



# Shree Rama Multi-Tech Limited

An ISO 9001 : 2008 Certified Company



**REGD OFFICE:** 301, CORPORATE HOUSE, OPP: TORRENT HOUSE, INCOME TAX, AHMEDABAD-380009.  
**TELE:** (079) 27546800, 27546900. **EMAIL:** cslegal@srmtl.com, **WEBSITE:** www.srmtl.com, **CIN NO:** L25200GJ1993PLC020880

By E-filing

Date: 31<sup>st</sup> August, 2020

To,  
General Manager Listing  
**BSE Limited**  
Floor 25, P J Towers,  
Dalal Street, Fort,  
Mumbai – 400 001

To,  
General Manager Listing  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block-G,  
Bandra Kurla Complex, Bandra (E)  
Mumbai – 400 051

**Script Code: 532310**

**Script Code: SHREERAMA**

**Sub.:** Submission of Annual Report for the Financial Year 2019-20 and Notice of 26<sup>th</sup> AGM of the Company

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

Dear Sir,

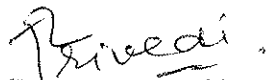
Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report for the Financial Year 2019-20 and the Notice of 26<sup>th</sup> Annual General Meeting of the Company scheduled to be held on Friday, 25<sup>th</sup> September, 2020 at 10:30 A.M. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

Pursuant to circulars issued by MCA and SEBI, the above mentioned Annual Report and Notice is being sent to the shareholders only through electronic mode to those members whose email addresses are registered with the Company/ RTA of the Company/ Depositories.

The Annual Report for the Financial Year 2019-20 and Notice of 26<sup>th</sup> AGM is also available at the website of the Company i.e. [www.srmtl.com](http://www.srmtl.com)

We request to take the above on your record.

Thanking You  
Yours faithfully,  
For, **Shree Rama Multi-Tech Limited**

  
(Purvang Trivedi)

**Company Secretary & Compliance Officer**

Encl.: a/a

All Contractual obligation subject to Ahmedabad Jurisdiction.

**Lami-Tubes, Tube Laminates, Flexible Packaging, Labels, HIPS & Paper Cups.**



## NOTICE

**NOTICE** is hereby given that the 26<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Friday, September 25, 2020 at 10:30 A.M. through video conferencing (VC)/ other audio visual means (OAVM) to transact the following businesses:

### ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2020 and the Reports of Board of Directors and Auditors thereon.
- 2) To appoint a Director in place of Shri Mittal K. Patel (DIN: 03619139), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152, read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), the Companies (Appointment and Qualification of Directors) Rules, 2014, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Smt. Vandana C. Patel (DIN: 07010646) be and is hereby re-appointed as an Independent Director of the Company w.e.f. September 26, 2020, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company i.e. up to September 25, 2025 (both days inclusive).”

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting, to be paid to M/s Maulin Shah & Associates (FRN: 101527), Cost Accountants appointed by the Board of Directors of the Company, to conduct the audit of cost records of the Company for the Financial Year 2020-21, be and is hereby ratified and confirmed.”

**Place:** Moti-Bhoyan  
**Date:** August 11, 2020

By Order of the Board of Directors  
For, **Shree Rama Multi-Tech Limited**

Registered Office:  
301, Corporate House,  
Opp. Torrent House,  
Income Tax, Ahmedabad-380009  
CIN: L25200GJ1993PLC020880  
Tel.: (079) 27546800, 27546900  
Website: www.srmtl.com  
E-mail: cslegal@srmtl.com

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)



## NOTES

1. In view of the outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and Ministry of Corporate Affairs (MCA) has vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 (hereinafter referred as "MCA Circulars") permitted the holding of the Annual General Meeting through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), without the physical presence of the shareholders/ members at a common venue.

Accordingly, in compliance with the applicable provisions of the Companies Act, 2013 ("Act") read with the above mentioned MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has decided to convene its ensuing 26<sup>th</sup> Annual General Meeting ("AGM") through VC/ OAVM and the shareholders can attend and participate in the ensuing AGM through VC/ OAVM only. The Company has engaged Central Depository Services (India) Limited (CDSL) as the authorised agency for providing facility for convening the 26<sup>th</sup> AGM of the Company through VC/ OAVM.

2. Pursuant to the MCA Circular, the facility to appoint proxy to attend and cast vote for the members is not available for the 26<sup>th</sup> AGM of the Company. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, authorised representatives of the Corporate members can attend the AGM through VC/ OAVM and cast their votes through e-voting.
3. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to Ministry of Corporate Affairs (MCA) Circular read with SEBI Circular dated May 12, 2020, the Notice of AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at [www.srmtl.com](http://www.srmtl.com). The Notice can also be accessed from the websites of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
5. A statement pursuant to Section 102(1) of the Companies Act, 2013 ('the Act'), relating to the Special Business to be transacted at the Meeting is annexed hereto.
6. Pursuant to the Secretarial Standards and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information about the Directors proposed to be appointed/ re-appointed is given in the Annexure to the Notice.
7. The Register of Directors and Key Managerial Personnel of the Company and their shareholding maintained under Section 170 of the Act, the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in the electronic mode up to the date of the AGM of the Company and will also be available electronically for inspection by the Members during the AGM. Members seeking to inspect such documents can send an e-mail to [cslegal@srmtl.com](mailto:cslegal@srmtl.com).
8. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.



# SHREE RAMA MULTI-TECH LIMITED

9. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 19, 2020 to Friday, September 25, 2020 (both days inclusive) for purpose of Annual General Meeting.
10. Members holding shares in physical mode:
  - a) are required to submit their Permanent Account Number (PAN) and bank account details and information regarding change of address and bank account details to the Company / KFin Technologies Pvt. Ltd. (RTA of the Company), as mandated by the Securities and Exchange Board of India (SEBI) for every participant in securities market.
  - b) are advised to make nomination in respect of their shareholding in the Company. For this purpose, Nomination Form (SH-13) is made available on the Company's website: [www.srmtl.com](http://www.srmtl.com).
11. Members holding shares in electronic mode:
  - a) are requested to submit their PAN and information regarding change of address and bank details to their respective DPs with whom they are maintaining their Demat accounts, as mandated by SEBI for every participant in securities market.
  - b) are advised to contact their respective DPs for availing the nomination facility.
12. Members who hold shares in physical mode in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to KFin Technologies Pvt. Ltd. for consolidation into a single folio.
13. Members who would like to receive all communication including Annual Report, Notices, Circulars, etc. from the Company in electronic mode in lieu of physical copy (in order to save usage of paper) and who have not registered their e-mail addresses so far or who would like to update their e-mail addresses already registered, are requested to register/update their e-mail addresses in respect of:
  - electronic shareholding - through their respective Depository Participants;
  - physical shareholding - by sending a request to the Company's Share Transfer Agent, mentioning therein their folio number and e-mail address.
14. Since the AGM will be held through VC/ OAVM in accordance with the MCA Circulars, the route map, proxy form and attendance slip are not attached to the Notice.
15. The helpline number regarding any query/ assistance for participation in the AGM through VC/ OAVM are 022-23058738 or 022-23058543 or 022-23058542.
16. M/s Chirag Shah & Associates, Practicing Company Secretaries has been appointed as the scrutinizer to scrutinize the remote e-voting and e-voting process on the date of AGM in a fair and transparent manner.
17. **Instructions for shareholders for remote e-voting:**
  - I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Secretarial Standard 2 of Secretarial Standards on General Meetings, Regulation 44 of SEBI (LODR) Regulations, 2015 and the MCA Circulars, the Company is pleased to provide



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members facility to exercise their right to vote on resolutions proposed to be considered at the 26<sup>th</sup> Annual General Meeting (AGM) through e-voting.

II. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as the e-voting system during the AGM will be provided by CDSL.

III. The **remote e-voting particulars** are set out below:

The remote **e-voting facility** will be available during the following period:

**Commencement of e-voting:** Tuesday, September 22, 2020 (09:00 a.m.)

**End of e-voting:** Thursday, September 24, 2020 (05:00 p.m.)

The **Cut-off date** (i.e. record date) for the purpose of e-voting is Friday, September 18, 2020

The remote e-voting module shall be disabled by CDSL for voting thereafter.

IV. Shareholders who have voted through remote e-voting will be eligible to attend the AGM. However, shareholders who have already through remote e-voting would not be entitled to vote during the AGM.

## Procedure for e-voting

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" module
- (iii) 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) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login- Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and already registered with CDSL for e-voting, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical



	shareholders) Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is communicated by mail 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 (v).

- (vii) After entering these details appropriately, click on “SUBMIT” tab.
- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for **Shree Rama Multi-Tech Limited** for the purpose of e-voting.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution. You may then cast your vote by selecting an appropriate option.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting appropriate option, 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.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Shareholders can also cast their vote using CDSL’s mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xviii) The shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting, you may contact Company at [cslegal@srmtl.com](mailto:cslegal@srmtl.com) or



by representative of RTA of the Company: Mr. Nageshwara Rao at einward.ris@kfintech.com.

## 18. Instructions for shareholders for attending AGM through VC/ OAVM:

- (i) The Members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- (ii) Shareholder will be provided with a facility to attend the AGM through VC/ OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholder/ members login by using the remote e-voting credentials. The link for VC/ OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.
- (iii) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (iv) Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (v) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (vi) Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request atleast 10 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at [cslegal@srmtl.com](mailto:cslegal@srmtl.com).

Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.

- (vii) The shareholders who do not wish to speak during the AGM but have queries may send their queries atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [cslegal@srmtl.com](mailto:cslegal@srmtl.com). These queries will be replied to by the company suitably by email.

## 19. Instructions for shareholders for e-voting during the AGM are as under:

- (i) The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting.
- (ii) Shareholders who have voted through remote e-voting will be eligible to attend the AGM through VC/ OAVM. However, shareholders who have already voted through remote e-voting would not be entitled to vote during the AGM.
- (iii) If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/ OAVM facility, then the



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votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

20. Non – Individual Shareholders and Custodians are additionally required to note and follow the instructions mentioned below:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- *Alternatively*, the Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer i.e. M/s Chirag Shah & Associates, Practicing Company Secretaries at email id: [pcschirag@gmail.com](mailto:pcschirag@gmail.com) with a copy to the Company at email id: [cslegal@srmtl.com](mailto:cslegal@srmtl.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

21. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

**Place:** Moti-Bhoyan  
**Date:** August 11, 2020

By Order of the Board of Directors  
For, **Shree Rama Multi-Tech Limited**

Registered Office:  
301, Corporate House,  
Opp. Torrent House,  
Income Tax, Ahmedabad-380009  
CIN: L25200GJ1993PLC020880  
Tel.: (079) 27546800, 27546900  
Website: [www.srmtl.com](http://www.srmtl.com)  
E-mail: [cslegal@srmtl.com](mailto:cslegal@srmtl.com)

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)





## ANNEXURE TO NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

#### ITEM NO. 3

Smt. Vandana C. Patel (DIN: 07010646) was appointed as an Additional Director of the Company on May 26, 2015 by the Board of Directors of the Company. She was appointed as Independent Director w.e.f. September 26, 2015 pursuant to the provisions of Section 149 and 152 read with Companies (Appointment and Qualification of Directors) Rules, 2014, Schedule IV of the Act and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges. Her first tenure as an Independent Director on the Board of the Company will expire on September 25, 2020.

The Nomination and Remuneration Committee (NRC) of the Board of Directors, based on the report of the evaluation of Independent Directors, recommended her re-appointment as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company from September 26, 2020 to September 25, 2025 (both bays inclusive).

The Board had considering her rich experience in the field of accounts, finance and costing, taxation and auditing and her significant contribution bringing independent judgement in the decisions of Board of Directors, approved the re-appointment of Smt. Vandana C. Patel as per the recommendation of NRC in its meeting held on July 21, 2020 and also considers that, the continued association of Smt. Vandana C. Patel would be beneficial to the Company and it is desirable to continue to avail her service as an Independent Director. Accordingly, it is proposed to re-appoint Smt. Vandana C. Patel as the Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company.

Smt. Vandana C. Patel is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director. The Company has also received declarations from Smt. Vandana C. Patel that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI Listing Regulations.

In the opinion of the Board, Smt. Vandana C. Patel fulfills the conditions for appointment as Independent Director as specified in the Act and the SEBI Listing Regulations and is independent of the management.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of five consecutive years and shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to five consecutive years on the Board of a Company.

The Board of Directors had carried out performance evaluation of Smt. Vandana C. Patel and has expressed satisfaction on the various parameters of evaluation. The list of parameters evaluated are set out in the "Annexure" to the Notice pursuant to the Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India.

Details of Director whose re-appointment as Independent Director is proposed at Item no. 3 is provided in the "Annexure" to the Notice pursuant to the provisions of SEBI Listing Regulations and the Secretarial Standards. Copy of the draft letter of appointment of Smt. Vandana C. Patel setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.



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None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested in the aforesaid proposal except Smt. Vandana C. Patel. Relatives of Smt. Vandana C. Patel may be deemed to be concerned or interested in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

Your Directors recommend the passing of the resolution as Special Resolution as set out at Item No. 3 of the Notice in the interests of the Company.

## ITEM NO. 4

The Board of Directors in its meeting held on June 21, 2020, on the recommendation of the Audit Committee, has approved the appointment of M/s Maulin Shah & Associates (FRN: 101527), Cost Accountants to conduct the audit of the cost records of the Company in respect of product group – 'Plastics and Polymers' at a remuneration of Rs. 60,000 per annum plus applicable tax for the Financial Year 2020-21.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, ratification by the members is sought, by way of Ordinary Resolution as set out in Item No. 4 of the Notice, in respect of the remuneration payable to the Cost Auditor of the Company for the Financial Year 2020-21.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the aforesaid proposal.

Your Directors recommend the passing of the resolution as Ordinary Resolution as set out at Item No. 4 of the Notice in the interests of the Company.

**Place:** Moti-Bhoyan  
**Date:** August 11, 2020

By Order of the Board of Directors  
For, **Shree Rama Multi-Tech Limited**

Registered Office:  
301, Corporate House,  
Opp. Torrent House,  
Income Tax, Ahmedabad-380009  
CIN: L25200GJ1993PLC020880  
Tel.: (079) 27546800, 27546900  
Website: www.srmtl.com  
E-mail: cslegal@srmtl.com

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)



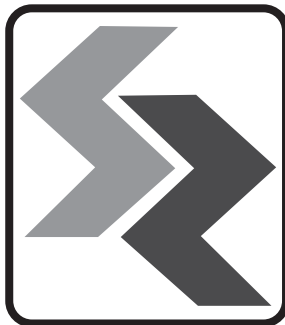
# SHREE RAMA MULTI-TECH LIMITED

## Information relating to Directors seeking appointment/ re-appointment:

<b>Name of Director</b>	<b>Shri Mittal K. Patel</b>	
Date of Birth	November 27, 1983	
Qualifications	M.B.A (Finance)	
Expertise in specific functional areas	Finance and Accounts	
Directorship held in other companies	Navin Global Pvt. Ltd.	
Details of membership/ chairmanship held in the Committees of the Company	<b>Committee</b>	<b>Chairman/ Member</b>
	Stakeholders Relationship Committee	Chairman
Details of membership/ chairmanship held in the Committees of other Companies	Not Applicable	
Meetings of Board attended during FY 2019-20	2	
Relationship between Directors inter-se	Not related to any Director in terms of Listing Regulations.	
Number of shares held in the company	Nil	
Terms and Conditions of reappointment	Shri Mittal K. Patel has been appointed as Non- Executive Non-Independent Director. He will be entitled to Sitting Fees for attending the Board Meeting(s).	

<b>Name of Director</b>	<b>Smt. Vandana C. Patel</b>	
Date of Birth	April 29, 1968	
Qualifications	Chartered Accountant and Master of Business Administration	
Expertise in specific functional areas	Accounts, Finance and Costing	
Directorship held in other companies	Not Applicable	
Details of membership/ chairmanship held in the Committees of the Company	<b>Committee of the Company</b>	<b>Chairman/ Member</b>
	Audit Committee	Member
Details of membership/ chairmanship held in the Committees of other Companies	Not Applicable	
Meetings of Board attended during FY 2019-20	4	
Relationship between Directors inter-se	Not related to any Director in terms of Listing Regulations	
Number of shares held in the company	Nil	
Terms and Conditions of reappointment	Smt. Vandana C. Patel has been appointed as Independent Director. She will be entitled to Sitting Fee(s) for attending Board Meeting(s).	
Parameters evaluated	Qualifications, Experience, Knowledge and Competency, Fulfillment of functions, Ability to function as a team, Initiative, Availability and attendance, Commitment, Contribution, Integrity.	

**ANNUAL REPORT**  
**2019 - 20**



**SHREE RAMA**

**SHREE RAMA MULTI-TECH LIMITED**



# SHREE RAMA MULTI-TECH LIMITED

## Corporate Information

### BOARD OF DIRECTORS

Shri Shailesh K. Desai : Managing Director  
 Shri Hemal R. Shah : Whole Time Director  
 Shri Pathik C. Shah : Independent Director  
 Smt. Vandana C. Patel : Independent Director  
 Shri Shalin S. Patel : Independent Director  
 Shri Mittal K. Patel : Non-Executive – Non-Independent Director

### AUDIT COMMITTEE

Shri Pathik C. Shah (Chairman)  
 Shri Shailesh K. Desai  
 Shri Shalin S. Patel  
 Smt. Vandana C. Patel

### NOMINATION AND REMUNERATION COMMITTEE

Shri Pathik C. Shah (Chairman)  
 Shri Mittal K. Patel  
 Shri Shalin S. Patel

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Shri Mittal K. Patel (Chairman)  
 Shri Shailesh K. Desai  
 Shri Shalin S. Patel

### COMMITTEE OF DIRECTORS

(discontinued w.e.f. 12/11/2019)  
 Shri Mittal K. Patel (Chairman)  
 Shri Shailesh K. Desai  
 Shri Hemal R. Shah

### CHIEF FINANCIAL OFFICER

Shri Krunal Shah

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Purvang Trivedi

### STATUTORY AUDITORS

M/s Chandulal M. Shah & Co.,  
 Chartered Accountants, Ahmedabad

**26<sup>th</sup> Annual General Meeting** of the Company is scheduled to be held on **Friday, September 25, 2020** at **10.30 AM. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)**

### REGISTERED OFFICE

301, Corporate House, Opp. Torrent House,  
 Income Tax, Ahmedabad – 380 009  
 Tel.: (079) 27546800, 27546900  
 Website: www.srmtl.com  
 Email: cslegal@srmtl.com

### PLANT

Block No. 1557, Village: Moti-Bhojan,  
 Kalol-Khatraj Road, Taluka: Kalol,  
 Dist.: Gandhinagar - 382 721

## CONTENT

### LEAD BANKERS

RBL Bank Ltd.  
 Bank of Baroda

### REGISTRAR & SHARE TRANSFER AGENT

M/s KFin Technologies Private Limited  
 Selenium Building, Plot No.31-32,  
 Financial District, Serilingampally,  
 Nanakramguda, Hyderabad,  
 Rangareddi, Telangana - 500 032  
 Phone: (040) 6716 2222  
 Email: support@kfintech.com

### LISTING ON STOCK EXCHANGES

BSE Limited, Mumbai (BSE)  
 National Stock Exchange of India Limited, Mumbai (NSE)

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## BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 26<sup>th</sup> Annual Report on the business and operations of the Company together with Audited Financial Statements for the financial year ended on March 31, 2020.

### FINANCIAL RESULTS

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

	(Rs. in Lakhs)	
	2019-20 (Current Year)	2018-19 (Previous Year)
Revenue from Operations	13,083.73	11,732.12
Other Income	15.92	33.08
Total Revenue	13,099.65	11,765.20
Profit Before Exceptional Items, Depreciation, Interest and Tax	1729.35	841.55
Depreciation and amortization expense	896.08	902.59
Finance Costs	296.12	383.25
Exceptional Items	533.90	0.00
Profit/(loss) before tax (after exceptional items)	1071.05	(444.29)
Deferred Tax Provision/ (Reversal)	(1034.51)	(239.77)
Short / (Excess) provision of IT of earlier years	0.00	98.09
Net Profit/ (Loss) for the year	2105.96	(302.61)

### OPERATIONAL REVIEW

Your Company's total revenue from operations during the year under review was Rs. 13083.73 lakhs as compared to Rs. 11,732.12 lakhs of previous year which shows an increase of 11.52% over the previous year figure. The other income was Rs 15.92 lakhs during the year under review. The EBIDTA of the Company during the year was Rs. 1729.35 lakhs. The profit for the Financial Year 2019-20 was Rs. 2105.56 lakhs as against the loss of Rs. 302.61 lakhs for the Financial Year 2018-19.

### BUSINESS PERFORMANCE

The industry has reported steady growth over past several years and shows high potential for much expansion. The growth of the Indian packaging industry is heavily influenced by changing demographics such as growing urbanization and the rising proportion of middle class consumers. Indian packaging industry is also growing rapidly. This growth is primarily driven by factors like growing pharmaceutical, food processing, manufacturing industry, FMCG, healthcare sector.

Your company has improved performance during the F.Y 2019 -20 there by registering a growth of 11.52% over the previous year. The high potential segment for your company is tube laminate which grew 4% as compared to last year. Your company's major product is laminated tubes, which is used for packing products in paste or gel form. The production of laminated tubes was drastically increased



# SHREE RAMA MULTI-TECH LIMITED

as compared to previous year with tubing capacity fully utilised throughout the year. In addition to this, the overseas market continue to hold substantial potential for your company. The Export sales grew from Rs 2322.85 lakhs of the previous financial year 2018-19 to Rs 3176.15 lakhs in the financial year 2019-20 i.e growth of 37% over the previous year. During the year, the recertification audits were carried out by external agencies and accordingly your company has been recertified for ISO-9001-2015. Your Company has closed the year at higher level in Tube sales. The performance of the company has improved considerable with the optimum utilization of the available resources and efficient management without incurring any additional cost on the company. Your Directors expect better performance of the Company during the current year.

