Lakh	(₹ Lakh)
Import of Goods and Services	USD	0.67	46.58
Capital Imports	EURO	1.33	103.04

Particulars	Currency	As at 31 March, 2018	
		Forex in Lakh	(₹ Lakh)
Import of Goods and Services	USD	0.82	53.67
Capital Imports	EURO	0.57	45.36
Import of Goods and Services	EURO	0.01	0.74

The sensitivity of profit or loss and equity to changes in the exchange rates that arise from foreign currency denominated financial instruments mentioned above is as below:

(₹ Lakh)

Particulars	As at 31 March, 2019	As at 31 March, 2018
USD Sensitivity :		
Increase by 5%	**(2.33)**	(2.68)
Decrease by 5%	**2.33**	2.68
EURO Sensitivity :		
Increase by 5%	**(5.15)**	(2.31)
Decrease by 5%	**5.15**	2.31

B) Interest Rate Risk and Sensitivity :

The Group's exposure to the risk of changes in market interest rates relates primarily to long term debt. Borrowings at variable rates expose the Group to cash flow interest rate risk. With all other variables held constant, the following table demonstrates composition of fixed and floating rate borrowing of the Group and impact of floating rate borrowings on Group's profitability.

Interest Rate Exposure

(₹ Lakh)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Floating Rate Borrowings	**3,294.80**	4,892.84
Fixed Rate Borrowings	**274.69**	199.67

Notes forming part of the Consolidated Financial Statements

Sensitivity on floating rate borrowings

(₹ Lakh)

Particulars	Impact on Profit and Loss Account		Impact on Equity	
	As at 31 March, 2019	As at 31 March, 2018	**As at 31 March, 2019**	As at 31 March, 2018
Interest Rate Increase by 0.25%	**(8.24)**	(12.23)	**(8.24)**	(12.23)
Interest Rate Decrease by 0.25%	**8.24**	12.23	**8.24**	12.23

Note: 33.5 Operating Leases

a. Rental Expenses relating to Operating Leases

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Minimum Lease Payments	**-**	-
Others	**45.59**	17.03
Total Rent Expense	**45.59**	17.03

b. The Group does not have any non-cancellable operating leases.

Note: 33.6 Earnings per Share (EPS)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Net profit after tax attributable to equity shareholders (₹ Lakh)	**2,395.00**	767.12
b) Weighted Average Number of Equity Shares	**5,356,700**	5,356,700
c) EPS (₹) [Basic and Diluted (a/b)]	**44.71**	14.32
(Face value per share ₹ 10)		

Note: 33.7 Income Tax

a. Components and movements of Deferred Tax Liability (Net):

(₹ Lakh)

Particulars	As at 1 April, 2018	Recognised to Statement of Profit and Loss	Recognised in Other Comprehensive Income	Utilised during the year	As at 31 March 2019
	(a)	(b)	(c)	(d)	(e=a+b+c+d)
i. Items of Deferred Tax Liabilities :					
Property, Plant and Equipment and Intangible Assets	1,781.11	107.66	-	-	1,888.77
Financial Assets Fair Value through OCI	0.64	-	(0.01)	-	0.63
Total Deferred Tax Liability (i)	**1,781.75**	**107.66**	**(0.01)**	**-**	**1,889.40**
ii. Items of Deferred Tax Assets :					
Allowance for doubtful trade receivables and deposits	7.61	1.82	-	-	9.43
Disallowances under Section 43B of the Income Tax Act, 1961	38.48	6.20	-	-	44.68
Mat Credit Entitlement	126.04	-	-	(126.04)	-
Total Deferred Tax Assets (ii)	**172.13**	**8.02**	**-**	**(126.04)**	**54.11**
Net Deferred Tax Liability (DTL) (i-ii)	**1,609.62**	**99.64**	**(0.01)**	**126.04**	**1,835.29**

b. Components of Income Tax Expense

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Income Tax Expense		
i. Current Tax		
Current Tax on Profits for the year	**850.40**	258.41
Adjustment for current tax of prior periods	**-**	-
Total Current Tax (i)	**850.40**	258.41
ii. Deferred Tax		
Decrease / (Increase) in Deferred Tax Assets	**(8.02)**	(0.18)
Increase / (Decrease) in Deferred Tax Liability	**107.66**	106.17
Total Deferred Tax (ii)	**99.64**	105.99
Total Income Tax Expense (i+ii)	**950.04**	364.40

c. Reconciliation of Income Tax Expense with Accounting Profit : (₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
i. Profit Before Tax	**3,345.04**	1,131.52
ii. Tax at Indian Tax Rate of 34.944 % (previous year 33.063%)	**1,168.89**	374.11
iii. Tax effect of Permanent Differences :	**-**	-
a. Windmill income exempt u/s 80 IA (iv)	**(44.03)**	(41.09)
b. CSR expenditure disallowed	**6.01**	3.45
c. Share of profit/(loss) of joint venture	**(27.80)**	20.11
d. Impact of change in tax rates	**16.85**	-
e. Income tax at lower rate	**(168.80)**	-
f. Others	**(1.08)**	7.82
Total Tax effect of Permanent Differences (iii =a+b+c+d+e+f)	**(218.85)**	(9.71)
iv. Income Tax Expense as per Statement of Profit and Loss (ii+iii)	**950.04**	364.40