## **IMPACT OF GLOBAL CRISIS: COVID-19**

In March 2020, the World Health Organisation (WHO) declared COVID-19 a global pandemic. Consequent to this, Government of India declared nation-wide lockdown on March 24, 2020, which has impacted normal business operations of the Company. The Company has assessed the probable impact of COVID-19 pandemic. It has considered internal and external information available up to the date of approval of these financial results and has performed analysis based on current estimates in assessing the recoverability of its assets including trade receivables, inventories, other financial and non-financial assets for possible impact on these financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity, position, etc. On the basis of its present assessment and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any material impact on these financial results, However, the assessment of impact of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic condition.

## **DIVIDEND**

Your Company has earned a profit of Rs. 2105.56 lakhs for the Financial Year 2019-20. However, with the objective of conserving the resources for the future growth of the company and to improve the financial strength and also considering the accumulated loss incurred in the earlier years, Board of Directors consider it prudent not to recommend any dividend for the Financial Year 2019-20 and no amount has been transferred to the reserves for the year under review.

## **SHARE CAPITAL**

The Paid-up Equity Share Capital of the Company as at March 31, 2020 was Rs. 3176.03 lakhs. During the year under review, the Company has not issued any shares with differential voting rights as to dividend, voting or otherwise nor has granted any stock options or sweat equity. As on March 31, 2020, none of the Directors of the Company hold any instruments convertible into Equity shares of the Company.

## **SUBSIDIARY COMPANIES**

Shree Rama (Mauritius) Limited was incorporated as wholly owned subsidiary in Mauritius. The current status of the Company is "Defunct".

## **DEPOSITS**

The Company does not have "Deposits" as contemplated under Chapter V of the Companies Act, 2013. Further, the Company has not invited or accepted any such deposits during the year ended on March 31, 2020.

# Annual Report 2019-20

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## CREDIT RATING

During the year F.Y 2019-20, the credit facilities of the company has been rated by the CRISIL Limited for the bank loan facilities for Rs. 80 Cr. as 1) Long-Term Rating - CRISIL AA (CE) (Assigned; Placed on 'Rating Watch with Developing Implications') and 2). Long-Term Rating- CRISIL BBB-/Stable (Assigned).

## EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form MGT-9 for the year ended on March 31, 2020 pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 is annexed herewith as '**Annexure A**' as a part to this Report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Shri Mittal K. Patel, Director (DIN: 03619139) retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment. The Board recommends his re-appointment for the consideration of the members of the Company at the ensuing Annual General Meeting.

During the year under review, the first term of appointment of Smt. Vandana C. Patel (DIN: 07010646) as an Independent Director expires on September 25, 2020. The Board of Directors has, on recommendation of Nomination and Remuneration Committee and considering her expertise knowledge in the field of finance, accounts, costing and significant contribution bringing independent judgement in the decisions of Board of Directors, re-appointed her as an Independent Director of the Company with effect from September 26, 2020 for the second term of five consecutive years pursuant to Section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 subject to approval of shareholders by way of special resolution at the forthcoming General Meeting of the Company. The Board is of the opinion that Smt. Vandana C. Patel possesses the requisite qualification, experience, expertise and holds high standards of integrity.

As required under Regulation 36(3) of the Listing Regulations, particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting are annexed to the notice convening Twenty-sixth Annual General Meeting.

Your Company has received declarations from all the Independent Directors confirming that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 & Companies (Appointment and Qualification of Directors) Rules, 2014 and under Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and there has been no change in the circumstances which may affect their status as an Independent Director during the year.

In terms of the recently introduced regulatory requirements, name of every Independent Director should be added in the online database of Independent Directors by Indian Institute of Corporate Affairs, Manesar ("IICA"). Accordingly, the Independent Directors of the Company have registered themselves with the IICA.

None of the Non-Executive Directors of the Company had pecuniary relationship or transactions with the Company (except sitting fees for attending Board Meetings) during the year under review.





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Pursuant to Section 203 of the Companies Act, 2013, the whole-time Key Managerial Personnel of the Company as on March 31, 2020 are as under:

1. Shri Shailesh K. Desai : Managing Director
2. Shri Hemal R. Shah : Whole-Time Director
3. Shri Krunal G. Shah : Chief Financial Officer
4. Mr. Purvang Trivedi : Company Secretary

## NUMBER OF MEETINGS OF THE BOARD

During the Financial Year ended on March 31, 2020, the Board met four times, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two consecutive meetings of Board was not more than one hundred and twenty days.

## COMMITTEES OF BOARD

The Company has following Committees of the Board as on March 31, 2020 pursuant to applicable provisions of the Companies Act, 2013 and rules made there under as well as in compliance with SEBI (LODR) Regulations, 2015:

- (i) Audit Committee
- (ii) Nomination and Remuneration Committee
- (iii) Stakeholders Relationship Committee

The details of composition, meetings and attendance of members of committees held during the year are given in the Corporate Governance Report that forms part of this Annual Report. The Committee of Directors was discontinued by the Board of Directors with effect from November 12, 2019.

## BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and as per the corporate governance requirements as prescribed under SEBI (LODR) Regulations, 2015, the Board of Directors had carried out the performance evaluation of working of the Board Committees as well as evaluation of Independent Directors including the performance of Independent Directors and assessment of their independence criteria and their independence from the management. The Board of Directors also reviewed the criteria for the purpose of evaluation of performance of Independent Directors of the Company as well as Board of Directors of the Company.

The separate meeting of Independent Directors was not held in FY 2019-20 due to the outbreak of CoVID-19 pandemic. However, the Independent Directors have exchanged their views among themselves through telephone pursuant to MCA Circular dated 24<sup>th</sup> March, 2020 providing for special measures in view of CoVID-19 outbreak.

The Nomination and Remuneration Committee of the Company had also carried out performance evaluation of every Director's performance. A structured questionnaire was prepared after taking into consideration the various aspects of evaluation. The Board of Directors expressed its satisfaction with the evaluation process.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your Directors to the best of their knowledge and belief and according to the information and explanations obtained by them state that:

- a) in the preparation of the annual accounts for the year ended on March 31, 2020, the applicable accounting standards have been followed, along with proper explanation relating to material departures;

# Annual Report 2019-20

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- 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 for the year ended on March 31, 2020 and of the profit of the Company for that period.
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis; and
- 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.

## **RELATED PARTY TRANSACTIONS**

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business of the Company and there were no material contracts or arrangement or transactions entered into, in terms of Section 188 of the Companies Act, 2013 and accordingly, the disclosure of related party transactions as per Section 134(3)(h) of the Companies Act 2013 in Form AOC-2 is not provided. Further, the disclosures in compliance with Para A of Schedule V of Regulation 34(3) of SEBI (LODR) Regulations, 2015 is provided in the notes to the accounts. The related party transactions as required to be disclosed under Indian Accounting Standards (Ind-AS 24) are set out in the notes to the financial statements.

The Audit Committee had given prior/omnibus approval for the related party transactions which were of repetitive nature and/or entered in the ordinary course of business and on arm's length basis and a statement giving details of all related party transactions were placed before the Audit Committee and the Board for review and noting on a quarterly basis.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company viz. [www.srmtl.com](http://www.srmtl.com). None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY**

During the year 2019-20, the Company has not given any loans or provided guarantee or security in connection with a loan to other body corporate or person or made investments as contemplated under the provisions of Section 186 of the Companies Act, 2013, hence the details are not provided.

## **INTERNAL FINANCIAL CONTROL SYSTEM**

The Company's internal control system is commensurate with its size, scale and complexities of its operations. Your Company has an effective internal control and risk-mitigation system which are constantly reviewed, assessed and strengthened with new/ revised standard operating procedures considering the existing system and future planning as envisaged. The internal audit is entrusted to M/s Ramesh C. Sharma & Co., Chartered Accountants and the scope of the internal audit are reviewed and revised as required to assess the risks and business processes, besides benchmarking controls with best practices in the industry.



The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee, Statutory Auditors and the business heads are quarterly apprised of the internal audit findings and the corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. The significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee.

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

The statement showing particulars with respect to the conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as “**Annexure B**” as a part to this Report.

## **PARTICULARS OF EMPLOYEES**

The Company has continued to maintain harmonious and cordial relations with its officers, supervisors and workers enabling the Company to maintain the pace of growth. Training is imparted to employees at all levels and covers both technical and behavioral aspects.

The details of Managerial Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as “**Annexure C**” as a part to this Report. There was no employee drawing an annual salary of Rs. 102 lakhs or more where employed for full year or monthly salary of Rs. 8.50 Lakhs or more where employed for part of the year and therefore, no information pursuant to the provisions of Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is required to be given.

## **NOMINATION AND REMUNERATION POLICY**

The Board of Directors has, on recommendation of the Nomination and Remuneration Committee, framed a Nomination and Remuneration Policy pursuant to the provisions of Section 178 of the Companies Act, 2013 read with the Rules made thereunder as well as SEBI (LODR) Regulations, 2015. The policy has been placed on the website of the Company viz. [www.srmtl.com](http://www.srmtl.com). The salient features of the said policy are stated in the Corporate Governance Report that forms part of this report.

## **AUDITORS & AUDITORS' REPORT**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules framed thereunder, M/s Chandulal M. Shah & Co. (FRN: 101698W), Chartered Accountants, Ahmedabad were appointed as Statutory Auditors of the Company for the period of five years from the conclusion of the Twenty-third AGM of the Company till the conclusion of the Twenty-eighth AGM. The Company has received a letter from M/s Chandulal M. Shah & Co., Chartered Accountants, to the effect that their appointment, is within the prescribed limits under Section 141 of the Companies Act, 2013 read with rules made thereunder and that they are not disqualified for such appointment.

During the year under review, there are no instances of frauds as reported by the auditors under Section 143(12) the Companies Act, 2013 and its rules made thereunder.

The Statutory Auditors of the Company has made certain observations in the audit report and qualified the report during the year under review. In this regard, the Board clarifies the same as under:

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## Boards' Comments on Auditors Emphasis:

### 1. Regarding the non-provision of interest on borrowings in form of Loans and debentures:

The management has already initiated settlement with the lenders of the loan and debentures as per the Scheme of Arrangement and Compromise. The lenders specified in the scheme have given their consent for settlement as per the terms of the scheme and in the opinion of the management, the amount of dues payable to lenders have been specified under the definition of "Settled Debt" under clause (n) of Part 1 of the scheme, therefore no further liability on account of interest will arise. The Hon'ble High Court of Gujarat has passed an order on 20th February, 2020, whereby the O.J, Appeal has been dismissed. The Company is under the process of filing the review petition. In case the scheme is not approved or approved with different terms, the company will give necessary accounting effect on final ascertainment of the same.

### 2. Regarding Non consolidation of accounts of Shree Rama Mauritius Limited (WOS):

In respect of the investment made in Shree Rama (Mauritius) Limited, its Wholly-Owned Subsidiary (WOS), the resident directors & key managerial personnel of the said WOS had resigned in the year 2005-06 and audited accounts for the year ended 30th September 2003 and onwards could not be prepared and provided. Its present status is shown as 'defunct' under respective laws. The Company has accordingly provided for diminution in the value of investments in the earlier years.

In view of the above, it was not possible to prepare consolidated financial statements as required by Ind AS 110 issued by ICAI and other provisions of the Companies Act, 2013.

## SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s Chirag Shah & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year 2019-20. The Secretarial Audit Report is annexed herewith as "**Annexure D**" as a part to this Report.

There are some observations made by the Secretarial Auditor in their report for which the Board of Directors hereby give its comments/ explanation as under:

### (i) Regarding Non-consolidation of accounts of Shree Rama (Mauritius) Limited (WOS):

In respect of the investment made in Shree Rama (Mauritius) Limited, its Wholly-Owned Subsidiary (WOS), the resident directors & key managerial personnel of the said WOS had resigned in the year 2005-06 and audited accounts for the year ended 30th September 2003 and onwards could not be prepared and provided. Its present status is shown as 'defunct' under respective laws. The Company has accordingly provided for diminution in the value of investments in the earlier years.

In view of the above, it was not possible to prepare consolidated financial statements as required by Ind AS 110 issued by ICAI and other provisions of the Companies Act, 2013.

### (ii) Regarding pending redemption of 666666 15% Cumulative Preference Shares

The Composite Scheme of Compromise and Arrangement with its lenders and Shareholders u/s 391 of the Companies Act, 1956 filed with Hon'ble High Court of Gujarat was pending before division bench has been dismissed by Hon'ble High court vide its order dated 20th February, 2020. However, the Company is under the process of filing the review petition before Hon'ble High



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Court of Gujarat and matter of redemption of preference shares along with dividend etc. is also covered in the scheme. The Board is of the view that the said matter will be sorted out on final outcome of the scheme.

(iii) Regarding non reversal of provision of dividend and non-transfer of the said amount to IEPF

In the Scheme of Compromise and Arrangement, the issue of waiver of unpaid dividend on preference shares is also covered. During the year, Hon'ble High court vide its order dated 20th February, 2020 has dismissed the appeal, however, the Company is under the process of filing the review petition before Hon'ble High Court of Gujarat. The Board is of the view that the said matter will be sorted out on final outcome of the scheme.

M/s Chirag Shah & Associates, Practicing Company Secretaries has undertaken the Annual Secretarial Compliance Audit for the Financial Year 2019-20 pursuant to Regulation 24A of SEBI (LODR) Reg., 2015.

## **COST AUDITOR**

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained relating to the product group 'Plastics and Polymers' during the year under review. The Board of Directors, on the recommendation of Audit Committee, has re-appointed M/s Maulin Shah & Associates, Cost Accountants, (Firm Registration Number 101527) as Cost Auditor to audit the cost records of the Company for the Financial Year 2020-21. As required under the Act, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting for their ratification.

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

During the year, the Company does not fall under the criteria prescribed under Section 135(1) of Companies Act, 2013 read with rules made thereunder hence, the Board has not constituted Corporate Social Responsibility Committee and therefore, the Company is not required to comply with the provisions of the Corporate Social Responsibility prescribed under the Companies Act, 2013. Accordingly, the details in the Annual Report on the CSR activities is not provided as an annexure to this Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report on operations of the Company as required under Regulation 34(3) read with Para B of Schedule V of SEBI (LODR) Regulations, 2015, is provided in a separate section and forms an integral part of this Annual Report.

## **CORPORATE GOVERNANCE**

The Report on Corporate Governance as stipulated under Regulation 34(3) read with Para B of Schedule V of SEBI (LODR) Regulations, 2015 forms an integral part of this Report. The requisite certificate from the Practicing Company Secretary of the Company confirming compliance with the conditions of corporate governance is attached to this report on Corporate Governance.

## **INSURANCE**

The assets of the Company are adequately insured to take care of any unforeseen circumstances.

## **MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## **RISK MANAGEMENT**

The risk is the part and partial of every business and the risk management is embedded in your Company's operating framework. Even though it is not possible to completely eliminate various risks associated with the business of the Company, the efforts are made to minimize the impact of such risks on the operations of the Company. The Company has established a well-defined process of risk management which includes identification, analysis and assessment of various risks, measurement of probable impact of such risks, formulation of the risk mitigation strategies and implementation of the same so as to minimize the impact of such risks on the operations of the Company. The Company has put in place various internal controls for different activities so as to minimize the impact of various risks. The Company's approach to addressing the business risk is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board of Directors for its effectiveness and compliances.

The discussion on risks and concerns are covered in the Management Discussion and Analysis Report, which forms part of this Report.

## **VIGIL MECHANISM**

Your Company has framed a Vigil Mechanism to report genuine concerns or grievances of all directors and employees. It provides for adequate safeguards against victimization of persons who use such mechanism. The Vigil Mechanism Policy has been hosted on the website of the Company i.e. [www.srmtl.com](http://www.srmtl.com).

## **CODE OF CONDUCT**

The Board of Directors has adopted the Code of Conduct for the Directors and Senior Management and the same has been placed on the Company's website. All the Board members and the senior management have affirmed compliance with the Code of conduct for the year under review.

## **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each of the standards which are mandatory.

## **OTHER DISCLOSURES**

- 1) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- 2) Composite Scheme of Compromise and Arrangement:  
The Company had filed the Scheme of Arrangement and Compromise with the Financial Institutions/ Banks and Shareholders and it was approved by majority of Shareholders and lenders. The said scheme was dismissed by the single bench of Hon'ble High Court of Gujarat vide its order dated July 15, 2015. The Company had filed an O.J appeal with the division bench of Hon'ble High Court of Gujarat which has been dismissed vide its order dated February 20,



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2020. Further, on an examination of the said order, the Company has been legally advised that there are fair chances of the acceptance of the Company's stand and the Company should file a review petition against the order of the division bench before the Hon'ble High Court of Gujarat. Considering the present situation of the CoVID-19 pandemic and the lockdowns announced earlier, the Company is under the process of filing the review petition.

3) **Sale of Assets:**

During the year under review, your Company had disposed of the whole and substantially whole of the undertaking in the form of assets located at Ambaliyara Plant situated at Village Ambaliyara Dist. Mehsana, Gujarat as the Ambaliyara unit was no longer viable having idle assets after approval of members. Further, the Company had also sold the office premises of the Company situated at 603, "Shikhar", Navrangpura, Ahmedabad to infuse the funds in the business activities for better performance of the Company and be utilized for modernization of plant & machineries and/ or repaying the existing loans to reduce interest cost of the Company.

4) As per the requirement under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, Internal Complaints Committees have also been set up to redress any complaints received related to sexual harassment of women at the workplace. During the year under review, no complaint was reported under the policy framed under this Act.

## APPRECIATION

Your Directors place on record their sincere appreciation for the continued co-operation and support extended to the Company by various Banks. Your Directors also thank the Consumers for their patronage to the Company's products. Your Directors also place on record sincere appreciation of the continued hard work put in by the employees at all levels. The Directors also thank the Company's vendors, investors, business associates, Stock Exchanges, Government of India, State Government and various departments and agencies for their support and co-operation.

For, **Shree Rama Multi-Tech Limited**

**Place:** Moti-Bhojan  
**Date:** July 21, 2020

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

Hemal R. Shah  
**Whole-Time Director**  
(DIN: 07338419)

## ANNEXURE - A TO THE BOARD'S REPORT

### FORM MGT-9

#### Extract of Annual Return

as on Financial Year ended on March 31, 2020

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

### I. REGISTRATION AND OTHER DETAILS

Particulars	Details
CIN	L25200GJ1993PLC020880
Registration Date	17/12/1993
Name of the Company	Shree Rama Multi-Tech Limited
Category/ Sub-category of the Company	Public Company Limited by Shares/ Non-Government Company
Address of the Registered Office & Contact details	301, Corporate House, Opp. Torrent House, Income Tax, Ahmedabad – 380 009 Tel.: (079) 2754 6800 / 6900 E-mail: cslegal@srmtl.com Website: www.srmtl.com
Whether Listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited Selenium Building, Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana - 500 032 Tel.: (040) 6716 2222, Fax: (040) 2342 0814 E-mail: einward.ris@kfintech.com Website: www.kfintech.com

### 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	% of total turnover of the Company
1	Laminated Tubes	22209	67.74%
2	Laminates	22201	25.21%

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

Sr. No.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Shree Rama (Mauritius) Limited*	N.A	Subsidiary	100%	2(87)

\* The current status of the Company is "Defunct"





# SHREE RAMA MULTI-TECH LIMITED

## IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of total equity)

### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. April 1, 2019				No. of Shares held at the end of the year i.e. March 31, 2020				% change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A. Promoters Shareholding</b>									
<b>(1) Indian</b>									
a) Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	26982301	0	26982301	42.51	26982301	0	26982301	42.51	0.00
e) Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(1)</b>	<b>26982301</b>	<b>0</b>	<b>26982301</b>	<b>42.51</b>	<b>26982301</b>	<b>0</b>	<b>26982301</b>	<b>42.51</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
e) Banks / FIs	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Promoter Shareholding (A)</b>	<b>26982301</b>	<b>0</b>	<b>26982301</b>	<b>42.51</b>	<b>26982301</b>	<b>0</b>	<b>26982301</b>	<b>42.51</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FIs	166918	0	166918	0.26	135869	0	135869	0.21	(0.05)
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1)</b>	<b>166918</b>	<b>0</b>	<b>166918</b>	<b>0.26</b>	<b>135869</b>	<b>0</b>	<b>135869</b>	<b>0.21</b>	<b>(0.05)</b>
<b>(2) Non Institutions</b>									
a) Bodies Corp.									
i) Indian	2796128	978978	3775106	5.95	1886466	978978	2865444	4.51	(1.44)
ii) Overseas	39331	58000	97331	0.15	39331	58000	97331	0.15	0.00
b) Individuals									
i. Individual Shareholders holding nominal share capital upto Rs. 1 Lakhs	15664018	284873	15948891	25.13	15410647	282554	15693201	24.73	(0.40)
ii. Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakhs	13802611	2094439	15897050	25.05	15088409	2094439	17182848	27.07	2.02
c) Others									
i) Non-Resident Indians	299862	89000	388862	0.61	244060	89000	333060	0.52	(0.09)
ii) NRI – Non Repatriation	168565	0	168565	0.27	153479	0	153479	0.24	(0.03)
iii) Clearing Members	16189	0	16189	0.03	19780	0	19780	0.03	0.00
iv) NBFCs registered with RBI	26792	0	26792	0.04	4592	0	4592	0.01	(0.03)
v) Trust	0	0	0	0	100	0	100	0	0.00
<b>Sub-total (B)(2)</b>	<b>32813496</b>	<b>3505290</b>	<b>36318786</b>	<b>57.22</b>	<b>32846864</b>	<b>3502971</b>	<b>36349835</b>	<b>57.27</b>	<b>0.04</b>
<b>Total Public Shareholding (B)</b>	<b>32980414</b>	<b>3505290</b>	<b>36485704</b>	<b>57.49</b>	<b>32982733</b>	<b>3502971</b>	<b>36485704</b>	<b>57.49</b>	<b>0.00</b>
<b>C. Shares held by custodian for GDRs and ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>59962715</b>	<b>3505290</b>	<b>63468005</b>	<b>100.00</b>	<b>59965034</b>	<b>3502971</b>	<b>63468005</b>	<b>100.00</b>	<b>0.00</b>

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## ii) Share Holding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (as on April 1, 2019)			Shareholding at the end of the year (as on March 31, 2020)			% change in shareholding during the year
		No. of Shares	% of total shares of the Co.	% of Shares pledge / encumbered to total shares	No. of Shares	% of total shares of the Co.	% of Shares pledge / encumbered to total shares	
1	Nirma Chemical Works Private Limited	23777418	37.46	0	23777418	37.46	0	0.00
2	Nirma Industries Private Limited	3204883	5.05	0	3204883	5.05	0	0.00
<b>Total</b>		<b>26982301</b>	<b>42.51</b>	<b>0</b>	<b>26982301</b>	<b>42.51</b>	<b>0</b>	<b>0.00</b>

## iii) Change in Promoters' Shareholding

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (as on April 1, 2019)		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	26982301	42.51	26982301	42.51
2	Increase/ Decrease in Promoters Share Holding during the year	0	0.00	0	0.00
3	At the end of the year	26982301	42.51	26982301	42.51



# SHREE RAMA MULTI-TECH LIMITED

## iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sr. No.	Name of Top 10 Shareholders	Shareholding at the beginning of the year (as on April 1, 2019)		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	Jayesh Hargovandas Patel	3724158	5.87		No Change		3724158	5.87
2	Raiben Ugardas Patel	0	0.00				0	0.00
				25/10/2019	2598730	Transfer	2598730	4.09
				At the end of the year (31/03/2020)			2598730	4.09
3	Sureel Enterprise Pvt. Ltd.	954778	1.50		No Change		954778	1.50
4	Hemant Hiralal Shah	0	0.00				0	0.00
				10/01/2020	90041	Transfer	90041	0.14
				24/01/2020	36346	Transfer	126387	0.20
				31/01/2020	25032	Transfer	151419	0.24
				07/02/2020	14225	Transfer	165644	0.26
				14/02/2020	72323	Transfer	237967	0.37
				21/02/2020	136553	Transfer	374520	0.59
				28/02/2020	96154	Transfer	470674	0.74
				06/03/2020	29612	Transfer	500286	0.79
				At the end of the year (31/03/2020)			500286	0.79
5	Alin Ajaykumar Shah	479038	0.75		No Change		479038	0.75
6	Deepinder Singh Poonian	0	0.00				0	0.00
				22/11/2019	30472	Transfer	30472	0.05
				29/11/2019	8583	Transfer	39055	0.06
				06/12/2019	15114	Transfer	54169	0.09
				13/12/2019	36805	Transfer	90974	0.14
				06/03/2020	29714	Transfer	120688	0.19
				13/03/2020	43226	Transfer	163914	0.26
				20/03/2020	48611	Transfer	212525	0.33
				27/03/2020	108125	Transfer	320650	0.51
				31/03/2020	141283	Transfer	461933	0.73
				At the end of the year (31/03/2020)			461933	0.73
7	Ashish Bharatkumar Shah	0	0.00				0	0.00
				08/11/2019	104408	Transfer	104408	0.16
				15/11/2019	4	Transfer	104412	0.16
				22/11/2019	12	Transfer	104424	0.16
				13/12/2019	46480	Transfer	150904	0.24
				20/12/2019	89759	Transfer	240663	0.38
				27/12/2019	7600	Transfer	248263	0.39
				03/01/2020	35593	Transfer	283856	0.45
				10/01/2020	31265	Transfer	315121	0.50
				17/01/2020	13337	Transfer	328458	0.52
				24/01/2020	21263	Transfer	349721	0.55
				31/01/2020	7860	Transfer	357581	0.56
				21/02/2020	30977	Transfer	388558	0.61
				28/02/2020	2167	Transfer	390725	0.62
				27/03/2020	13943	Transfer	404668	0.64
				At the end of the year (31/03/2020)			404668	0.64
8	Shree Developers Pvt. Ltd.	365790	0.58		No Change		365790	0.58
9	Shivabhai Narandas Patel	302793	0.48		No Change		302793	0.48
10	Rameshbhai Shivabhai Patel	300356	0.47		No Change		300356	0.47

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## v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Particulars	Shareholding at the beginning of the year (as on April 1, 2019)		Date	Increase/Decrease during the Year	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
NIL								

## V. INDEBTEDNESS

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

(Rs. in lakhs)

Particulars	Secured Loans excl. deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
1. Principal Amount	7092.06	3424.17	0.00	10516.23
2. Interest due but not paid	-	-	-	-
3. Interest accrued but not due	-	-	-	-
<b>Total (1+2+3)</b>	<b>7092.06</b>	<b>3424.17</b>	<b>0.00</b>	<b>10516.23</b>
<b>Change in Indebtedness during the financial year</b>				
Addition *	2349.81	-	-	2349.81
Reduction *	2382.91	2757.50	-	5140.41
<b>Net Change</b>	<b>(33.10)</b>	<b>(2757.50)</b>	<b>-</b>	<b>(2790.60)</b>
<b>Indebtedness at the end of the financial year</b>				
1. Principal Amount	7058.96	666.67	-	7725.63
2. Interest due but not paid	-	-	-	-
3. Interest accrued but not due	-	-	-	-
<b>Total (1+2+3)</b>	<b>7058.96</b>	<b>666.67</b>	<b>-</b>	<b>7725.63</b>

\* During the F.Y. 2019-20, the credit facilities of RBL Bank Ltd. has been secured by way of DOH dated 12/07/2019, hence, the figures of the loan have been regrouped.



# SHREE RAMA MULTI-TECH LIMITED

## VI. REMUNERATION OF THE DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-Time Directors and / or Manager:

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		MD	WTD	
		Shri Shailesh K. Desai	Shri Hemal R. Shah	
		(Rs. in lakhs)		
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	67.55	15.48	83.03
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	2.45	0.85	3.30
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission - as % of Profit	0.00	0.00	0.00
5	Other Allowances	0.00	0.00	0.00
	<b>Total (A)</b>	<b>70.00</b>	<b>16.33</b>	<b>86.33</b>
	Ceiling as per the Section 197(3) and Schedule V of the Companies Act, 2013	84.00	84.00	

### B. Remuneration to other Directors:

Sr. No.	Name of Director	Particulars of Remuneration			Total Amount
		Fees for attending Board / Committee meetings	Commission	Others, please specify	
		(Rs. in lakhs)			
<b>1.</b>	<b>Independent Directors</b>				
	Shri Pathik C Shah	0.60	0	0	0.60
	Smt. Vandana C Patel	0.60	0	0	0.60
	Shri Shalin S. Patel	0.45	0	0	0.45
	<b>Total (1)</b>	<b>1.65</b>	<b>0</b>	<b>0</b>	<b>1.65</b>
<b>2.</b>	<b>Non-Executive Directors</b>				
	Shri Mittal K. Patel	0.30	0	0	0.30
	<b>Total (2)</b>	<b>0.30</b>	<b>0</b>	<b>0</b>	<b>0.30</b>
	<b>Total (1+2)</b>	<b>1.95</b>	<b>0</b>	<b>0</b>	<b>1.95</b>
	Ceiling as per the Act (@1% of profits calculated under Section 198 of the Companies Act, 2013)	Not Applicable			

# Annual Report 2019-20

## C. Remuneration to Key Managerial Personnel other than MD/ WTD/ Manager:

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Chief Financial Officer	Company Secretary	
		Krunal G. Shah	Purvang Trivedi	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	11.45	4.82	16.26
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	0.17	0.30	0.47
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission - as % of Profit	0.00	0.00	0.00
5	Others	0.00	0.00	0.00
	<b>Total</b>	<b>11.62</b>	<b>5.12</b>	<b>16.74</b>

## 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)
<b>A. Company</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>C. Other Officers in default</b>					
Penalty					
Punishment			NIL		
Compounding					

For, **Shree Rama Multi-Tech Limited**

**Place:** Moti-Bhojan  
**Date:** July 21, 2020

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

Hemal R. Shah  
**Whole-Time Director**  
(DIN: 07338419)



## ANNEXURE-B TO THE BOARD'S REPORT

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

The information under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31<sup>st</sup> March, 2020 is given below and forms part of the Board's Report.

#### A) CONSERVATION OF ENGERGY:

- i. Steps taken or impact on conservation of energy: Not Applicable
- ii. Steps taken by the Company for utilizing alternative sources of energy: NIL
- iii. Capital Investment on energy conservation equipment: NIL

#### B) TECHNOLOGY ABSORPTION:

- i. Efforts made towards Technology Absorption: Nil
- ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

With addition of two new Tubing lines along with Clean room facility in the previous year, we have been able to open a new segment (Pharma tubes) for our Tube business which will add to our Topline as well as Bottom line in coming year.

After upgradation of our Extrusion coating line in the previous year, we have been able to launch a new product in the Laminate market which is termed – Reflector Laminate (ABL & PBL both).

With help of our in-house R&D team, we could develop Green Laminate (fully recyclable) which has the potential to be next growth area in industry.

- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

During FY 2018-19, the Company had inducted 2 new PSG tube making lines (with compression shoulder technology) from Switzerland and commercialized the same. The Company has also imported 'Digital Letter Press Imager' with latest technology from Germany during FY 2019-20 which is being used in prepress printing department. Both the imported technologies have been fully absorbed.

- iv. The expenditure incurred on Research and Development: NIL

#### C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Rs. in lakhs)

Particulars	2019-20	2018-19
Foreign Exchange Earned	3105.35	2251.53
Foreign Exchange Outgo	2773.73	4794.17

For, **Shree Rama Multi-Tech Limited**

**Place:** Moti-Bhoayan

**Date:** July 21, 2020

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

Hemal R. Shah  
**Whole-Time Director**  
(DIN: 07338419)

## ANNEXURE-C TO THE BOARDS' REPORT

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- I. Ratio of remuneration of each director to the median remuneration of the employees of the company for FY 2019-20:

Name of the Director	Ratio to Median remuneration
Shri Shailesh K. Desai	42.34:1
Shri Hemal R. Shah	9.88:1
Shri Pathik C. Shah *	N.A.
Smt. Vandana C. Patel *	N.A.
Shri Shalin S. Patel *	N.A.
Shri Mittal K. Patel *	N.A.

- II. Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager, if any in FY 2019-20 as compared to previous year 2018-19:

Name of Director, CFO, CS	Percentage increase in remuneration
Shri Shailesh K. Desai <sup>§</sup>	5.36%
Shri Hemal R. Shah <sup>§</sup>	0.91%
Shri Pathik C. Shah *	N.A.
Smt. Vandana C. Patel *	N.A.
Shri Shalin S. Patel *	N.A.
Shri Mittal K. Patel *	N.A.
Shri Krunal Shah	9.83%
Mr. Purvang Trivedi	23.08%

- III. The median remuneration of the employees has increased by 8.44 % in the financial Year 2019-20

- IV. Number of permanent employees on the roll of the company as on March 31, 2020 was 358.

- V. Average percentage increase already made in the salaries of employees other than the managerial personnel in FY 2019-20 and its comparison with the percentage increase in the managerial remuneration and justification thereof:

Average percentage increase in salaries of the employees	Average percentage increase in managerial remuneration <sup>#§</sup>
11.89%	4.49%

**Justification:** The average increase in salaries of employees every year is an outcome of Company's market competitiveness as against its peer companies. In keeping with our reward philosophy and benchmarking results, the increase this year reflects the market practice.





# SHREE RAMA MULTI-TECH LIMITED

VI. The Company affirms that the remuneration paid to the Directors, Key Managerial Personnel and employees of the Company is as per the remuneration policy of the Company.

VII. Information pursuant to rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name of Employee	Designation & Nature of Employment	Gross Remuneration (Rs.in Crore)	Qualification	Experience	Date of Commencement of Employment	Age	Previous Employment	% of Equity Shares held	Whether relative of any Director or manager
NIL									

- § There was no increase in remuneration during FY 2019-20. The effect of percentage increase in remuneration is due to the revision in remuneration w.e.f. June 1, 2018 during FY 2018-19.
- \* No remuneration was paid during the year except Sitting Fees for attending Board Meetings and the same has not been considered as a part of remuneration for this purpose
- # Managerial Remuneration includes remuneration payable to Managing Director and Whole-Time Director of the Company

For, **Shree Rama Multi-Tech Limited**

**Place:** Moti-Bhoyan  
**Date:** July 21, 2020

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

Hemal R. Shah  
**Whole-Time Director**  
(DIN: 07338419)

## ANNEXURE-D TO THE BOARD'S REPORT

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020

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

To,  
The Members,  
SHREE RAMA MULTI-TECH LIMITED  
(L25200GJ1993PLC020880)  
Registered office: 301, Corporate House, Opp. Torrent House,  
Income Tax Ahmedabad - 380009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHREE RAMA MULTI-TECH LIMITED (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, 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 herein after. The physical inspection or Verification of documents and records were taken to the extent possible:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2020 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 (**Not Applicable during the Audit Period**);
- (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, 2018 **(Not Applicable during the Audit Period);**
  - (d) the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable during Audit Period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable during Audit Period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable during the Audit Period);** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018:- **(Not Applicable during the Audit Period);**
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (iv) Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:
1. Factories Act, 1948
  2. Industrial Disputes Act, 1947

We 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 Stock Exchange(s)

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

- I. Pursuant sub-Section 3 of Section 129 Company had not consolidated accounts of its wholly own subsidiary i.e. Shree Rama Mauritius Limited.
- II. In respect of 10,00,000 15% Cumulative Preference Shares of Rs.100/- each which were redeemable in three equal installments at the end of third, fourth and fifth year from 30<sup>th</sup> March, 1998, 3,33,334 Preference Shares being first installment were redeemed on 30<sup>th</sup> March, 2001. The remaining 6,66,666 Preference Shares are yet to be redeemed.
- III. The Company has declared and provided in books dividend of Rs. 100 lacs for the year 2000-01 on 666666 15% Redeemable Preference Shares. the Company had not reversed the said provision and also not transferred the said amount to IEPF. However, during the year, Hon'ble High Court of Gujarat has dismissed an O J Appeal and considering the present situation of the Covid-19 pandemic and the lockdowns announced earlier, the Company is under the process of filing the review petition hence, the Company has not reversed the said provision and also not transferred the said amount to IEPF.

## We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of

# Annual Report 2019-20

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 are captured and recorded as part of the minutes.

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

**We further report that** during the audit period there were following specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

1. Company had sold the assets of Ambaliyara Plant of the Company situated at Village Ambaliyara Dist. Mehsana, Gujarat on 9<sup>th</sup> September, 2019.
2. The O.J. Appeal filed by the company against the order of single bench dated 15<sup>th</sup> July, 2015 of Hon'ble High Court of Gujarat in respect of Scheme of Arrangement in the nature of Compromise with lenders and the Shareholders u/s 391(1) of the Companies Act, 1956 has been dismissed.

**We further report that**, during the reporting period Company has passed following Special resolutions.

1. Re-appointment of Shri Pathik C. Shah as Independent Director.

**Place:** Ahmedabad

**Date:** 21<sup>st</sup> July, 2020

**Chirag Shah**

Partner

Chirag Shah and Associates

FCS No. 5545

C P No.: 3498

UDIN : F005545B000483924

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



To,  
The Members  
**SHREE RAMA MULTI-TECH LIMITED**

Our Secretarial Audit Report of even date is to be read along with this letter.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

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

### **Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place:** Ahmedabad  
**Date:** 21<sup>st</sup> July, 2020

**Chirag Shah**  
Partner  
Chirag Shah and Associates  
FCS No. 5545  
C P No.: 3498

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting this Management Discussion and Analysis Report for the year ended on 31<sup>st</sup> March, 2020.

### INDUSTRY STRUCTURE AND DEVELOPMENTS:

The industry has reported steady growth over past several years and shows high potential for much expansion. The growth of the Indian packaging industry is heavily influenced by changing demographics such as growing urbanization and the rising proportion of middle class consumers.

The global packaging industry is developing and expanding day by day and Indian packaging industry is also growing rapidly. This growth is primarily driven by factors like growing pharmaceutical, food processing, manufacturing industry, FMCG, healthcare sector.

In the current scenario of Covid-19 pandemic, packaging of pharma/food products in a smart way is even more critical/popular which may increase the requirements in upcoming period.

### SRMTL'S PERFORMANCE AS INDUSTRY:

Your company's major product is laminated tubes, which is used for packing products in paste or gel form. The production of laminated tubes was drastically increased as compared to previous years with tubing capacity fully utilised throughout the year.

The key growth driver for the year was laminated tubes with 27% growth in production as compared to last year. The another high potential segment for your company is tube laminate which grew 4% as compared to last year. The numbers of key customers have been tapped for this segment which can give impressive growth in the coming year.

In addition to domestic market, the overseas markets continue to hold substantial potential for your company. The Export sales grew from Rs 2322.85 lakhs of the previous financial year 2018-19 to Rs 3176.15 lakhs in the financial year 2019-20 i.e growth of 37 % over the previous year. Hence the exports would continue to remain focused on developing export business.

During the year, the recertification audits were carried out by external agencies and accordingly your company has been recertified for ISO-9001-2015.

### SEGMENT-WISE/ PRODUCT WISE PERFORMANCE:

The Company closed the year at higher level in Tube sales. This is because of capacity addition of the new tubing lines in the last year and also robust orders from domestic and export market.

### OPPORTUNITIES, THREATS AND RISK PERCEPTION:

In the way ahead, the growth in the plastic packaging industry in India will be majorly impacted by the end use industries, growing consumerism and government initiatives such as Make in India. With expected growth in FMCG segment, coupled with more money in the hands of consumers, we expect packaging industry to show growth momentum. In line with this expectation, the capacities are being built up in all segments of packaging and hence competition is expected to intensify in coming years. Also with the Government's approach towards recycling and bio-degradation, it may create need to change the overall concept of changing primary packaging products. However, with its value system and dedicated team, your company is geared up to accept and overcome challenges of future.

### RISK AND CONCERNS:

Several of new players have come up in Tube manufacturing and as a result, the competition has become intense. It is absolutely vital for us to remain with the industry with new technology machines to stay relevant.



# SHREE RAMA MULTI-TECH LIMITED

On account of Anti-dumping duty, the cost of Aluminium Foil has gone up considerably which impacted raw material cost drastically, consequently it has affected adversely on the returns of the company. Since, Aluminium Foil is the main component of the primary packaging.

In the wake of recent events by government towards discouraging single use plastics products and promotion of recyclable plastics, your management believes that this has potential to bring disruptive changes in the entire plastic industries. While your company is undertaking several initiatives to innovate possible and affordable solution to the issue. It may cost to the company and we should be prepared for this. Recent development regarding Pollution control boards insisting on EPR (Extended Producer Responsibility) for all packaging oriented companies and cost implications of same are also another aspect where we may have to incur further cost by capital investment in the machineries to comply with the directions under government regulations. This along with insistence on recyclable plastic has potential to change the way industry operates as a whole.

The Company has assessed the probable impact of Covid 19 pandemic. It has considered internal and external information available up to the date of approval of these financial statements and has performed analysis based on current estimates in assessing the recoverability of its assets including trade receivables, inventories, other financial and non-financial assets for possible impact on these financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, etc. On the basis of its present assessment and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any material impact on these financial results. However, the assessment of impact of Covid-19 is a continuing process, given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic condition.

## **BUSINESS OUTLOOK:**

On the back of more and more products getting converted from Aluminium tubes to Multilayer tubes and increasing per capita plastic consumption in India, the growth potential for Multilayer tubes may rise and therefore, we have added latest technology machines to stay at the forefront of the competition going forward.

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

The Company has adequate and effective internal controls to provide reasonable assurance on achievement of its operational, compliance and reporting objectives. The Company has deployed controls through its policies and procedures. These policies and procedures are periodically revised to ensure that they remain updated to changes in the environment. There is a well laid out process for making amendments to processes in the Company and implications of changes are well thought through and all stakeholders are consulted so that implementation is smooth.

Internal Audit as part of their audits, review the key processes from an adequacy of controls' point of view. Suggestions to further strengthen the processes or to make them more effective are shared with the process owners and changes are made suitably.

The Company believes in conducting business in a fair, ethical and compliant manner. In this regard, periodic meetings to make the employees aware of the code of conduct are held. The Company has designed its software tool which helps track key compliances as close as possible to the actual due date. Any deviations are highlighted for prompt corrective action. Functional heads take responsibility for putting in preventive steps. The internal financial control system is also included in the board report.