Note : 33.8 Details and financial information of Joint Venture (JV) :

Details of the Group's joint venture at the end of the reporting period is as follows:

Name of Joint Venture	Principle activity	Place of incorporation and principal place of business	Proportion of ownership and voting rights held by the Group	
			As at 31 March, 2019	As at 31 March, 2018
Shree Samrat Pulp and Paper Private Limited	Manufacturing of kraft paper	India	**50%**	50%

The above joint venture is accounted for using equity method in these consolidated financial statements.

The summarised financial information below represents amounts shown in the joint venture's financial statements to the extent of parent's share prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Non-current assets	**826.94**	850.12
Current assets	**343.28**	174.17
Non-current liabilities	**95.75**	127.61
Current liabilities	**318.92**	445.97

The above amounts of assets and liabilities include the following:

Particulars	As at 31 March, 2019	As at 31 March, 2018
	₹ Lakh	₹ Lakh
Cash and cash equivalents	**0.91**	0.71
Current financial liabilities (excluding trade payables and provisions)	**113.15**	173.27
Non-current financial liabilities (excluding trade payables and provisions)	**92.55**	126.93

Notes forming part of the Consolidated Financial Statements

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Revenue	**1,651.70**	1,024.54
Profit/(loss) for the year	**79.56**	(60.81)
Other comprehensive income for the year	**0.28**	-
Total comprehensive income for the year	**79.84**	(60.81)
Dividends received from the JV during the year	**-**	-

The above profit / (loss) for the year include the following:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Depreciation and amortisation	**27.25**	27.30
Interest income	**3.03**	2.10
Interest expense	**13.00**	36.01
Income tax expense (income)	**-**	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in the JV recognised in the consolidated financial statements:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
	₹ Lakh	₹ Lakh
Net assets of the JV	**1,511.10**	901.42
Proportion of the Group's ownership interest in the JV	**50%**	50%
Carrying amount of the Group's interest in the JV	**755.55**	450.71

Notes forming part of the Consolidated Financial Statements

Note: 33.9 Additional information of enterprises consolidated as Subsidiary / Associate/ Joint Venture, as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the Enterprise	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive Income		Share in Total comprehensive Income	
	As % of consolidated net assets	Amount in ₹ lakh	As % of consolidated profit or loss	Amount in ₹ lakh	As % of consolidated other comprehensive income	Amount in ₹ lakh	As % of consolidated total other comprehensive income	Amount in ₹ lakh
I. Parent								
Shree Ajit Pulp and Paper Limited								
As at 31st March, 2019	100.35%	12,409.00	96.57%	2,312.86	80.28%	1.14	96.56%	2,314.00
As at 31st March, 2018	101.25%	10,143.36	107.60%	825.41	100.00%	2.24	107.58%	827.65
II. Subsidiaries								
Indian								
Shree Samrudhi Industrial Papers Private Limited								
As at 31st March, 2019	0.11%	13.86	0.11%	2.58	0.00%	-	0.11%	2.58
As at 31st March, 2018	0.11%	11.28	0.33%	2.52	0.00%	-	0.33%	2.52
Foreign								
As at 31st March, 2019 and As at 31st March, 2018	NIL							
Non-controlling interests in all subsidiaries								
As at 31st March, 2019 and As at 31st March, 2018	NIL							
III. Associates (Investment as per the equity method)								
As at 31st March, 2019 and As at 31st March, 2018	**NIL**							
IV. Joint Venture (as per equity method)								
Indian								
Shree Samrat Pulp and Paper Private Limited								
As at 31st March, 2019	(0.46)%	(56.95)	3.32%	79.56	19.72%	0.28	3.33%	79.84
As at 31st March, 2018	(1.36)%	(136.79)	(7.93)%	(60.81)	0.00%	-	(7.91)%	(60.81)
Foreign								
As at 31st March, 2019 and As at 31st March, 2018	NIL							
Total								
As at 31st March, 2019	100.00%	12,365.91	100.00%	2,395.00	100.00%	1.42	100.00%	2,396.42
As at 31st March, 2018	100.00%	10,017.85	100.00%	767.12	100.00%	2.24	100.00%	769.36