## **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

During the financial year 2019-20, the Company has achieved total revenue of Rs.13,099.65 lakhs thereby registered growth in revenue by 11.34% as compared to the previous year's figure of

# Annual Report 2019-20

Rs 11,765.20 lakhs. The EBIDTA of the Company during the year stood at Rs. 1729.35 lakhs. The Company has registered net profit of Rs 2105.56 lakhs (including exceptional items) for the financial year ended on 31<sup>st</sup> March, 2020. The Company is targeting to achieve the economy and growth within the overall available resources along with increase in the volume with additional capacity as planned for steady and for the improvement in the business activities.

## MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company attaches importance to the dignity of employee irrespective of position and highly values the cultural diversities of employees. During the year under review, the total number of permanent employees on the roll of the company is 358. The company is committed to nurturing, enhancing and retaining its top talent through superior learning and organizational development. This is a part of our Corporate HR function and is a critical pillar to support the organization's growth and its sustainability in the long run.

## DETAILS OF SIGNIFICANT CHANGES (i.e. CHANGE OF 25% OR MORE AS COMPARED TO FY 2018-19) IN KEY FINANCIAL RATIOS

Sr. No.	Ratios	Year	
		2019-20	2018-19
1	Debtors Turnover <sup>@</sup>	6.19 times	4.70 times
2	Inventory Turnover	3.95 times	4.18 times
3	Interest Coverage Ratio <sup>*</sup>	3.00 times	-0.10 times
4	Current Ratio <sup>#</sup>	1.93	1.21
5	Debt Equity Ratio <sup>\$</sup>	3.97	46.84
6	Operating Profit Margin <sup>^</sup>	6.88 %	-0.30 %
7	Net Profit Margin <sup>1</sup>	16.47 %	-2.60 %
8	Return on Net Worth <sup>2</sup>	87.58 %	-100.07 %

<sup>@</sup> Change in Debtors Turnover Ratio due to Company's collection of accounts receivable is efficient.

<sup>\*</sup> Change in Interest Coverage Ratio due to higher EBIT as compared to previous year and lower interest cost as compared to previous year.

<sup>#</sup> Current Ratio: Current assets were marginally lower and current liabilities were lower during FY 2019-20 as compared to previous year

<sup>\$</sup> Debt-Equity Ratio: Drastically decreased in debt and increase in shareholders' fund during current financial year

<sup>^</sup> Change in Operating Profit Margin due to operating profit as compared to previous year's operating loss

<sup>1</sup> Change in net profit margin due to higher profit as compared to previous year's loss

<sup>2</sup> Change in Return on Net Worth due to higher net worth and net profit as compared to previous year

**Cautionary Statement:** Estimates and expectations stated in this Management Discussion and Analysis may be "forward-looking statement" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and international markets, changes in the Government regulations, tax laws, other statutes and other incidental factors.

For, **Shree Rama Multi-Tech Limited**

**Place:** Moti-Bhojan  
**Date:** July 21, 2020

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

Hemal R. Shah  
**Whole-Time Director**  
(DIN: 07338419)





## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the Financial Year 2019-20 in accordance with Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 1. PHILOSOPHY ON CODE OF GOVERNANCE

SRMTL's philosophy on Corporate Governance is based on transparency, accountability and professionalism in action which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth and value creation. As a corporate entity, Company business fosters a culture of ethical behavior and disclosures aimed at building trust of the stakeholders.

The corporate governance philosophy of the Company has been further strengthened through the Company's Code of Conduct. The implementation of the policies and procedures as prescribed by the Company are intended to ensure high ethical standards in all its business activities.

Your Company is in compliance with the requirements of Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter called "the Listing Regulations" and also Guidance Note on Board Evaluation as prescribed by SEBI.

### 2. BOARD OF DIRECTORS

#### (i) Composition of the Board:

The Company's Board is broad-based and consists of eminent individuals from Industrial, Managerial, Financial, Marketing and Technical background. The Company is managed by the Board of Directors in co-ordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains compliant with statutory as well as business requirements.

The Company's Board has an optimum mix of Executive and Non-Executive Directors including an Independent Woman Director and comprises of not less than fifty percent Non-Executive Directors. The Board of Directors comprised of total six Directors as on March 31, 2020 out of which two were Executive Directors and four were Non-Executive Directors which includes three Independent Directors. There are no persons on the Board being appointed as an alternate director for an Independent Director of the Company. The Board does not have a regular Chairman and is appointed by the Board in respective meetings.

None of the Directors are related to any other Director on the Board in terms of definition of 'relative' as per the Listing Regulations. Non-Executive Directors do not hold any equity shares of the Company. The Company has not issued any convertible securities.

None of the Directors on the Board are a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Public Companies in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors. The age of the Directors on the Board is less than seventy-five years.

The Directors of the Company neither holds office as a director in more than seven listed entities nor they serve as an Independent Director in more than seven listed entities. The Executive Directors of the Company do not serve as an Independent Director in more than three listed entities.

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- (ii) The attendance record of each director at Board Meetings and at last Annual General Meeting, number of other Board of Directors or Committees (includes only Audit Committee and Stakeholders Relationship Committee) in which the Directors are member or chairperson:

Name of Directors	Category of Directors	Attendance at		Directorships held in other Companies	No of Committee positions held in other Public Companies	
		Board Meetings held during FY 19-20	Last AGM		Chairman	Member
Shri Shailesh K. Desai*	Executive Managing Director	4	Yes	-	-	-
Shri Hemal R. Shah	Executive Whole Time Director	4	Absent	-	-	-
Shri Pathik C. Shah	Non-Executive (Independent)	4	Yes	1	-	-
Shri Mittal K. Patel	Non-Executive & Non-Independent	2	Yes	1	-	-
Smt. Vandana C. Patel	Non-Executive (Independent)	4	Absent	-	-	-
Shri Shalin S. Patel	Non-Executive (Independent)	3	Absent	2	-	1

\* Shri Shailesh K. Desai was elected as the Chairman of the Meeting of Board of Directors by the Members of Board in each of its respective meetings held during FY 2019-20 since there is no regular Chairman of the Company.

- (iii) Name of other listed entities where Directors of the Company are directors and the category of directorship:

Name of Director	Name of the other Listed Companies	Category of Directorship
Shri Shalin S. Patel	Arvee Laboratories (India) Limited	Executive

During the year ended on March 31, 2020, four Board meetings were held on May 24, 2019; August 9, 2019; November 12, 2019; February 10, 2020. The interval between two meetings was well within the maximum period mentioned under Section 173 of Companies Act, 2013 and SEBI (LODR) Reg., 2015. The Last Annual General Meeting of the members of the Company was held on September 25, 2019.

#### (iv) Skills/ Expertise/ Competencies of the Board of Directors:

The following is the list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of the Company's business and available with the Board Members:

Business & Industry knowledge	Knowledge on Company's Packaging businesses, risks/ threats and potential opportunities and knowledge of the industry in which the Company operates
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Behavioural skills	Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
Business Leadership & Strategy	Leadership experience in understanding practical understanding of organisation, strategic planning and business development
Financial Expertise	Knowledge and skills in accounting and finance, tax, treasury and forex management, capital allocation and financial reporting
Corporate Governance	Service on a public listed company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices
Sales & Marketing	Experience in developing strategies to grow sales and market share, awareness and build a strong Corporate reputation

The specific area of focus or expertise of individual board member is enlightened as below:

Skills/Competencies/ Expertise	Name of Director					
	Shailesh K. Desai	Pathik C. Shah	Mittal K. Patel	Vandana C. Patel	Shalin S. Patel	Hemal R. Shah
Business & Industry knowledge	Y	Y	Y	Y	Y	Y
Behavioural skills	Y	Y	Y	Y	Y	Y
Business Leadership & Strategy	Y	Y	Y	Y	Y	Y
Financial Expertise	Y	Y	Y	Y	Y	Y
Corporate Governance	Y	Y	Y	Y	Y	Y
Sales & Marketing	Y	Y	Y	Y	Y	Y

**Note:** Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein

(v) The Board confirms that the Independent Directors fulfil the conditions specified in the listing regulations and that they are Independent of the management. During the financial year 2019-20, none of the Independent Directors of the Company have resigned from the Board of the Company.

**(vi) Board Procedure:**

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. The Board Meetings are prescheduled and decided in advance after confirmation from the Members of the Board.

The Notice convening Board Meetings are being sent to each of the Directors along with relevant information and documents well in advance of the meeting date as per the provisions of the Companies Act, 2013 and Secretarial Standards and in exceptional cases tabled at the Meeting with the permission of the Chairman and consent of majority of the Directors present in the Meeting to ensure timely and informed decisions effectively. All significant developments and material events are brought to the notice of the Board.

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of the Listing Regulations to the Board and the Board Committees to the extent it

# Annual Report 2019-20

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is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective Meetings or by way of presentations and discussions during the Meetings. The important decisions taken at the Board/ Board Committee Meetings are communicated to the concerned department/ division.

## **Independent Directors and Familiarization Programme:**

The Independent Directors of the Company have been appointed in terms of the requirements of the Act, the Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company.

All Independent Directors are experienced and competent in their respective field. They actively participate in the Board and Committee which gives significant value addition in the decision making process.

The Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc., through various programmes. These include orientation programme upon induction of new Director, as well as other initiatives to update the Directors on an ongoing basis. The details of familiarization program for Independent Directors have been placed on Company's website: [www.srmtl.com](http://www.srmtl.com).

## **(vii) Code of Conduct:**

The Company has adopted the 'Code of Conduct' which is applicable to the Company and its Board of Directors, Key Managerial Personnel and Senior Management Personnel of the Company. It also incorporates the duties of Independent Directors of the Company. The Code of Conduct is hosted on the Company's website at [www.srmtl.com](http://www.srmtl.com).

All the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct for the Financial Year 2019-20. A declaration to this effect, signed by the Managing Director, forms part of this Report.

## **(viii) Prevention of Insider Trading:**

The Company has adopted the 'Code of conduct to regulate, monitor and report trading by Designated Persons and their immediate relatives' ("the Code") in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations). The Code is applicable to Designated Persons and their immediate relatives as defined under this Code and such other persons as the Board of Directors in consultation with the Compliance Officer may determine, from time to time, who are expected to have access to Unpublished Price Sensitive Information relating to the Company.

The Company has also formulated 'Code of Practice and Procedure for Fair Disclosure of Unpublished Price Sensitive Information' in compliance with PIT Regulations. This Code is displayed on the Company's website viz. [www.srmtl.com](http://www.srmtl.com).

## **3. BOARD COMMITTEES AND OTHER MEETINGS**

The Board of Directors have constituted Board Committees to deal with specific areas and activities which concerns the Company and requires a closer review. The Board Committees are formed with the approval of the Board and functions under their respective Charters. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

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The Company has four Board Level Committees:

## (A) Audit Committee

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal control system and financial reporting process along with other roles as defined under the Terms of Reference that describes its authority, responsibility and reporting function. The members of the Audit Committee are financially literate with one of the member having experience as well as requisite professional qualification in accounts/finance. The Audit Committee is constituted in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The Company's Internal Auditors, Statutory Auditors and head of finance department remains present at the Audit Committee Meetings at the request of Chairman of the Committee. The Company Secretary acts as the Secretary of the Audit Committee.

The details of composition of the Audit Committee and the number of meetings attended by the members during the year is as under:

Sr. No.	Name of Members	Composition	No of Meetings held	No. of meetings attended
1	Shri Pathik C. Shah	Chairman (Independent Director)	4	4
2	Shri Shailesh K. Desai	Member (Executive Director)	4	4
3	Shri Shalin S. Patel	Member (Independent Director)	4	3
4	Smt. Vandana C. Patel	Member (Independent Director)	4	4

The Audit Committee met four times during the Financial Year 2019-20. The maximum gap between two Meetings was not more than 120 days. The Committee met on May 24, 2019; August 9, 2019; November 12, 2019, February 10, 2020. The requisite quorum (including presence of at least two Independent Directors) was present at all the Meetings. The previous Annual General Meeting of the Company was attended by the Chairman of the Audit Committee.

### Terms of reference of the Audit Committee:

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters.

The Terms of the Reference of the Audit Committee also includes the review of the information as prescribed in Part C of Schedule II of SEBI (LODR) Regulations, 2015.

# Annual Report 2019-20

## (B) Nomination and Remuneration Committee

The role of Nomination and Remuneration Committee of the Board of Directors includes recommendation to the Board, policy relating to appointment, remuneration and determining such other criteria and qualities attributable with respect to appointment and removal of directors and senior management. The Nomination and Remuneration Committee is constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The committee comprises of three Non-Executive Directors with two members being Independent Directors. The previous Annual General Meeting of the Company was attended by the Chairman of the Nomination and Remuneration Committee.

The details of composition of the Nomination and Remuneration Committee and the number of meetings attended by the members during the year are as under:

Sr. No.	Name of Members	Composition	No of Meetings held	No. of meetings attended
1	Shri Pathik C. Shah	Chairman (Independent Director)	1	1
2	Shri Mittal K. Patel	Member (Non-Executive – Non-Independent Director)	1	0
3	Shri Shalin S. Patel	Member (Independent Director)	1	1

The Nomination and Remuneration Committee met one time during the Financial Year 2019-20 i.e. on May 24, 2019.

### Terms of reference of the Nomination and Remuneration Committee:

- to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- to formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors;
- to devise a policy on diversity of Board of Directors;
- to ensure succession planning for appointment or replacing Board of Directors and senior management;
- to identify the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
- to determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of the Independent Directors.

The Terms of the Reference of the Nomination and Remuneration Committee also includes the review of the information as prescribed in Part D of Schedule II of SEBI (LODR) Regulations, 2015 and Section 178 of the Companies Act, 2013. The Nomination and Remuneration Policy of the Company is placed on Company's website viz. [www.srmtl.com](http://www.srmtl.com).

### Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of parameters that may be evaluated include



# SHREE RAMA MULTI-TECH LIMITED

qualifications, experience, knowledge and competency, fulfillment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity.

## (C) Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted in accordance with Section 178(5) of the Companies Act, 2013 and Regulation 20 of the Listing Regulations with the Chairman being the Non-Executive Director and Mr. Purvang Trivedi, Company Secretary being the Compliance Officer. The Committee functions to specifically look into various aspects of interest of the security holders of the Company. The previous Annual General Meeting of the Company was attended by the Chairman of the Stakeholders Relationship Committee.

The role of the Committee includes matters as prescribed in Part D of Schedule II of SEBI (LODR) Regulations, 2015.

The details of composition of the Stakeholders Relationship Committee and the number of meetings attended by the members during the year are as under:

Sr. No.	Name of Members	Composition	No of Meetings held	No. of meetings attended
1.	Shri Mittal K. Patel	Chairman (Non-Executive – Non-Independent Director)	4	2
2.	Shri Shailesh K. Desai	Member (Executive Director)	4	4
3.	Shri Shalin S. Patel	Member (Independent Director)	4	3

The Stakeholders Relationship Committee met four times during the Financial Year 2019-20 i.e. on May 24, 2019, August 9, 2019, November 12, 2019 and February 10, 2020.

Details of Shareholder's queries/ complaints/ requests received and replied during Financial Year 2019-20 are detailed as under:

Sr. No.	Nature of Correspondence	Received (Nos.)	Responded Satisfactorily & Solved (Nos.)	Pending as on March 31, 2019 (Nos.)
1	Change of Address	1	1	Nil
2	Nomination Request	-	-	-
3	Stop Transfer/ Procedure for issuance of Duplicate Share Certificates	2	2	Nil
4	Correction in Name/ Address	1	1	Nil
5	Change in Signature	-	-	-
6	Procedure for transmission/ deletion	5	5	Nil
7	Issuance of Duplicate shares	-	-	-
8	Transfer Request	1	1	Nil
9	Demat Request/ Remat Requests	21	21	Nil
10	Non-Receipt of Annual Report	-	-	-
<b>TOTAL</b>		<b>31</b>	<b>31</b>	<b>Nil</b>

# Annual Report 2019-20

## (D) Committee of Directors

The Board of Directors of the Company at its meeting held on November 22, 2018 had constituted the Committee of Directors comprising of three Directors of the Company. Shri Mittal K. Patel, Non-Executive – Non-Independent Director was the Chairman of the Committee and the other members of the Committee being Shri Shailesh K. Desai, Managing Director and Shri Hemal R. Shah, Whole-Time Director of the Company.

The Committee was formed by the Board of Directors for the purpose of sale/ disposal of the assets located at Ambaliyara plant along with delegation of certain powers for the purpose and allied matters.

The details of composition of the Committee of Directors and the number of meetings attended by the members are as under:

Sr. No.	Name of Members	Composition	No of Meetings held	No. of meetings attended
1.	Shri Mittal K. Patel	Chairman (Non-Executive – Non-Independent Director)	2	2
2.	Shri Shailesh K. Desai	Member (Executive Director)	2	2
3.	Shri Hemal R. Shah	Member (Independent Director)	2	2

The Committee of Directors met two times during the Financial Year 2019-20 i.e. on June 19, 2019 and September 7, 2019.

The Committee of Directors was discontinued by the Board of Directors with effect from November 12, 2019.

## (E) Meeting of Independent Directors

The separate meeting of Independent Directors was not held in FY 2019-20 due to the outbreak of CoVID-19 pandemic. However, the Independent Directors have exchanged their views among themselves through telephone pursuant to MCA Circular dated 24<sup>th</sup> March, 2020 providing for special measures in view of CoVID-19 outbreak.

## 4. REMUNERATION OF DIRECTORS

There are no pecuniary relationship or transactions with Non-Executive Directors vis-à-vis the Company during the Financial Year 2019-20.

The Non-Executive Directors are not paid any remuneration or commission except the sitting fees for attending the meeting of Board of Directors. The directors other than executive directors mentioned below were not paid any remuneration (except sitting fees for attending Board Meetings) during FY 2019-20.

The details of remuneration paid to the Executive Directors of the Company during FY 2019-20 are as under:





# SHREE RAMA MULTI-TECH LIMITED

(Rs. in lakhs p.a.)

Sr.	Particulars	Shailesh K. Desai (Managing Director)	Hemal R. Shah (Whole-Time Director)
1	all elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc.		
	Salary	24.00	3.32
	Value of Perquisites	2.45	0.85
	Other Allowances	43.55	12.16
	<b>Total</b>	<b>70.00</b>	<b>16.33</b>
2	details of fixed component and performance linked incentives, along with the performance criteria;	0	0
3	service contracts, notice period, severance fees	0	0
4	stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.	0	0

## 5. GENERAL BODY MEETINGS

The Company held its last three Annual General Meetings as under:

AGM	DATE & TIME	SPECIAL RESOLUTION	LOCATION
25 <sup>th</sup>	September 25, 2019 at 10:30 A.M.	Yes (One)	ATMA Conference Hall, Ahmedabad Textile Mills Association, Ashram Road, Ahmedabad
24 <sup>th</sup>	September 21, 2018 at 10:30 A.M.	Yes (One)	
23 <sup>rd</sup>	September 21, 2017 at 10:30 A.M	No	

None of the businesses are proposed to be transacted in the forthcoming Annual General Meeting of the Company requiring passing a special resolution through postal ballot. No Special Resolution was passed through postal ballot during the Financial Year 2019-20.

## 6. MEANS OF COMMUNICATION

The Company's Quarterly and Half-Yearly Unaudited Financial Results and Annual Audited Financial Results are submitted to BSE Limited and National Stock Exchange of India Ltd. and published in "Business Standard" (English edition) and "Jayhind" (Gujarati edition), and are also disseminated on the company's website i.e. [www.srmtl.com](http://www.srmtl.com).

There were no such official news releases or presentations made to Institutional Investors or to the Analysts during the Financial Year 2019-20.

# Annual Report 2019-20

## 7. GENERAL SHAREHOLDER INFORMATION

(A)	<b>Listing on Stock Exchanges and Stock Code</b>	BSE Limited Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 Tel. No.: (022) 22721233/4, Stock Code: 532310	National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 Tel. No: (022) 26598100 Stock Code: SHREERAMA
(B)	<b>ISIN (Equity) (Permanent)</b>	INE879A01019	
(C)	<b>Annual Listing Fees</b>	The Company has paid the listing fees for the Financial Year 2020-21 to each of the Stock Exchanges, where the equity shares of the Company are listed	
(D)	<b>AGM: Date, Time and Venue</b>	To be decided as per Section 96 of the Companies Act, 2013	
(E)	<b>Book Closure</b>	To be decided as per Section 96 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015	
(F)	<b>Financial Year</b>	The Financial year of the Company commences on 1 <sup>st</sup> day of the month of April of a year and ends on 31 <sup>st</sup> day of the month of March of next year	
(G)	<b>Dividend</b>	The Board of Directors has not recommended dividend during Financial Year 2019-20	

### (H) Market Price Data during each month in financial year 2019-20:

(At BSE)			(At NSE)		
Month	High Rs. P.	Low Rs. P.	Month	High Rs. P.	Low Rs. P.
April, 2019	7.48	5.25	April, 2019	7.20	5.30
May, 2019	7.80	4.70	May, 2019	7.45	4.90
June, 2019	7.01	4.75	June, 2019	7.25	4.35
July, 2019	6.73	4.56	July, 2019	7.50	4.40
August, 2019	4.85	4.10	August, 2019	4.85	4.05
September, 2019	5.13	4.00	September, 2019	5.05	3.95
October, 2019	4.21	2.71	October, 2019	4.25	2.75
November, 2019	4.50	3.41	November, 2019	4.55	3.35
December, 2019	5.10	3.93	December, 2019	5.05	3.85
January, 2020	5.40	4.71	January, 2020	5.50	4.75
February, 2020	7.50	4.80	February, 2020	7.25	4.70
March, 2020	5.15	3.22	March, 2020	5.15	3.25



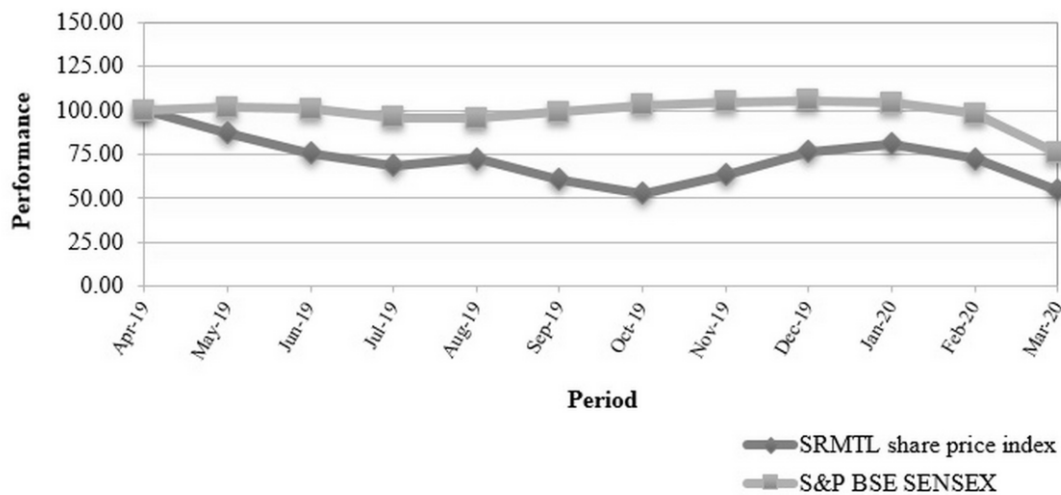
# SHREE RAMA MULTI-TECH LIMITED

## (I) Performance of Company's equity share of the Company vis-à-vis the S&P BSE SENSEX:

Month	SRMTL Share Price at BSE*	S&P BSE SENSEX*	Relative Index for performance comparison	
			SRMTL share price index	S&P BSE SENSEX INDEX
April, 2019	6.64	39031.55	100.00	100.00
May, 2019	5.80	39714.20	87.34	101.75
June, 2019	5.04	39394.64	75.90	100.93
July, 2019	4.56	37481.12	68.67	96.03
August, 2019	4.81	37332.79	72.44	95.64
September, 2019	4.02	38667.33	60.54	99.06
October, 2019	3.50	40129.05	52.71	102.81
November, 2019	4.21	40793.81	63.40	104.51
December, 2019	5.08	41253.74	76.51	105.69
January, 2020	5.36	40723.49	80.72	104.33
February, 2020	4.83	38297.29	72.74	98.12
March, 2020	3.62	29468.49	54.52	75.50

\* data as on closing of the month

### Relative performance of SRMTL share price vs. S&P BSE SENSEX



## **(J) Registrar & Share Transfer Agent of the Company:**

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### **M/s KFin Technologies Private Limited**

Registered Office:

Selenium Building, Plot No. 31-32, Financial District, Nanakramguda,

Serilingampally, Hyderabad, Rangareddi, Telangana - 500 032

Tel. No.: (040) 6716 2222, Fax: (040) 2342 0814, Email: support@kfintech.com

The name of share transfer agent of the Company has been changed from “Karvy Fintech Private Limited” to “KFin Technologies Private Limited” with effect from 5<sup>th</sup> December, 2019.

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### **Grievance handling mechanism:**

The Board of Directors of the Company have delegated the authority to the Stakeholders Relationship Committee of the Board of Directors and Compliance Officer of the Company for looking into mechanism of investor grievances. The Secretarial Department of the Company and the Registrar and Share Transfer Agent of the Company, M/s KFin Technologies Private Limited attends to all grievances of the shareholders received directly or through any statutory or regulatory bodies.

A summary of approved transfers, transmissions, deletion requests, issue of duplicate shares etc., are placed by the R&TA before the Committee for its review on regular basis. The Company also ensures that R&TA of the Company produces a half-yearly compliance certificate from a Company Secretary in Practice and a copy of the said certificate is also filed by the Company with BSE & NSE pursuant to the Listing Regulations.

Shareholders are requested to furnish their updated correspondence details including address, telephone numbers and e-mail addresses to facilitate prompt action.

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### **Share Transfer System:**

All investor related activities are attended to and processed at the office of the Company's Registrar and Share Transfer Agent. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialised form w.e.f. 1<sup>st</sup> April, 2019, except in case of request received for transmission or transposition of securities. Further, the shareholders who had lodged their request for transfer prior to March 31, 2019 and have received the same under objection can re-lodge the transfer request after rectification of the documents. The requests in respect of transmission or dematerialization of shares will be continued to be accepted.

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### **Dematerialization of Shares and Liquidity:**

The Company has dematerialization connectivity with National Securities Depository Ltd. (NSDL) & Central Depository Services (India) Ltd. (CDSL). The total number of shares held in dematerialized form by the members of the Company as on March 31, 2020 are 59965034 being 94.48% of paid up equity share capital.

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### **Reconciliation of Share Capital:**

The Company obtains Audit Report on a quarterly basis from qualified Company Secretary in Practice for the purposes of reconciliation of the total issued capital, listed capital and capital held by depositories in dematerialized form and a copy of the said certificate is also filed by the Company with BSE & NSE pursuant to SEBI (Depositories and Participants) Regulations, 2018.

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# SHREE RAMA MULTI-TECH LIMITED

Out of total 63,555,555 issued and subscribed equity shares of the Company, 58,912,450 equity shares are listed on the NSE and BSE. The Company had forfeited 87,550 equity shares on August 31, 2004 shares for the non-payment of allotment money. In addition to this, Company is under process of obtaining the listing approval in respect of 45,55,555 equity shares allotted on 28/07/2007 upon conversion of warrants.

## (K) Distribution of Shareholding as on March 31, 2020:

No. of Equity Shares	No. of Holders	% To Holders	No. of Shares	% To Equity
1 - 500	11932	69.23	2131237	3.36
501 - 1000	2122	12.31	1855823	2.92
1001 - 2000	1242	7.21	2020742	3.18
2001 - 3000	522	3.03	1376575	2.17
3001 - 4000	295	1.71	1063783	1.68
4001 - 5000	274	1.59	1315794	2.07
5001 - 10000	444	2.58	3400556	5.36
10001 and above	404	2.34	50303495	79.26
<b>TOTAL</b>	<b>17235</b>	<b>100.00</b>	<b>63468005</b>	<b>100.00</b>

## (L) Category-wise Shareholders as on March 31, 2020:

Sr. No.	Category of Shareholders	No. of Shares	Percentage
1	Trusts	100	0.00
2	Resident Individuals	31029300	48.89
3	Overseas Corporate Bodies	97331	0.15
4	Non Resident Indians	333060	0.52
5	Promoters Bodies Corporate	26982301	42.51
6	Clearing Members	19780	0.03
7	Indian Financial Institutions	135869	0.21
8	Non Resident Indian Non Repatriable	153479	0.24
9	Bodies Corporates	2865444	4.51
10	NBFC	4592	0.01
11	H U F	1846749	2.91
	<b>TOTAL</b>	<b>63468005</b>	<b>100.00</b>

There are no outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments or conversion date that may have impact on equity of the Company.

# Annual Report 2019-20

## (M) Plant Location of Company:

The manufacturing unit of the Company is located at: **Shree Rama Multi-Tech Limited**, Block No. 1557, Vill.: Moti-Bhoyan, Kalol-Khatraj Road, Ta.: Kalol, Dist: Gandhinagar, Gujarat.

## (N) Details for Correspondence:

### Registered Office

Shree Rama Multi-Tech Limited  
301, Corporate House, Opp. Torrent House,  
Income Tax, Ashram Road,  
Ahmedabad – 380 009

### Contact Details

Tel. No.: 079-27546800/ 6900  
Email: cslegal@srmtl.com  
Website: www.srmtl.com

## (O) The Company has obtained following credit ratings from CRISIL Limited during the Financial Year 2019-20:

Facilities Rated	Rating/Outlook
Long- Term Rating	CRISIL AA (CE) (Assigned; Placed on 'Rating Watch with Developing Implications')
Long- Term Rating	CRISIL BBB-/Stable (Assigned)

The details of credit ratings are also available on the company's website viz. [www.srmtl.com](http://www.srmtl.com).

## (P) Other Disclosures:

- (i) There were no materially significant related party transactions entered in to by the Company, during the Financial Year 2019-20, that may have potential conflict with the interests of the Company at large;
- (ii) The Company was fined by BSE Limited and National Stock Exchange of India Limited for an amount Rs. 2000/- on account of first time non-compliance for filing of shareholding pattern within 21 days of from the end of the quarter pursuant to Reg. 31 of SEBI (LODR) Reg., 2015. However, the Company had effected the compliance within 23 days from the end of the quarter. This being the first instance of late filing of compliance which was due to an inadvertent mistake, was taken on record by the Board of Directors at its meeting.  
  
Other than the above, there were no instances of non-compliance by the company or penalties or strictures imposed on the company by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;
- (iii) The company has established vigil mechanism policy and the same has been placed on the Company's website. No personnel are denied access to the audit committee;
- (iv) During the Financial Year 2019-20, the Company has complied with mandatory requirements as prescribed under applicable provisions of SEBI (LODR) Regulations, 2015 and the non-mandatory requirements of the regulations are reviewed by the Board from time to time.
- (v) The policy for determining 'material' subsidiaries and policy on dealing with related party transactions is disclosed on the Company's website: "<http://www.srmtl.com/Policy.html>"
- (vi) The company do not deal in commodity price risks and commodity hedging activities hence the relative information is not provided for the Financial Year 2019-20.



# SHREE RAMA MULTI-TECH LIMITED

- (vii) The Company has not raised funds through preferential allotment or qualified institutional placement.
- (viii) Shri Chirag Shah, Practicing Company Secretary has issued certificate that none of the Directors on the Board of the Company have been debarred or disqualified by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as directors of Companies.
- (ix) A compliance certificate from Shri Chirag Shah, Practicing Company Secretary pursuant to the requirements of Schedule V to the Listing Regulations regarding compliance of conditions of Corporate Governance is annexed hereto.
- (x) The Board of Directors has considered and/ or accepted all the recommendations/ submissions of its Committees during Financial Year 2019-20.
- (xi) The total fees paid by the Company to the Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part for all the services is Rs. 450000/- (Rupees Four Lakhs Fifty Thousand only).
- (xii) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on the end of the financial year	0

- (xiii) The Board of Directors of the company has taken the initiatives to adopt the discretionary requirements as specified in Part E of Schedule II of SEBI (LODR) Regulations, 2015.
- (xiv) None of the equity shares of the Company or any claims thereof are lying in the demat suspense account / unclaimed suspense account.
- (xv) The Company has complied with all the mandatory requirements of the Listing Regulations.

## COMPLIANCE OF CODE OF CONDUCT

The Company has adopted the Code of Conduct and ethics for Directors and Senior Management. The Code has been circulated to all the members of the Board and Senior Management and the same has been hosted on the Company's website [www.srmtl.com](http://www.srmtl.com). The Board members and senior management have affirmed their compliance with the code and a declaration signed by the Managing Director of the Company is given below:

"It is hereby confirmed that the Company has obtained from all members of the Board and senior management personnel affirmation that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the year 2019-20."

**Place:** Moti-Bhoyan  
**Date:** July 21, 2020

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

## CERTIFICATE OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER ON CORPORATE GOVERNANCE

The Board of Directors,  
M/s Shree Rama Multi-Tech Limited

We have reviewed the financial statements and the cash flow statement of Shree Rama Multi-Tech Limited for the financial year 2019-20 and certify that:

- a) These statements to the best of our knowledge and belief:
  - I. Do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading;
  - II. Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Directors and Senior Management Personnel during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company for such reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal controls, of which we are aware of and the steps taken and/or proposed to be taken to rectify these deficiencies.
- d) We have also indicated to the Auditors and the Audit Committee.
  - (i) Significant changes in Internal Controls with respect to financial reporting during the year.
  - (ii) Significant changes in accounting policies during the Year and these have been disclosed in the notes to the financial statements.
- e) To the best of our knowledge and belief, there are no instances of significant fraud involving either the management or employees having a significant role in the Company's internal control systems with respect to financial reporting.

**Place:** Moti-Bhoyan  
**Date:** July 21, 2020

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

Krunal G. Shah  
**Chief Financial Officer**





## PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**Shree Rama Multi-Tech Limited**

We have examined the compliance of conditions of Corporate Governance by Shree Rama Multi-tech Limited for the year ended 31st March, 2020 stipulated in Regulations 17 to 27, clause (b) to (i) of sub-regulation (2) of Regulation 46 and paragraph C, D and E of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said company with stock exchanges.

The Compliance of condition of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company to ensuring the Compliance with the condition of corporate governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has fully complied with all the mandatory conditions of Corporate Governance as stipulated in Chapter IV of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said company with stock exchanges.

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

**Place:** Ahmedabad  
**Date:** 21<sup>st</sup> July, 2020

Chirag Shah  
Partner

Chirag Shah and Associates  
FCS No. 5545  
C P No.: 3498  
UDIN : F005545B000483946

## 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 of  
**Shree Rama Multi-Tech Limited**  
Registered Office - 301, Corporate House,  
Opp. Torrent House, Income Tax,  
Ahmedabad 380009.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Shree Rama Multi-Tech Limited having CIN L25200GJ1993PLC020880 and having registered office at Registered Office - 301, Corporate House, Opp. Torrent House, Income Tax, Ahmedabad 380009. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Shailesh Khushaldas Desai	01783891	03/08/2015
2.	Mr. Hemal Rohitkumar Shah	07338419	27/11/2015
3.	Mr. Mittal Karsanbhai Patel	03619139	10/02/2015
4.	Mr. Shalin Sudhakarbhai Patel	01779902	09/02/2016
5.	Mr. Pathik Chandrakant Shah	00076715	29/12/2005
6.	Ms. Vandana Patel Chandresh	07010646	26/05/2015

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

**Place:** Ahmedabad  
**Date:** July 21, 2020

For, Chirag Shah and Associates

Chirag Shah  
Membership No.: 5545  
CP No.: 3498  
UDIN : F005545B000484012



## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
**Shree Rama Multi-Tech Limited**

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

#### Qualified Opinion

We have audited the accompanying standalone financial statements of **Shree Rama Multi-Tech Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2020, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including 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, except **for the matters described in the basis for qualified opinion para below**, 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 Sec. 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 March 31, 2020, and its profit, total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

#### Basis for Qualified Opinion

- a. ***The Company has made borrowings in the form of loans, debentures, etc. in earlier years which are under settlement. During the year the Company has not provided interest of Rs. 854.72 Lakhs on such outstanding borrowings. The accumulated interest on such borrowings not provided for past several years upto 31/3/2020 is Rs. 15,537.93 Lakhs.***

***If the provision for interest is made, the profit for the current year would have decreased by Rs. 854.72 Lakhs and accumulated losses upto 31/3/2020 would have increased by Rs. 854.72 Lakhs and accordingly net profit for the current year would have been 1269.10 Lakhs and accumulated losses upto 31/3/2020 would have been Rs. 45,390.39 Lakhs (Refer Note No. 51.6 of financial statements).***

- b. ***Non-consolidation of accounts of Shree Rama (Mauritius) Limited (Wholly Owned Subsidiary) as per Section 129 of the Act & Ind AS 110 issued by the Institute of Chartered Accountants of India for the reasons specified in Note No. 40 of the financial results.***

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by 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 opinion on the standalone financial statements.

# Annual Report 2019-20

## Emphasis of Matter

- a. We draw attention to Note No. 51.5 of the financial statements. The Hon'ble High Court of Gujarat has passed an order dated 20/2/2020, whereby the O.J. Appeal filed by the Company against the order of single bench dated 15/7/2015 of Hon'ble High Court of Gujarat in respect of Scheme of Compromise and Arrangement u/s 391(1) of Companies Act, 1956 has been dismissed. The Company is under the process of filing the review petition.
- b. We draw attention to Note No.41 of the financial statements, which describes that the potential impact of COVID-19 pandemic on the operations and financial statements of the company is dependent on future developments, which are uncertain.

Our opinion is not modified in respect of the above matters.

## Key Audit Matters

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

Key Audit Matter	Auditor's Response
<p><b><u>Physical Verification of Inventories</u></b></p> <p>The company's inventories include raw materials, work in progress, finished goods and stores &amp; spares.</p> <p>The company has adequate inventory records and internal control systems over inventory movements. The company has established procedures to carry out physical inventory during the year and at the year-end.</p> <p>However, due to various restrictions imposed under COVID 19 outbreak, physical verification could not be carried out at the year-end, but the same was carried out subsequent to the year-end. At the time of such subsequent verification, it was impracticable for us as auditors to physically attend the inventory counting and hence, alternative audit procedures were performed.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>We have carried out alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories which include the followings:</p> <ul style="list-style-type: none"> <li>➤ Evaluated the control design in respect of physical inventory verification process and verified whether such controls have operated effectively during verification process.</li> <li>➤ Obtained sufficient and appropriate audit evidences of existence and condition of physical inventories as carried out by the management during the year and subsequent to the year-end.</li> <li>➤ Rollback procedures were applied to the inventories verified by the company at subsequent of the year-end to arrive inventories at the year-end.</li> </ul>
<p><b><u>Litigations &amp; Uncertain Tax Positions</u></b></p> <p>The Company has material uncertain tax &amp; legal positions including matters under dispute for income tax which involves significant judgment to determine the possible outcome of these disputes.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>In order to get a sufficient understanding of litigations, contingent liabilities and related provisions, we have reviewed the process of identification, qualification and valuation implemented by Company's management for</p>



Key Audit Matter	Auditor's Response
<p>The identification of risks and litigations, the valuation of provisions / disclosure of contingent liabilities for such risks and litigations constitute a key audit matter given the amounts involved and the high degree of estimate and judgment required by management.</p>	<p>such disclosure/ accounting treatment through discussion with Company's legal and finance departments.</p> <p>We conducted a critical review of the internal analysis notes for the likelihood and potential impact of each risk, examining the available procedural elements (letters, claims, judgments, notifications, etc.).</p> <p>We have obtained details of status for each case/assessment from the lawyers/consultants involved to confirm our understanding of risks and litigations and assessed the adequacy of the amount of provisions accrued.</p>
<p><b><u>Reasonableness of carrying amount of assets held for sale</u></b></p> <p>Assets held for sale carried at lower of book value and net realizable value which has been estimated using significant unobservable inputs including non-binding offers from and negotiations held with prospective buyers as a result of which fair value is sensitive to changes in input assumptions.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Our audit procedures consisted of obtaining understanding, evaluating management's assumptions relating to business projections and expectation of outcome of negotiations with prospective buyers.</p>

## Information other than Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the standalone financial statements and our auditor's reports 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 identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

## Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the

# Annual Report 2019-20

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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 judgement and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively or ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibilities 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 guaranteed that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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**

As required by the Companies (Auditor's Report) Order, 2016 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

# Annual Report 2019-20

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- (f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.
- (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/provided 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, 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 the financial position of its financial statements (Refer Note No.51 to the financial statements);
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company **except dividend mentioned in Note No. 51.3(b)**.

For, Chandulal M. Shah & Co.,  
Chartered Accountants  
Firm Reg. No. 101698W

**Place:** Ahmedabad  
**Date:** 21/07/2020

Arpit D. Shah  
Partner  
Membership No. 135188  
UDIN: 20135188AAAABQ6590





## Annexure “A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the standalone Ind AS financial statements of the Company for the year ended March 31, 2020)

- i. In respect of Fixed Assets :
  - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) The title deeds of immovable properties as disclosed in Note No. 2 on Property, Plant and Equipment to the financial statement are mortgaged with lenders and as informed to us same are in the name of the company.
- ii. The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The Company has maintained proper records of inventory. The discrepancies noticed on verification between the physical stock and the book records were not material.
- iii. According to information and explanation given to us, 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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted loan or made investment or given guarantee or provided security as provided in the section 185 and 186 of the Companies Act, 2013.
- v. The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the relevant rules framed thereunder.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under section 148 of the Act, and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- vii. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of accounts and records of the Company,
  - (a) The company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-Tax, Goods and Service Tax, Customs Duty, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.
  - (b) According to the information and explanations given to us, there are no material dues of Income Tax, Goods and Service Tax and Value Added Tax which have not been deposited with the appropriate authorities on account of any dispute, except the following:

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Name of the Statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where the dispute is ending
Income Tax Act 1961	Penalty Sec.271(1)(c)	331.07 453.46 291.98 71.27	A.Y.2002-03 A.Y.2003-04 A.Y.2004-05 A.Y.2009-10	ITAT-AHEMDABAD

- viii. (i) The Company had defaulted in respect of past borrowing loans, debentures etc for which the company has filed scheme of Arrangement and Compromise as mentioned in Note No.51.5 of the Notes on Accounts.
- (ii) There is no current default in repayment of dues to Financial Institutions or banks or debenture holders.
- ix. According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.
- x. Based on the audit procedures performed for the purpose of reporting the true and fair view of financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given by the management, the managerial remuneration has been paid or provided in due compliance of section 197 read with Schedule V to the Companies Act;
- xii. The Company is not a Nidhi Company. Hence, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
- xiv. According to the information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. In our opinion and according to information and explanations given to us, the Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.