Note: 33.10 Contingent liabilities and commitments (to the extent not provided for)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Contingent liabilities	**₹ Lakh**	₹ Lakh
Claims against the Group not acknowledged as debt (deposit paid ₹ 20 lakh as at 31 March, 2019 (previous year ₹ 20 lakh))	**28.37**	28.37
Custom duty demand disputed by the Group relating to issues of classification [Deposit paid ₹ 5.53 lakh as at 31 March, 2019 (previous year ₹ 5.53 lakh))	**62.07**	62.07
Service tax demand disputed by the Group relating to issues of applicability	**9.30**	9.30
Income tax demand disputed by the Group relating to disallowance of expenses (deposit paid ₹ 1.05 lakh as at 31 March, 2019 (previous year NIL))	**5.22**	-
There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The Group is evaluating various interpretative issues and its impact.		
Future cash outflows in respect of above matters are determinable only on receipt of judgements /decisions pending at various forums /authorities and the Group does not expect any outflow of resources.		
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	**149.32**	641.39
The Group has export obligations on account of concessional/ zero rates of import duties paid on capital goods under the Export Promotion Capital Goods Scheme enacted by the Government of India which is to be fulfilled over the next six years. The Group does not anticipate a loss with respect to these obligations and hence has not made any provision in its consolidated financial statements.	**213.83**	-

Notes forming part of the Consolidated Financial Statements

Note: 33.11 Payment to Auditors as :

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Payment to auditors comprise (net of goods and services tax/ service tax input credit, where applicable)		
To statutory auditors		
For audit	**25.12**	22.76
Tax Audit Fees	**1.00**	1.00
Total	**26.12**	23.76
For reimbursement of expenses	**0.20**	-

Note: 33.12 Details of expenditure on Corporate Social Responsibility Activities as per Section 135 of Companies Act , 2013 read with schedule III are as below :

(₹ Lakh)

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
a) Gross amount required to be spent by the Group during the year	**26.02**	24.59
b) Amount spent during the year :		
- in respect of amount required to be spent for the year ended March 31, 2019	**2.90**	-
- in respect of unspent amount for the year ended March 31, 2018	**24.59**	-
- in respect of unspent amount for the year ended March 31, 2017	**3.38**	13.15
Total	**30.87**	13.15

This amount is spent for healthcare, education, measures for reducing inequalities faced by socially and economically backward groups, hunger & poverty and protection of art & culture.

Amount spent on construction / acquisition of any assets is NIL.

Note: 33.13 Fire occurred at one of the raw material godowns of the Group on 31st August, 2016 resulting into loss of raw material inventory amounting to ₹ 422.99 lakh. The Group has lodged an insurance claim for loss of raw material inventory based on its assessment and taking into consideration terms and conditions of insurance policy. During the previous year the Group has received ₹ 364.44 lakh against the claim lodged. Accordingly balance amount of ₹ 58.55 lakh is charged to consolidated statement of profit and loss as an exceptional item for the previous year ended 31st March, 2018.

Note: 33.14 Events after the reporting period

The Board of Directors, at its meeting held on 28th May, 2019, has proposed a final dividend of ₹ 0.75/- per equity share of face value ₹10/- each for the financial year ended March 31, 2019. The proposal is subject to the approval of shareholders at the Annual General Meeting to be held and if approved would result in a cash outflow of approximately ₹ 40.18 Lakh for dividend.

Note: 33.15 Approval of consolidated financial statements

The consolidated financial statements were approved by the board of directors on 28th May, 2019.

For and on behalf of the Board of Directors

Gautam D Shah
CMD
DIN: 00397319

Bela G Shah
Executive Director & CFO
DIN: 01044910

Rakesh Kumar Kumawat
Company Secretary
Membership No.A37556

Place : Vapi
Date : 28th May, 2019

Notes

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SHREE AJIT PULP AND PAPER LIMITED

CIN: L21010GJ1995PTC025135
Registered Office: Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi–396191.
Email: investors@shreeajit.com, Website:www.shreeajit.com, Tel: 0260 6635700, Fax: 0260-2437090.

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. / Client Id	:...
DP Id	:...

I/We, being the member(s) of .... shares of the above named Company, hereby appoint

(1) Name:.. Address:..
E-mail Id:.. Signature: ...., or failing him;

(2) Name:.. Address:..
E-mail Id:.. Signature: ...., or failing him;

(3) Name:.. Address:..
E-mail Id:.. Signature: ....

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty-fourth Annual General Meeting of the Company, to be held on Tuesday the 10th September, 2019 at 11.00 A.M. at Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi–396191 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1.	Adoption of Financial Statements including report of Board of Directors and Auditors for the year ended 31st March, 2019.
2.	Declaration of dividend for the year 2018-19.
3.	Re-appointment of Mrs.Bela G. Shah, who retires by rotation, as Director.
Special Business	
4.	Re-appoint Mr. Laxminarayan J. Garg (DIN-00786976) as Independent Director.
5.	Re-appoint Mr. Darshak B. Shah (DIN-00098897) as Independent Director.
6.	Approve payment of remuneration to Mrs. Bela G. Shah, Executive Director of the Company.
7.	Approve payment of remuneration to Mr. Gautam D. Shah, Managing Director of the Company.
8.	Consider revision in remuneration of Mr. Varun Shah, relative of Director.

Signed this .... day of 2019

Affix
Revenue
Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

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TRUST
IN
CONSISTENCY

SHREE AJIT PULP AND PAPER LIMITED

Regd. Office :
Survey No. 239, Near Morai Railway Crossing, Village Salvav, Via-Vapi, Pin.:- 396 191