For, Chandulal M. Shah & Co.,  
Chartered Accountants  
Firm Reg. No. 101698W

**Place:** Ahmedabad  
**Date:** 21/07/2020

**Arpit D. Shah**  
Partner  
Membership No. 135188  
UDIN: 20135188AAAABQ6590



## Annexure “B” to the Independent Auditors’ report

### Report on the Internal Financial Controls under Clause (1) 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 Rama Multi-Tech Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone 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 Act.

#### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to these Standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Standalone financial statements 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls over Financial Reporting with reference to these standalone financial statements

A company’s internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting

# Annual Report 2019-20

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with reference to these standalone financial statements 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 authorizations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with Reference to these Standalone Financial Statements, 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 With Reference to these Standalone Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting With Reference to these Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies of procedures may deteriorate.

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting with Reference to these Standalone Financial Statements was operating effectively as on March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reports issued by the Institute of Chartered Accountants of India.

For, Chandulal M. Shah & Co.,  
Chartered Accountants  
Firm Reg. No. 101698W

**Place:** Ahmedabad  
**Date:** 21/07/2020

**Arpit D. Shah**  
Partner  
Membership No. 135188  
UDIN: 20135188AAAABQ6590



# SHREE RAMA MULTI-TECH LIMITED

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2020

(Rs. in Lakhs)

Particulars		Notes	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
<b>I ASSETS</b>				
<b>1) Non-current assets</b>				
(a)	Property, Plant and Equipment	2	6,691.08	7,498.73
(b)	Intangible assets	3	2.37	6.72
(c)	Right-of-Use Assets		8.54	-
<b>(d) Financial Assets</b>				
(i)	Investments	4	0.15	0.37
(ii)	Loans	5	-	25.60
(iii)	Other Financial Assets	6	6.83	7.87
(e)	Other non-current assets	7	39.04	416.13
(f)	Income Tax Asset (Net)		311.91	279.53
<b>2) Current assets</b>				
(a)	Inventories	8	2,498.84	2,642.53
<b>(b) Financial Assets</b>				
(i)	Trade receivables	9	1,851.62	2,313.92
(ii)	Cash and cash equivalents	10	15.50	3.35
(iii)	Bank balances other than (ii) above	11	210.00	-
(iv)	Other Financial Assets	12	96.97	31.36
(c)	Other current assets	13	102.11	79.58
	<b>Assets held for sale</b>	14	247.35	1,145.25
<b>TOTAL ASSETS</b>			<b>12,082.31</b>	<b>14,450.94</b>
<b>II EQUITY AND LIABILITIES</b>				
<b>1) Equity</b>				
(a)	Equity Share capital	15	3,176.03	3,176.03
(b)	Other Equity	16	(711.42)	(2,835.24)
<b>2) LIABILITIES</b>				
<b>Non-current liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i)	Borrowings	17	6,838.53	8,011.54
(ii)	Trade payables	18	-	-
	Total Outstanding dues of Micro and Small Enterprises		-	0.37
	Total Outstanding dues of Creditors other than Micro and Small Enterprises		5.27	-
(iii)	Lease Liability		161.51	162.82
(iv)	Other Financial Liabilities	19	143.33	70.14
(b)	Provisions	20	-	1,034.51
(c)	Deferred tax liabilities (Net)		-	-
<b>Current liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i)	Borrowings	21	4.80	1,327.89
(ii)	Trade payables	22	-	-
	Total Outstanding dues of Micro and Small Enterprises		310.46	383.74
	Total Outstanding dues of Creditors other than Micro and Small Enterprises		873.18	1,028.11
(iii)	Lease Liability		3.54	-
(iv)	Other Financial Liabilities	23	1,021.13	1,319.06
(b)	Other current liabilities	24	238.66	119.25
(c)	Provisions	25	17.29	5.72
	<b>Liabilities classified as held for sale</b>	14.1	-	647.00
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>12,082.31</b>	<b>14,450.94</b>
<b>Significant Accounting Policies and Notes on Financial Statements</b>		1 to 57		

As per our report of even date attached herewith

For and on behalf of the Board

### For Chandulal M. Shah & Co.

Chartered Accountants  
FRN: 101698W

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

Hemal R. Shah  
**Whole-Time Director**  
(DIN: 07338419)

**Arpit D. Shah**  
Partner M. No.: 135188

Krunal G. Shah  
**Chief Financial Officer**

Purvang Trivedi  
**Company Secretary**

**Place :** Ahmedabad  
**Date :** 21/07/2020

**Place :** Moti-Bhoyan  
**Date :** 21/07/2020

# Annual Report 2019-20

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

(Rs. in Lakhs)

	Particulars	Notes	2019-20	2018-19
<b>I</b>	<b>INCOME</b>			
	Revenue from operations	26	13,083.73	11,732.12
	Other income	27	15.92	33.08
	<b>Total Income</b>		<b>13,099.65</b>	<b>11,765.20</b>
<b>II</b>	<b>EXPENSES</b>			
	Cost of materials consumed	28	6,632.24	6,749.10
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	29	(40.11)	(135.36)
	Employee benefits expense	30	1,527.24	1,422.19
	Finance costs	31	296.12	383.25
	Depreciation and amortization expense	32	896.08	902.59
	Other expenses	33	3,250.93	2,887.72
	<b>Total Expenses</b>		<b>12,562.50</b>	<b>12,209.49</b>
<b>III</b>	<b>Profit/(Loss) before exceptional items and tax</b>		<b>537.15</b>	<b>(444.29)</b>
<b>IV</b>	<b>Exceptional Items</b>	34	533.90	-
<b>V</b>	<b>Profit/(loss) before tax</b>		<b>1,071.05</b>	<b>(444.29)</b>
<b>VI</b>	<b>Tax Expenses</b>			
	Current Tax		-	-
	Deferred Tax Provision / (Reversal)		(1,034.51)	(239.77)
	Short / (Excess) provision of IT of earlier years		-	98.09
<b>VII</b>	<b>Profit/(Loss) for the year</b>		<b>2,105.56</b>	<b>(302.61)</b>
<b>VIII</b>	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to profit or loss		18.26	1.59
	Income tax relating to items that will not be reclassified to profit or loss		-	(0.41)
	Items that will be reclassified to profit or loss		-	-
	Income tax relating to items that will be reclassified to profit or loss		-	-
<b>IX</b>	<b>Total Comprehensive Income for the year</b>		<b>2,123.82</b>	<b>(301.43)</b>
<b>X</b>	<b>Earning per Equity Shares of Rs. 5 each</b>	35		
	(i) Basic (Rs.)		<b>3.32</b>	<b>(0.48)</b>
	(ii) Diluted (Rs.)		<b>3.32</b>	<b>(0.48)</b>
	<b>Significant Accounting Policies and Notes on Financial Statements</b>	1 to 57		

As per our report of even date attached herewith

For and on behalf of the Board

**For Chandulal M. Shah & Co.**

Chartered Accountants  
FRN: 101698W

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

Hemal R. Shah  
**Whole-Time Director**  
(DIN: 07338419)

**Arpit D. Shah**  
Partner M. No.: 135188

Krunal G. Shah  
**Chief Financial Officer**

Purvang Trivedi  
**Company Secretary**

**Place :** Ahmedabad  
**Date :** 21/07/2020

**Place :** Moti-Bhoyan  
**Date :** 21/07/2020



# SHREE RAMA MULTI-TECH LIMITED

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2020

(Rs. in Lakhs)

Particulars	2019-20	2018-19
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax from continuing operations (including OCI)</b>	<b>1,089.31</b>	<b>(442.70)</b>
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortisation expenses	896.08	902.59
Provision for Bad and doubtful debts	50.99	28.94
Finance costs	296.12	383.25
Interest Income	(12.12)	(17.71)
Unrealised Exchange Difference	(25.90)	(10.21)
(Profit) / Loss on Sale of Fixed assets (Net)	(1,350.47)	(0.43)
Sundry balances Written off / (back)	3.34	(3.35)
	<b>947.35</b>	<b>840.38</b>
<i>Working capital adjustments:</i>		
Trade and Other Receivables	749.48	389.42
Inventories	143.68	(540.36)
Trade and Other Payables	(323.45)	613.60
	<b>1,517.06</b>	<b>1,303.04</b>
Less : Direct Taxes paid (Net of Refunds)	(32.38)	(9.15)
<b>Net cash flows from/(used in) operating activities</b>	<b>1484.68</b>	<b>1,293.89</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of property, plant and equipment (Including Discarded)	1,629.98	1.01
Advance for Sale of property, plant and equipment	-	647.00
(Investment)/Maturity in Fixed Deposits	(210.00)	200.00
Purchase of property, plant and equipment	(110.24)	(1,538.42)
Interest received	12.12	17.71
	<b>1,321.86</b>	<b>(672.70)</b>
<b>Net cash flows from/(used in) investing activities</b>	<b>1,321.86</b>	<b>(672.70)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Borrowings (secured and unsecured)	-	912.34
Repayment of borrowings (secured and unsecured)	(2,496.09)	(1,165.02)
Interest Paid	(296.12)	(383.25)
Payment of Lease Liability	(2.18)	-
<b>Net cash flows from/(used in) financing activities</b>	<b>(2,794.39)</b>	<b>(635.93)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>12.15</b>	<b>(14.74)</b>
Add : Cash and cash equivalents at the beginning of the year	3.35	18.09
<b>Cash and cash equivalents at year end</b>	<b>15.50</b>	<b>3.35</b>

Previous year's figures have been regrouped / rearranged wherever required.

As per our report of even date attached herewith

For and on behalf of the Board

**For Chandulal M. Shah & Co.**

Chartered Accountants  
FRN: 101698W

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

Hemal R. Shah  
**Whole-Time Director**  
(DIN: 07338419)

**Arpit D. Shah**  
Partner M. No.: 135188

Krunal G. Shah  
**Chief Financial Officer**

Purvang Trivedi  
**Company Secretary**

**Place** : Ahmedabad  
**Date** : 21/07/2020

**Place** : Moti-Bhoyan  
**Date** : 21/07/2020

# Annual Report 2019-20

## STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2020

### a. Equity Share capital

(Rs. In lakhs)

Particulars	As at 31/03/2020		As at 31/03/2019	
	Number	Rs.	Number	Rs.
<b>Equity shares of Rs. 5 each</b>				
Fully paid up	63,468,005	3,173.40	63,468,005	3,173.40
Add: Forfeited Share Capital	87,550	2.63	87,550	2.63
	<b>63,555,555</b>	<b>3,176.03</b>	<b>63,555,555</b>	<b>3,176.03</b>

### b. Other Equity

(Rs. In lakhs)

Particulars	Reserves and Surplus						Total
	Securities Premium Reserve	Capital Redemption Reserve	Debenture Redemption Reserve	Warrants Forfeited Account	General Reserve	Retained Earnings	
<b>Balance at 1st April, 2018</b>	22825.95	333.33	4024.33	39.56	1917.87	(31674.85)	(2533.81)
Total Comprehensive Income for the year	-	-	-	-	-	(301.43)	(301.43)
<b>Balance at 31st March, 2019</b>	22825.95	333.33	4024.33	39.56	1917.87	(31976.28)	(2835.24)
<b>Balance at 1st April, 2019</b>	22825.95	333.33	4024.33	39.56	1917.87	(31976.28)	(2835.24)
Total Comprehensive Income for the year	-	-	-	-	-	2123.82	2123.82
<b>Balance at 31st March, 2020</b>	22825.95	333.33	4024.33	39.56	1917.87	(29852.46)	(711.42)

As per our report of even date attached herewith

For and on behalf of the Board

**For Chandulal M. Shah & Co.**

Chartered Accountants  
FRN: 101698W

Shailesh K. Desai  
**Managing Director**  
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Purvang Trivedi  
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**Place** : Ahmedabad  
**Date** : 21/07/2020

**Place** : Moti-Bhoyan  
**Date** : 21/07/2020





## NOTE 1 : Notes to Financial Statements

### [A] Corporate Information:

The company is incorporated in India and is a leading Packaging solution provider. The Company has its wide market in local as well foreign market. The Company sells its products through established network. Its shares are listed on National Stock Exchange of India Limited and BSE Limited.

The Financial Statements were authorized for issue in accordance with a resolution of the directors on July 21, 2020.

### [B] Significant Accounting Policies:

#### a) Basis of preparation

##### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

##### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) defined benefit plans - plan assets measured at fair value;
- 3) assets held for sale – measured at lower of carrying amount of fair value less cost to sell

##### (iii) Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

##### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

#### b) Key accounting estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

## **c) Fair value measurement**

The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- 1) The fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
- 2) Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
- 3) Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.
- 4) The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

## **d) Property, plant and equipment**

Freehold land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.



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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

All expenditure incurred towards fixed assets including expenditure incurred during construction / new projects are accumulated and shown as capital work in progress and not depreciated until such assets are ready for commercial use.

### **Depreciation methods, estimated useful lives and residual value**

Depreciation is provided on a Straight Line Method over the estimated useful lives of assets.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act, except for plant and machinery which based on an independent technical evaluation, life has been estimated as 20 years (on multiple shift basis), which is different from that prescribed in Schedule II to the Act.

Useful life considered for calculation of depreciation for various assets class are as follows-

Factory Building	30 years
Non- Factory Building	60 years
Plant and Machinery	15/20 years
Furniture and Fixtures	10 years
Office Equipment	5 years
Vehicles	8 years

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

### **e) Intangible Assets**

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

#### **Amortisation method and useful life**

The Company amortizes computer software using the straight-line method over the period of 3 years. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

### **f) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cash at bank, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are

readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## **g) Inventories**

Items of inventories of Raw Material, Finished goods, Spares and Stores, Packing Material & Fuel are valued at lower of cost or net realizable value except waste which is valued at estimated net realizable value. Cost of inventories comprise of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost is determined on weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Obsolete, slow-moving and defective inventories are identified by management and wherever necessary, provision is created for such inventories.

## **h) Financial instruments**

### **(i) Recognition and initial measurement**

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

### **(ii) Classification and subsequent measurement**

#### **Financial assets**

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.



All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

## **Financial liabilities**

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss

### **(iii) De-recognition**

#### **Financial assets**

The company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

#### **Financial liabilities**

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

### **(iv) Off-setting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

### **i) Segment Reporting**

The Company's Chief Operating Decision Maker (CODM) examines the Company's performance from business and geographic perspective. In accordance with Ind AS-108 - Operating Segments, evaluation by the CODM and based on the nature of activities

performed by the Company, which primarily relate to Packaging solution provider, the Company does not operate in more than one business segment.

## **j) Borrowings**

Borrowings are initially recognized at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference shares, which are mandatorily redeemable on a specific date are classified as liabilities.

## **k) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## **l) Provisions and contingent liabilities**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## **m) Revenue recognition**

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and specific criteria have been met for each of the Company's activities as described below.

### **Sale of goods**

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customers and there are no longer any unfulfilled obligations. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.



## **Sales Return**

The Company recognises provision for sales return, on the basis of mutual satisfaction which is measured at the Sales value excluding taxes & duties.

## **Other operating revenue:**

Export Incentives under various schemes are accounted in the year in which right to receive is irrevocably established.

## **Other revenue:**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate of interest.

Interest received on delayed payment is accounted on receipt basis.

Revenue in respect of insurance/other claims etc, is recognized only when it is reasonably certain that the ultimate collection will be made.

## **Dividends**

Dividends are generally recognised in the Statement of Profit and Loss only when the right to receive payment is established.

## **n) Employee benefits**

### **(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

### **(ii) Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave that are not expected to be settled wholly within 12 months are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

### **(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

#### **Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

## **Defined Contribution Plans**

Defined Contribution Plans such as Provident Fund, etc., are charged to the Statement of Profit and Loss as incurred.

## **Termination benefits**

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following dates: (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

## **o) Foreign currency translation**

### **(i) Functional and presentation currency**

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

### **(ii) Transactions and balances**

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are stated using the exchange rates at the dates of the initial transactions.

## **p) Leases**

The Company has adopted Ind AS 116 - Leases with effect from 1st April, 2019.





## As a Lessee

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

The Company recognises a Right-of-Use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

## Short-term leases and leases of low-value assets

The Company has elected not to recognise right-to-use assets and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Company recognise the lease payments associated with these leases as an expenses on a straight-line basis over the lease term.

## q) Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## r) Earnings Per Share

### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

### (ii) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

## s) Cash Flow Statement

The Cash Flow statement is prepared by the "Indirect method" set out in Ind AS-7 on "Cash Flow Statement" and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash Equivalent presented in the cash flow statement consist of cash on hand and demand deposits with banks.

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of Financial Statements to evaluate changes in Liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement.

## t) Critical estimates and judgments :

The preparation of financial statements requires the use of accounting estimates may not match the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information



# SHREE RAMA MULTI-TECH LIMITED

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about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**u) Impairment of Assets:**

The Company assesses at each reporting date whether there is an indication that a non-financial asset may be impaired based on internal/external factors. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable Value. An impairment loss is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been a change in the estimate of recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**v) Assets held for Sale:**

Non-current assets held for sale are measured at the lower of its carrying value or fair value less costs to sell. Non-current assets held for sale are not depreciated or amortized. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

**w) Exceptional items**

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

2. Property, plant and equipment

(Rs. In lakhs)

Particular	Land	Building	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Electrical Installation	Total
<b>Property, Plant and Equipment</b>								
<b>Balance as at 31st March, 2018</b>	221.46	4,660.03	39,212.38	184.38	130.37	569.49	624.84	45,602.95
Additions	-	2.63	1,528.26	0.13	-	7.18	-	1,538.20
Disposals	-	-	0.68	-	7.12	-	-	7.80
Reclassification as held for sale	105.60	1,856.66	-	14.91	-	52.30	95.05	2,124.52
<b>Balance as at 31st March, 2019</b>	115.86	2,806.00	40,739.96	169.60	123.25	524.37	529.79	45,008.83
Additions/Adjustments	-	0.72	96.04	0.69	-	11.23	0.67	109.35
Disposals/Adjustments	-	33.61	64.65	-	1.64	92.55	-	192.45
Reclassification as held for sale	-	-	-	(14.91)	-	(52.30)	-	(67.21)
<b>Balance as at 31st March, 2020</b>	115.86	2,773.11	40,771.35	185.20	121.61	495.35	530.46	44,992.94
<b>Accumulated Depreciation</b>								
<b>Balance as at 31st March, 2018</b>	-	2,695.43	33,862.90	172.19	65.96	512.43	537.08	37,845.99
Deduction & Adjustment	-	-	0.45	-	6.77	-	-	7.22
Depreciation for the period	-	104.42	758.63	0.69	12.64	11.06	10.51	897.94
Reclassification as held for sale	-	1,072.88	-	13.79	-	52.22	87.73	1,226.61
<b>Balance as at 31st March, 2019</b>	-	1,726.97	34,621.08	159.10	71.83	471.27	459.86	37,510.11
Deduction & Adjustment	-	10.46	59.10	-	1.39	88.05	-	159.00
Depreciation for the period	-	81.43	774.41	0.60	10.53	9.21	8.56	884.74
Reclassification as held for sale	-	-	-	(13.79)	-	(52.22)	-	(66.01)
<b>Balance as at 31st March, 2020</b>	-	1,797.94	35,336.39	173.49	80.97	444.65	468.42	38,301.86
<b>Net carrying amount</b>								
Balance as at 31st March, 2019	115.86	1,079.03	6,118.88	10.51	51.42	53.10	69.93	7,498.73
Balance as at 31st March, 2020	115.86	975.17	5,434.96	11.71	40.64	50.70	62.04	6,691.08



### 3. Intangible Assets

(Rs. In lakhs)

Particulars	Gross Amount			Amortization			Net Amount	
	Balance as at 31/03/2019	Addition/ Disposal	Balance as at 31/03/2020	Balance as at 31/03/2019	Addition/ Disposal	Balance as at 31/03/2020	Balance as at 31/03/2020	Balance as at 31/03/2019
Computer software	14.16	77.26	91.42	7.44	81.61	89.05	2.37	6.72
<b>Total</b>	<b>14.16</b>	<b>77.26</b>	<b>91.42</b>	<b>7.44</b>	<b>81.61</b>	<b>89.05</b>	<b>2.37</b>	<b>6.72</b>

### 4. Investments

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
	Amt.	Amt.
<b>Quoted</b>		
(a) Investments in Equity Instruments (Value at fair value through Statement of Profit and Loss) 800 Equity Shares of IDBI Ltd of Rs. 10 each fully paid up	<b>0.15</b>	0.37
<b>Non Quoted</b>		
(a) Equity Shares of Subsidiary Company (At Cost)	-	-
26803 Shree Rama (Mauritius) Ltd. of US \$ 1/- each fully paid up	<b>13.06</b>	13.06
Share Application Money (Pending Allotment)	<b>18.60</b>	18.60
	<b>31.66</b>	31.66
Less : Provision for diminution in value of investment	<b>(31.66)</b>	(31.66)
<b>Net Investment in Subsidiary (Refer Note No. 40)</b>	<b>-</b>	-
<b>Total</b>	<b>0.15</b>	0.37

The Carrying value and market value of quoted and unquoted investments are as under:

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Aggregate Carrying Value of Quoted Investments	<b>0.15</b>	0.37
Aggregate Marketing Value of Quoted Investments	<b>0.15</b>	0.37
Aggregate Carrying Value of Unquoted Investments	<b>31.66</b>	31.66
Aggregate Impairment in Value of Investments	<b>31.66</b>	31.66

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## 5. Loans (Non current)

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
<b>Security Deposits</b>		
Unsecured, considered good	-	25.60
<b>Total</b>	-	25.60

## 6. Other financial assets (Non Current)

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Other Receivables	1.63	1.63
Security Deposit (Unsecured, considered good)	5.20	6.24
<b>Total</b>	6.83	7.87

## 7. Other Non current Assets

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Capital Advances (Doubtful)	150.00	150.00
Less : Provision for doubtful	(150.00)	(150.00)
<b>Capital Advances (Doubtful) (net)</b>	-	-
<b>Advances other than capital advances</b>		
Security Deposit	39.04	116.13
Advances to Govt. Authorities	-	300.00
<b>Total</b>	39.04	416.13



## 8. Inventories

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Raw materials (includes Goods in transit Rs. 56.53 lakhs) (P.Y. Rs. 252.93 lakhs)	677.64	855.40
Work in progress	708.17	468.40
Stores and spares (includes Goods in transit Nil) (P.Y. Rs. 12.15 lakhs)	354.10	356.68
Finished goods	711.47	917.27
Packing Material	33.49	35.90
Fuel Stock	3.37	4.42
Waste	10.60	4.46
<b>Total</b>	<b>2,498.84</b>	<b>2,642.53</b>

For Valuation method Inventories refer Note no. 1 [B] (g)

## 9. Trade receivables (current)

(Rs. In lakhs)

Particulars	Gross	Bad debts reserve	Net
<b>Balance as at 31/03/2020</b>			
Secured, considered good	-	-	-
Unsecured, considered good	1,880.97	(29.35)	1,851.62
Doubtful	185.82	(185.82)	-
<b>Total</b>			<b>1,851.62</b>
<b>Balance as at 31/03/2019</b>			
Secured, considered good	-	-	-
Unsecured, considered good	2,315.71	(45.34)	2,270.37
Doubtful	162.38	(118.83)	43.55
<b>Total</b>			<b>2,313.92</b>

Refer note 50 (g) for dues from related parties

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## 10. Cash and cash equivalents

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Balances with banks	15.20	2.82
Cash on hand	0.30	0.53
<b>Total</b>	<b>15.50</b>	<b>3.35</b>

## 11. Bank balances other than mentioned in cash and cash equivalents

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Fixed Deposits with Banks (under lien against bank guarantees)	210.00	-
<b>Total</b>	<b>210.00</b>	<b>-</b>

## 12. Other financial assets (Current)

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Interest accrued but not Due	10.75	1.92
Other receivables	26.30	8.00
Export benefit receivables	59.92	21.44
<b>Total</b>	<b>96.97</b>	<b>31.36</b>

## 13. Other Current Assets

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
<b>Advances other than capital advances</b>		
Security Deposits	0.15	4.60
<b>Other advances</b>		
Balance with Govt. Agencies	41.64	22.32
Prepaid Expenses	29.07	15.53
Advance to Employees	0.51	0.94
Advances to Suppliers	29.97	36.19
Other receivables	0.77	
<b>Total</b>	<b>102.11</b>	<b>79.58</b>





## 14. Assets held for sale

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020		Balance as at 31/03/2019	
	No.	Amount	No.	Amount
Land		15.08		120.68
Building		229.72		1,013.50
Furniture and fixtures		0.00		1.12
Office equipment		0.00		0.08
Electrical Installation		2.55		9.87
<b>Gross Total</b>		<b>247.35</b>		<b>1,145.25</b>

### 14.1 Liabilities classified as held for sale

Particulars	Balance as at 31/03/2020		Balance as at 31/03/2019	
	No.	Amount	No.	Amount
Advance received for sale of assets held for sale		-		647.00
		-		<b>647.00</b>

**14.2** In respect of Pondicherry unit of the Company which is not operational for last several years, the management has identified existing fixed assets (land, building and electric installation) to be not in active use and has initiated actions for disposal of these assets. Accordingly, these assets are disclosed under "assets held for sale/disposal" at lower of cost or fair market value and no depreciation has been charged to the Statement of Profit & Loss.

**14.3** During the year, the company has sold immovable assets of Ambaliyara unit. Profit on sale of these assets is shown separately under "Exceptional Items" in statement of Profit and Loss.

## 15. Share capital

### Authorised Share Capital

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020		Balance as at 31/03/2019	
	No.	Amount	No.	Amount
<b>Equity Share Capital</b>				
Equity shares of Face Value Rs. 5 each	200,000,000	10,000	200,000,000	10,000
<b>Preference Share Capital</b>				
15 % cumulative Redeemable Preference Shares of Rs. 100 each	5,000,000	5,000	5,000,000	5,000
	<b>205,000,000</b>	<b>15,000</b>	205,000,000	15,000

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## Issued & Subscribed Share Capital

(Rs. In lakhs)

Particulars	No.	Balance as at 31/03/2020	Balance as at 31/03/2019
<b>Equity shares</b>			
At Beginning of the period	63,555,555	3,176.03	3,176.03
Add : Issued during the year	-	-	-
Less : Bought back during the year	-	-	-
<b>At End of the period</b>	<b>63,555,555</b>	<b>3,176.03</b>	3,176.03

## Paid up Share Capital

(Rs. In lakhs)

Particulars	No.	Balance as at 31/03/2020	Balance as at 31/03/2019
<b>Equity shares</b>			
Equity Shares of Rs.5 each	63,468,005	3,173.40	3,173.40
Add : Forfeited share capital	87,550	2.63	2.63
<b>Total</b>	<b>63,555,555</b>	<b>3,176.03</b>	3,176.03

## Details of shareholders holding more than 5% shares in the company

(Rs. In lakhs)

Name of the Equity shareholder	As at End of the period		As at Beginning of the period	
	No.	% holding in the class	No.	% holding in the class
<b>Nirma Industries Private Limited</b>	3,204,883	5.05%	3,204,883	5.05%
<b>Nirma Chemical Works Private Limited</b>	23,777,418	37.46%	23,777,418	37.46%
<b>Jayesh H. Patel</b>	3,724,158	5.86%	3,724,158	5.86%



# SHREE RAMA MULTI-TECH LIMITED

## 16. Other Equity

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
a. Securities Premium Reserve	22,825.95	22,825.95
b. Capital Redemption Reserve	333.33	333.33
c. Debenture Redemption Reserve	4,024.33	4,024.33
d. Warrants Forfeited Account	39.56	39.56
e. General Reserve	1,917.87	1,917.87
f. Retained Earnings		
<b>Opening Balance</b>	<b>(31,976.28)</b>	<b>(31,674.85)</b>
Add : Total comprehensive income for the year	2,123.82	(301.43)
<b>Closing Balance</b>	<b>(29,852.46)</b>	<b>(31,976.28)</b>
<b>Total</b>	<b>(711.42)</b>	<b>(2,835.24)</b>

## 17. Borrowings (Non Current)

(Rs. In lakhs)

Non-current interest-bearing loans and borrowings	Effective Interest rate	Balance as at 31/03/2020	Balance as at 31/03/2019
<b>(A) Term loans</b>			
<b>i. From Banks</b>			
Secured		-	-
Unsecured	Floating Rate	-	1,173.01
<b>ii. From other parties</b>			
Secured		2,500.00	2,500.00
Unsecured		-	-
<b>(B) Bonds and Debentures</b>			
Secured	16%	671.86	671.86
Secured	14%	3,000.00	3,000.00
<b>(C) Others</b>			
Preference Share Capital	15%	666.67	666.67
<b>Total</b>		<b>6,838.53</b>	<b>8,011.54</b>

For Security and other information (Refer Note 56)

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## 18. Trade payables (Non Current)

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Total Outstanding dues of Creditors other than Micro and Small Enterprises	-	0.37
<b>Total</b>	<b>-</b>	<b>0.37</b>

## 19. Other financial liabilities (Non Current)

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
1 Provision for Pref. Share Dividend	<b>100.00</b>	100.00
2 Provision for Tax on Preference Share Dividend	<b>10.20</b>	10.20
3 Provision for Interest on Preference Share Dividend	<b>47.50</b>	47.50
4 Other Long-term liabilities	<b>3.81</b>	5.12
<b>Total</b>	<b>161.51</b>	162.82

Provision for Pre. Share Dividend treated as long term as per note no. 51.3

## 20. Provisions (Non Current)

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Employee benefit expense	<b>33.42</b>	70.14
Provision relating to pending litigation	<b>109.91</b>	-
<b>Total</b>	<b>143.33</b>	70.14

For disclosure pursuant to Ind AS refer Note No. 53

## 21. Borrowings (Current)

(Rs. In lakhs)

Current interest-bearing loans and borrowings	Balance as at 31/03/2020	Balance as at 31/03/2019
<b>Loans repayable on demand</b>		
<b>i. From banks</b>		
Secured (Refer Note No. 56)	<b>4.80</b>	920.20
<b>ii. From other parties</b>		
Unsecured- Inter Corporate Loan	-	407.69
<b>Total</b>	<b>4.80</b>	1,327.89



## 22. Trade Payables (Current)

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Total Outstanding dues of Micro and Small Enterprises	310.46	383.74
Total Outstanding dues of Creditors other than Micro and Small Enterprises	873.18	1,028.11
<b>Total</b>	<b>1,183.64</b>	<b>1,411.85</b>

For disclosure related as per MSMED Act, 2006 refer Note no. 55

## 23. Other Financial liabilities (Current)

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Dues to Employees and others	133.99	122.02
Current Maturity of Long Term debt (Refer No. 56)	882.30	1,176.80
Creditors for Capital Goods	4.84	20.24
<b>Total</b>	<b>1,021.13</b>	<b>1,319.06</b>

## 24. Other Current liabilities

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
<b>Others</b>		
Advances from Customers	182.13	53.98
Statutory Dues	20.19	50.72
Other liabilities	36.35	14.55
<b>Total</b>	<b>238.66</b>	<b>119.25</b>

## 25. Provisions (Current)

(Rs. In lakhs)

Particulars	Balance as at 31/03/2020	Balance as at 31/03/2019
Employee benefit expense	17.29	5.72
<b>Total</b>	<b>17.29</b>	<b>5.72</b>

For disclosure pursuant to Ind AS refer Note No. 53

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## 26. Revenue from operations

(Rs. In lakhs)

Particulars	2019-20	2018-19
Sale of products	12,897.64	11,604.01
<b>Other Operating Revenue</b>		
Product design & development Income	5.26	9.57
Export Incentives	94.19	51.77
Others	86.64	66.77
<b>TOTAL</b>	<b>13,083.73</b>	<b>11,732.12</b>

### 26.1 Sale of Products

(Rs. In lakhs)

Particulars	2019-20	2018-19
Plastic Laminated tubes	8806.77	6747.80
Printed Products incl. Labels, Stickers	1.12	49.88
Specialty Packaging & Plastic Products	3692.47	4325.22
Others	397.28	481.11
<b>TOTAL</b>	<b>12897.64</b>	<b>11604.01</b>

## 27. Other income

(Rs. In lakhs)

Particulars	2019-20	2018-19
Interest income	12.12	18.61
Miscellaneous Income	1.93	12.05
Profit on Sale of Fixed Assets	1.87	0.53
Sundry balances Written back (Net)	-	1.89
<b>Total</b>	<b>15.92</b>	<b>33.08</b>

## 28. Cost of materials consumed

(Rs. In lakhs)

Particulars	2019-20	2018-19
Opening Stock	855.41	477.10
Add : Purchases	6,454.47	7,127.41
<b>Sub Total</b>	<b>7,309.88</b>	<b>7,604.51</b>
Less : Closing Stock	677.64	855.41
<b>Total</b>	<b>6,632.24</b>	<b>6,749.10</b>



## 29. Changes in Inventories of Finished goods, WIP and Waste

(Rs. In lakhs)

Particulars	2019-20	2018-19
Closing Stock		
Finished Goods	711.47	917.27
WIP	708.17	468.40
Waste	10.60	4.46
<b>Total</b>	<b>1,430.24</b>	<b>1,390.13</b>
Opening Stock		
Finished Goods	917.27	522.63
WIP	468.40	715.20
Waste	4.46	16.94
<b>Total</b>	<b>1,390.13</b>	<b>1,254.77</b>
<b>Total (Increase) / Decrease In Stock</b>	<b>(40.11)</b>	<b>(135.36)</b>

## 30. Employee benefit expense

(Rs. In lakhs)

Particulars	2019-20	2018-19
Salaries and wages	1,474.66	1,369.03
Contribution to provident and other funds	32.48	32.91
Staff welfare expenses	20.10	20.25
<b>Total</b>	<b>1,527.24</b>	<b>1,422.19</b>

## 31. Finance costs

(Rs. In lakhs)

Particulars	2019-20	2018-19
Interest expense	274.40	361.62
Bank Charges and Commission	14.23	8.72
Loan Processing Charges & Corporate Guarantee fees	7.49	12.91
<b>Total</b>	<b>296.12</b>	<b>383.25</b>

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## 32. Depreciation and Amortisation expense

(Rs. In lakhs)

Particulars	2019-20	2018-19
Depreciation on Property, Plant & Equipment	884.74	897.96
Amortization of Intangible Assets	8.90	4.63
Amortization of Right-of-Use Assets	2.44	-
<b>Total</b>	<b>896.08</b>	902.59

## 33. Other expenses

(Rs. In lakhs)

Particulars	2019-20	2018-19
Consumption of stores and spare parts	340.87	322.42
Power and fuel	1,084.56	1,012.51
Job Work Charges	192.10	170.52
Repairs to buildings	16.30	26.94
Repairs to machinery	54.00	39.15
Repair to others	10.60	7.22
Packing Material Consumed	408.39	383.23
Freight & Forwarding Exps.	530.84	482.05
Selling Overheads	89.12	66.86
Insurance	73.22	31.21
Rates and taxes (excluding taxes on income)	25.69	13.34
Travelling Expenses	54.16	50.99
Legal & Professional Charges	146.18	83.53
Loss on Sale/Discard of Fixed Assets	1.31	0.11
Provision for Doubtful Debts	50.99	28.94
Sundry Balance Written off (Net)	3.34	-
Auditor's Remuneration	4.50	4.50
Other Expenses	164.76	164.20
<b>Total</b>	<b>3,250.93</b>	2,887.72





## 33.1 Breakup of Auditor Remuneration

(Rs. In lakhs)

Particulars	2019-20	2018-19
<b>As auditor :</b>		
Audit fee	4.50	4.50
<b>Total</b>	<b>4.50</b>	<b>4.50</b>

## 34. Exceptional Items

(Rs. In lakhs)

Particulars	2019-20	2018-19
Profit on Sale of Immovable Properties (Refer note 14.3)	1349.91	-
Expenses towards Settlement of excise litigation under SVDRS (Refer note 51.7)	(629.01)	-
Provision for liability relating to pending litigation (Refer note 51.1(i))	(187.00)	-
<b>Total</b>	<b>533.90</b>	<b>-</b>

## 35. Earning Per Share

Earning Per share is calculated by dividing the Profit / (Loss) attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The numbers used in calculating basic and diluted earning per Equity Share as stated below:

(Rs. In lakhs)

Particulars	2019-20	2018-19
Profit/(Loss) for the year (Rs. In Lakhs)	2105.56	(302.61)
Net Profit / (Loss) attributable to Equity Shareholders (Rs. In Lakhs)	2105.56	(302.61)
Number of Equity Shares for Basic EPS	63,468,005	63,468,005
Add : Diluted Potential Equity Shares	0.00	0.00
Number of Equity Shares for Diluted EPS	63,468,005	63,468,005
Basic Earning Per Share (Rs.)	3.32	(0.48)
Diluted Earning Per Share (Rs.)	3.32	(0.48)
Nominal Value Per Share	5.00	5.00

- (36) In expectation of a positive outcome of settlement and compromise with lenders, the accounts have been prepared on "Going Concern" basis. (Refer note no. 51.5 related to scheme with lenders.)

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- (37) In view of carried forward business losses and depreciation in the books, the company is not liable for Income Tax Liability under section 115JB for Minimum Alternative Tax.
- (38) In view of the accumulated loss, no transfer has been made to the Debenture Redemption Reserves in respect of Secured and Unsecured Debentures.
- (39) In view of the accumulated loss, no amount is transferred to Capital Redemption Reserve in respect of preference shares.
- (40) The company has made investment of Rs. 13.06 lakhs into equity shares and Rs. 18.60 lakhs in share application money in Shree Rama (Mauritius) Limited, its wholly owned subsidiary company. The resident directors & key managerial personnel of the said WOS had resigned in the year 2005-06 and audited accounts for the year ended 30th September 2003 and onwards could not be prepared. Its present status is shown as 'defunct' under respective laws. The company has made full provision for diminution in the value of investment in equity and share application money in earlier years.

In view of the above, it was not possible to prepare consolidated financial statements as required by Ind AS 110 issued by ICAI, and other provisions of the Companies Act, 2013.

- (41) The Company has assessed the probable impact of covid 19 pandemic. It has considered internal and external information available up to the date of approval of these financial statements and has performed analysis based on current estimates in assessing the recoverability of its assets including trade receivables, inventories, other financial and non-financial assets for possible impact on these financial results. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, etc. On the basis of its present assessment and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any material impact on these financial results. However, the assessment of impact of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic condition.
- (42) Previous year's figures have been regrouped / re-stated / reclassified wherever necessary. Figures in brackets relate to the previous year unless otherwise stated. Previous year figures in notes forming part of accounts are recalculated to bring the figures in line with relevance in the matter.
- (43) Disclosure in terms of Regulation 34(3) of SEBI (LODR) Regulations, 2015:

Sr. No.	In the Accounts of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.	Remarks
1.	Holding Company	Loans and advances in the nature of loans to subsidiaries by name and amount.	NIL (Refer Note No. 40)
		Loans and advances in the nature of loans associates by name and amount	NIL (Refer Note No. 40)
		Loans and advances in the nature of loans to Firms / Companies in which directors are interested by name and amount	NIL



2.	Subsidiary	Same disclosures as applicable to the parent company in the Accounts of subsidiary company.	N.A.
3.	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	N.A.

## (44) Financial Instruments - Fair Values & Risk Management

### Accounting Classifications & Fair Value Measurements

- 44.1. The fair values of the financial assets and liabilities are measured at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- 44.1.1. The fair value of investment in quoted equity shares and mutual funds is measured at quoted price or NAV.
- 44.1.2. Fair values of cash and short term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short-term maturities of these instruments.
- 44.1.3. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on the evaluation, allowances are taken to account for the expected losses of these receivables.
- 44.1.4. The fair value of forward foreign exchange contracts and currency swaps is determined using forward exchange rates and yield curves at the balance sheet date.

The company uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation technique:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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## I. Figures as at March 31, 2019

(Rs. In lakhs)

Particulars	Carrying Amount	Fair value	
		Level 1	Level 2
<b>Financial assets at amortized cost:</b>			
Security Deposits (Non-Current)	25.60	-	25.60
Trade Receivables	2,313.92	-	2,313.92
Cash and Cash Equivalents	3.35	-	3.35
Bank Balances Other than Cash and Cash Equivalents	0.00	-	0.00
Other Non Current Financial Assets	7.87		7.87
Other Current Financial Assets	31.36	-	31.36
<b>TOTAL</b>	<b>2,382.10</b>	<b>-</b>	<b>2,382.10</b>
<b>Financial assets at fair value through profit or loss:</b>			
Investments (Non-Current)	0.37	0.37	-
<b>TOTAL</b>	<b>0.37</b>	<b>0.37</b>	<b>-</b>
<b>Financial liabilities at amortized cost:</b>			
Borrowings (Non-Current)	8,011.54	-	8,011.54
Borrowings (Current)	1,327.89	-	1,327.89
Trade Payables (Non Current)	0.37		0.37
Trade Payables (Current)	1,411.85	-	1,411.85
Other financial liabilities (Non Current)	162.82		162.82
Other financial liabilities (Current)	1,319.06	-	1,319.06
<b>TOTAL</b>	<b>12,233.53</b>	<b>-</b>	<b>12,233.53</b>



# SHREE RAMA MULTI-TECH LIMITED

## II. Figures as at March 31, 2020

(Rs. In lakhs)

Particulars	Carrying Amount	Fair value	
		Level 1	Level 2
<b>Financial assets at amortized cost:</b>			
Security Deposits (Non-Current)	0.00	-	0.00
Trade Receivables	1,851.62	-	1,851.62
Cash and Cash Equivalents	15.50	-	15.50
Bank Balances Other than Cash and Cash Equivalents	210.00	-	210.00
Other Non Current Financial Assets	6.83	-	6.83
Other Current Financial Assets	96.97	-	96.97
<b>TOTAL</b>	<b>2,180.92</b>	<b>-</b>	<b>2,180.92</b>
<b>Financial assets at fair value through profit or loss:</b>			
Investments (Non-Current)	0.15	0.15	-
<b>TOTAL</b>	<b>0.15</b>	<b>0.15</b>	<b>-</b>
<b>Financial liabilities at amortized cost:</b>			
Borrowings (Non-Current)	6,838.53	-	6,838.53
Borrowings (Current)	4.80	-	4.80
Trade Payables (Non Current)	0.00	-	0.00
Trade Payables (Current)	1,183.64	-	1,183.64
Other financial liabilities (Non Current)	161.51	-	161.51
Other financial liabilities (Current)	1,021.13	-	1,021.13
Lease liabilities (Non Current)	5.27	-	5.27
Lease liabilities (Current)	3.54	-	3.54
<b>TOTAL</b>	<b>9,218.42</b>	<b>-</b>	<b>9,218.42</b>

No financial instruments have been routed through Other Comprehensive Income and hence separate reconciliation disclosure relating to the same is not applicable.

### (45) Credit Risk Management

As per Ind AS 109, we have adopted a policy for assessing credit risk as per expected credit loss model for outstanding balances as on balance sheet date, based on the past performance and by assessing overall creditworthiness of debtors we arrived at the following rate to be provided on closing debtors as per their ageing bucket:

# Annual Report 2019-20

## Ageing of Account Receivables

(Rs. In lakhs)

Particulars	31/03/2020		31/03/2019	
	% of provision	Provision for doubtful debts	% of provision	Provision for doubtful debts
1-90 Days	0.50%	8.20	0.50%	10.53
91-180 Days	3.00%	5.33	3.00%	4.75
181-365 Days	15.00%	3.87	15.00%	2.57
More than 365 Days	35.00%	11.95	35.00%	27.50
Litigation	100.00%	185.82	100.00%	118.82
<b>Total</b>		<b>215.17</b>		<b>164.17</b>

## Expected Credit Loss for Debtors

(Rs. In lakhs)

Asset Company	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount
Debtors (31.03.2020)	2,066.79	215.17	1,851.62
Debtors (31.03.2019)	2,478.09	164.17	2,313.92

## Reconciliation of loss allowance provision

(Rs. In lakhs)

Reconciliation of Loss Allowance	Loss allowance measured at Life time Expected Losses	
	Financial asset for which credit risk has increased significantly & credit impaired 31/03/2020	Financial asset for which credit risk has increased significantly & credit impaired 31/03/2019
Loss allowance as on Opening Date	164.17	135.23
Changes due to provision for the year as per matrix	51.00	28.94
Modification of contractual cash flow that did not result in derecognition	Nil	Nil
Change in risk Parameters	Nil	Nil



## (46) Liquidity Risk

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. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

### Maturity Pattern of Financial Liabilities

(Rs. In lakhs)

	As at 31 <sup>st</sup> March, 2020				As at 31 <sup>st</sup> March, 2019			
	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	beyond 5 years	Total
Long term borrowings	882.30	0.00	6838.53	7720.83	1176.80	1173.01	6838.53	9188.34
Short term borrowings	4.80	0.00	0.00	4.80	1327.89	-	-	1327.89
Trade Payable	1183.64	0.00	0.00	1183.64	1411.85	0.37	-	1412.22
Payable related to Capital Goods	4.84	0.00	0.00	4.84	20.24	-	-	20.24
Other Financial liability (Current and Non Current)	137.53	166.78	0.00	304.31	122.02	162.82	-	284.84
<b>Total</b>	<b>2213.11</b>	<b>166.78</b>	<b>6838.53</b>	<b>9218.42</b>	<b>4058.80</b>	<b>1336.20</b>	<b>6838.53</b>	<b>12233.53</b>

## (47) Market Risk Management

### (a) Foreign Currency Risk

The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US\$, EUR. Foreign exchange risk arises from future commercial transactions and recognized 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.

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(i) Foreign currency risk exposure (Foreign Currency In lakhs)

Particulars	As at 31 <sup>st</sup> March, 2020				As at 31 <sup>st</sup> March, 2019			
	USD	EUR	CHF	JPY	USD	EUR	CHF	JPY
Financial Assets	6.79	0.06	0.00	0.00	6.56	0.00	0.04	0.66
Financial Liabilities	2.20	0.00	0.00	0.11	5.09	0.28	0.00	0.00
<b>Net Exposure</b>	<b>4.59</b>	<b>0.06</b>	<b>0.00</b>	<b>(0.11)</b>	1.48	(0.28)	0.04	0.66

(ii) Sensitivity

(Rs. In lakhs)

Particulars	Impact on PAT		Impact on PAT		Impact on other components of equity		Impact on other components of equity	
	31.03.2020		31.03.2019		31.03.2020		31.03.2019	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
USD Sensitivity (5% sensitivity)	17.25	(17.25)	5.07	(5.07)	17.25	(17.25)	5.07	(5.07)
EUR Sensitivity (5% sensitivity)	0.24	(0.24)	(1.08)	1.08	0.24	(0.24)	(1.08)	1.08
CHF Sensitivity (5% sensitivity)	0.00	0.00	0.14	(0.14)	0.00	0.00	0.14	(0.14)
JPY Sensitivity (5% sensitivity)	0.00	0.00	0.02	(0.02)	0.00	0.00	0.02	(0.02)

(b) Cash flow and fair value interest rate risk

The company's main interest rate risk arises from long-term borrowings with variable rates, which expose the company to cash flow interest rate risk. The Company policy is mainly to maintain its borrowings at fixed rate. As on March 31, 2020 and March 31, 2019, the company's borrowings at variable rate were denominated in INR.

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

(i) Interest rate risk exposure

(Rs. In lakhs)

Particulars	31/03/2020	31/03/2019
Variable Rate borrowings		
1. Working Capital Term Loan	882.30	2349.81
2. Cash Credit Facility	4.80	920.20





## (ii) Sensitivity

(Rs. In lakhs)

Particulars	Impact on PAT		Impact on PAT		Impact on other components of equity		Impact on other components of equity	
	31.03.2020		31.03.2019		31.03.2020		31.03.2019	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
A change of 50 bps interest rates	(4.44)	4.44	(16.35)	16.35	(4.44)	4.44	(16.35)	16.35

## (c) Price Risk

The company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet at fair value through profit or loss having carrying amount Rs. 0.15 Lakhs as on 31/03/2020 and Rs 0.37 Lakhs as on 31/03/2019.

### Sensitivity

(Rs. In lakhs)

Particulars	Impact on PAT		Impact on PAT		Impact on other components of equity		Impact on other components of equity	
	31.03.2020		31.03.2019		31.03.2020		31.03.2019	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Price risk sensitivity at 5%	0.01	(0.01)	0.02	(0.02)	0.01	(0.01)	0.02	(0.02)

## (48) Capital Management

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet, including non-controlling interests).

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## Gearing Ratio

(Rs. In lakhs)

Particulars	As at 31 <sup>st</sup> March 2020	As at 31 <sup>st</sup> March 2019
Borrowings	7,725.62	10,516.23
Less: Cash & Cash Equivalents	15.50	3.35
Net Debt (A)	7710.12	10512.88
Total Equity	2,464.61	340.79
Equity and Net Debt (B)	10,174.73	10,853.67
Gearing Ratio(A/B) %	75.78	96.86

## (49) Income Taxes

(Rs. In lakhs)

Particulars	31/03/2020	31/03/2019
<b>Current Tax</b>	-	-
<b>Deferred Tax</b>		
(Increase)/Decrease in deferred tax asset	27.90	(1.32)
Increase/(Decrease)in deferred tax liability	(1062.41)	(238.04)
<b>Total Income Tax Expenses</b>	<b>(1034.51)</b>	<b>(239.36)</b>

### Effective Tax rate :

Consequent to reconciliation items shown above, the effective tax is Nil for both the years.

### **Current Tax Asset**

(Rs. In lakhs)

Particulars	31/03/2020	31/03/2019
Income Tax asset/(liability) at the beginning of the reporting period	279.53	368.47
Income Tax paid/(refund)/(written off)	32.38	(88.94)
Net Current Income Tax A sset/(liability) at the end of the period	311.91	279.53



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## Reconciliation of current tax expenses & accounting profit multiplied by Tax Rate

(Rs. In lakhs)

Particulars	31/03/2020	31/03/2019
Profit/(Loss) before Tax	1071.05	(444.29)
Statutory Tax Rate (%)	26%	26%
Tax at statutory tax rate	278.47	0.00
Adjustments for carried forward losses and others	(278.47)	0.00
<b>Income Tax Expenses</b>	<b>NIL</b>	<b>NIL</b>

## Deferred Tax Assets/ (Liabilities)

(Rs. In lakhs)

Particulars	31/03/2020	31/03/2019
<b>Opening Balances comprises temporary differences attributable to :</b>		
Deferred tax Liabilities due to Depreciation	(1103.96)	(1342.00)
Deferred tax Assets due to employee benefits	27.90	29.57
Other Deferred tax Assets	41.55	38.56
<b>Total</b>	<b>(1034.51)</b>	<b>(1273.86)</b>
<b>Adjustments during the year comprises temporary differences attributable to :</b>		
1 Depreciation	1103.96	238.04
2 Statutory Payments	(27.90)	(1.67)
3 Ind AS adjustments	(41.55)	2.99
<b>Closing Balances comprises temporary differences attributable to :</b>		
Deferred tax Liabilities due to Depreciation	0.00	(1103.96)
Deferred tax Assets due to employee benefits	0.00	27.90
Other Deferred tax Assets	0.00	41.55
<b>Net Deferred Tax Asset/(Liability) Total</b>	<b>0.00</b>	<b>(1034.51)</b>

In the absence of any documentary evidence supporting possibility of future taxable income which will be utilized for reversal of temporary difference and considering prudence, deferred tax assets are recognised only to the extent of deferred tax liability recognised in the books and accordingly, deferred tax asset/liability is NIL as on balance sheet date.

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**(50) Related Party Transactions:**

**(a) Promoters having control over the company**

Sr. No.	Name of the Related Party	Transaction entered during the year (Yes/No)
1	Nirma Chemical Works Pvt. Ltd.	Yes
2	Nirma Industries Private Limited	Yes

**(b) Key Managerial Personnel**

**Executive Directors:**

Sr. No.	Name of the Related Party	Nature of Relationship	Transaction entered during the year (Yes/No)
1	Mr. Shailesh K. Desai	Managing Director	Yes
2	Mr. Hemal R. Shah	Whole Time Director	Yes

**Non-Executive Directors:**

Sr. No.	Name of the Related Party	Nature of Relationship	Transaction entered during the year (Yes/No)*
1	Mr. Pathik C. Shah	Independent Director	Yes
2	Ms. Vandana C. Patel	Independent Director	Yes
3	Mr. Shalin S. Patel	Independent Director	Yes
4	Mr. Mittal K. Patel	Non-Independent Director	Yes

\*Sitting Fees paid for attending Board Meetings during the year

**Executive Officers:**

Sr. No.	Name of the Related Party	Nature of Relationship	Transaction entered during the year (Yes/No)
1	Mr. Krunal G Shah	Chief Financial Officer	Yes
2	Mr. Purvang Trivedi	Company Secretary	Yes

**(c) Subsidiary:**

Name of the Related Party	Nature of Relationship	Transaction entered during the year (Yes/No)
Shree Rama (Mauritius) Limited*	Wholly Owned Subsidiary	No

\*The current status of the WOS is defunct



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- (d) i) Entities over which Promoters/ Key Managerial Personnel identified above exercise control/ significant influence/ are interested or concerned and with which transactions have taken place :

Sr. No.	Name of the Related Party	Nature of Relationship	Transaction entered during the year (Yes/No)
1	Aculife Healthcare Private Limited	Entities over which Promoters identified above exercise control/significant influence	Yes
2	Hi-Scan Private Limited	Entities over which Key Managerial Personnel identified above has interest or concern	Yes
3	Travel Diaries	Entities over which Key Managerial Personnel identified above has interest or concern	Yes

- ii) Entities which are related to Promoters identified above and with which transactions have taken place/ having outstanding balances:

Sr. No.	Name of the Related Party	Transaction entered during the year (Yes/No)
1	Nirma Limited	Yes
2	Nirma Credit & Capital Private Limited	No

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## (e) Disclosure of Related Party Transactions

(Rs. In lakhs)

Sr. No.	Nature of Transaction/ relationship/ major parties	2019-20	2018-19
		Amount	Amount
1	Purchase of goods and services		
	1. Nirma Ltd.	4.30	16.19
	2. Hi-Scan Pvt. Ltd.	8.38	3.54
	3. Travel Diaries	5.16	7.09
	4. Aculife Healthcare Pvt. Ltd.	48.22	0.00
	<b>Total</b>	66.06	26.82
2	Sale of goods		
	1. Nirma Ltd.	6.21	20.81
	2. Aculife Healthcare Pvt. Ltd.	2.10	48.10
	3. Hi-Scan Pvt. Ltd.	3.59	0.03
	<b>Total</b>	<b>11.90</b>	<b>68.94</b>
3	Corporate Guarantee Charges		
	1. Nirma Ltd.	4.00	7.02
	<b>Total</b>	<b>4.00</b>	<b>7.02</b>
4	Loan taken, interest charges and repayment		
	<b>a) Nirma Chemical Works Private Ltd.</b>		
	Loan taken	0.00	700.00
	Interest charges	18.54	7.76
	Loan repaid	406.98	300.00
	<b>b) Nirma Industries Private Ltd.</b>		
	Loan taken	0.00	300.00
	Interest charges	0.00	0.79
	Loan repaid	0.71	300.00



# SHREE RAMA MULTI-TECH LIMITED

(f) Remuneration Paid to Key Managerial Personnel (other than Non-Executive Directors)

(Rs. In lakhs)

Key Managerial Personnel	2019-20	2018-19
	Short Term Employee Benefit	Short Term Employee Benefit
Mr. Shailesh K. Desai	70.00	66.44
Mr. Hemal R. Shah	16.33	16.36
Mr. Krunal G. Shah	11.62	10.58
Mr. Purvang Trivedi	5.12	4.16
<b>Total</b>	<b>103.07</b>	<b>97.54</b>

Remuneration does not include the provisions made for gratuity, as they are determined on an actuarial basis for the company as a whole.

**Sitting Fees to other Directors:**

(Rs. In lakhs)

	2019-20	2018-19
<b>(1) Independent Directors</b>		
Mr. Pathik C. Shah	0.60	0.60
Mrs. Vandana C. Patel	0.60	0.45
Mr. Shalin S. Patel	0.45	0.45
<b>(2) Non-Executive Directors</b>		
Mr. Mittal K. Patel	0.30	0.60
<b>Total</b>	<b>1.95</b>	<b>2.10</b>

(g) Amount due to/from Related Parties as on 31st March, 2020:

(Rs. In lakhs)

Sr. No.	Related Party Transaction Summary	Referred in 50(d) above		Promoters having control over the company	
		2019-20	2018-19	2019-20	2018-19
1	Accounts Receivable	5.68	1.58	0.00	0.00
2	Accounts payable, including other payables	69.11	36.20	0.00	0.00
3	Loan Outstanding	0.00	0.00	2500.00	2907.69
4	Non-Convertible Debentures	194.50	194.50	3477.36	3477.36

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## (51) Contingent Liabilities & Contingent Assets:

### 51.1 Contingent Liabilities:

Sr. No.	Particulars	(Rs. In lakhs)	
		2019-20	2018-19
a.	Dividend on 666666 15% Redeemable Cumulative Preference Shares till date (Note No. 51.3 below)	300.00	300.00
b.	Interest on loans & debentures (Note No.51.6 below)	15537.93	14683.21
c.	(i) Corporate guarantee given to the Banks for term loan of Rs 400.00 Lakhs. (Note No. 51.2 below)	400.00	400.00
	(ii) Bank Guarantee given to UGVCL & Sabarmati Gas Ltd.	157.44	161.09
d.	Claims against the company not acknowledged as debts. Excise authorities have issued show-cause notices for various credits availed as well as rejecting the claims of the company which the company has disputed and no provision is made in the books.	0.00	161.98
e.	Disputed demand arose out of VAT/CST assessment for the year 2013-14	0.00	5.07
f.	Excise proceeding in respect the order dtd. 30/12/2005 including interest & penalty (see note No. 51.7 below)	0.00	5648.42
g.	Pending case for proceeding u/s 138 of Negotiable Instruments Act (Note No.51. 4 below)	200.00	200.00
h.	Penalty levied u/s 271(1)(c) of the Income Tax Act for different years	1147.79	1147.79
i.	In respect of office premises at Mumbai taken on Leave & License from KSFL, the appeal before the appellate court against the order of Small Cause Court was dismissed by the Hon'ble court on 16-12-2017. The company had filed a Civil Revision Application (CRA) before Hon'ble High Court of Mumbai against the order of appellate court. However, during the year, Hon'ble High Court of Mumbai had vide its order dated 14th October, 2019 disposed of CRA. The company had preferred also the Special Leave Petition (SLP) before Honorable Supreme Court against the order of Hon'ble High Court of Mumbai which was also dismissed by Honorable Supreme Court on 28/02/2020. During current year, the company has provided for Rent after adjusting outstanding amount of deposit of KSFL, However, upon review of the order, the company is under process to take the appropriate action as Hon'ble Supreme Court disposed the SLP with liberty as permissible under the law. The provision related to interest would be given in the books after considering the appropriate action adopted by the company.		

**51.2** Andhra bank Ltd. has filed suit in Debt Recovery Tribunal against East West Polyart Ltd. as Principal Debtor and the Company as a guarantor and Recovery Officer has demanded Rs. 933.34 lakhs (net of Recovery already made and including interest). Review Application filed by the Company against Demand Notice has been admitted by Debt Recovery Tribunal, Ahmedabad.

**51.3** (a) In respect of 10,00,000 15% Cumulative Preference Shares of Rs.100/- each which were redeemable in three equal installments at the end of third, fourth and fifth year





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from 30th March,1998. 3,33,334 Preference Shares being first installment were redeemed on 30th March, 2001. The remaining 6,66,666 Preference Shares are yet to be redeemed.

- (b) The Company has declared and provided in books dividend of Rs. 100 lakhs for the year 2000-01 on 666666 15% Redeemable Preference Shares. In view of the pending approval of the scheme from Hon'ble High court of Gujarat, the Company had not reversed the said provision and also not transferred the said amount to IEPF. However, during the year, Hon'ble High Court of Gujarat has dismissed an O J Appeal and considering the present situation of the Covid 19 pandemic and the lockdowns announced earlier, the Company is under the process of filing the review petition hence, the Company has not reversed the said provision and also not transferred the said amount to IEPF.
- 51.4** The lenders holding post-dated cheques have initiated action u/s. 138 of the Negotiable Instruments Act, 1881 for Rs. 200 lakhs in respect of other lenders who has initiated actions u/s 138 has settled dues under OTS and necessary withdrawal petition are under process.
- 51.5** The company had filed the scheme of Arrangement and Compromise with the Financial Institutions/ Banks and Shareholders on 17/07/08 bearing petition No. 401/2008 and it is approved by majority of Shareholders and lenders in the meeting held on 27/08/2008 and 30/08/2008 respectively. The said scheme was dismissed by the single bench of Hon'ble High Court of Gujarat. The Company had filed an O.J appeal against the order of single bench in petition of the scheme of compromise and arrangement u/s 391 of the Companies Act, However, the Hon'ble High Court of Gujarat has passed an order on 20th February, 2020, whereby the O.J. Appeal filed by the Company against the order of single bench of Hon'ble High Court of Gujarat has been dismissed. However, on an examination of the said order, the Company has been legally advised that there are fair chances of the acceptance of the company's stand and the company should file a review petition against the order of the division bench dated 20/02/2020 before the Hon'ble High Court of Gujarat. Considering the present situation of the Covid 19 pandemic and the lockdowns announced earlier, the Company is under the process of filing the review petition.
- 51.6** In respect of loans and debentures aggregating to Rs.6171.86 lakhs which are under settlement as per scheme, the company has not provided interest of Rs. 854.72 lakhs (Previous Year Rs. 854.72 lakhs) on the same for the year ending on 31st March, 2020. Therefore, profit of the year would have been decreased by Rs 854.72 lakhs. The accumulated interest not provided for up to 31/03/2020 is Rs. 15537.93 lakhs (Previous Year Rs. 14683.21 lakhs).
- 51.7** During the year, old litigations of excise have been settled under the Scheme launched by Central Government under Indirect Taxes (Sabka Vikas Legacy Dispute Resolution Scheme 2019). Expenses for settlement of these litigation are charged to statement of profit and loss for the year and have been disclosed under the head "Exceptional Items".
- 51.8** In respect of Tax assessments for A.Y. 2012-13 & 2013-14, the income tax department has made additions or disallowances amounting to Rs. 19974 lakhs in respect of treatment of gain arising on settlement /waiver of loans and for other matters which has resulted into reduction of carried forward losses under income tax Act, against which company has preferred appeal before commissioner of income tax.

# Annual Report 2019-20

## (52) Commitments

### (a) Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognized as liabilities is as follows:

Particular	(Rs. In lakhs)	
	31/03/2020	31/03/2019
Property, Plant & Equipments	1.83	0.35

## (53) Employee Benefits

### Defined Contribution Plan

Amount of Rs. 20.20 lakhs for the year (P.Y. Rs.19.27 lakhs) is recognised as an expense and included in "Employee benefits expense" (Refer note 30) in the statement of profit and loss.

### Defined Benefits Plan

(a) **Leave encashment:** The leave encashment is payable to all eligible employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement on attaining superannuation age.

#### 1) Liability recognized in the Balance Sheet

Particular	(Rs. In lakhs)	
	31/03/2020	31/03/2019
Company's Net liability recognized in the Balance Sheet	(48.26)	(64.55)

#### 2) Assumptions

Particulars	31/03/2020	31/03/2019
Approach Used	Projected Units Credit Methods	
Increase in compensation levels	12.00%	12.00%
Discount rate	6.82%	7.70%
Attrition Rate	14.15%	14.15%

(b) **Gratuity:** The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary [last drawn salary] for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.



## Balance sheet disclosures

- (i) The amounts disclosed in the balance sheet and the movements in the defined benefit obligation over the period:

(Rs. In lakhs)

Particulars	31/03/2020	31/03/2019
<b>Liability at the beginning of the period</b>	<b>105.51</b>	91.67
Interest Costs	6.98	6.88
Current Service Costs	11.66	13.46
Prior Service Costs	0.00	0.00
Benefits paid	(6.22)	(4.52)
Actuarial (Gain)/Loss on obligations due to change in		
- Demography	0.00	6.42
- Financials	(10.86)	(1.45)
- Experience	(7.63)	(6.95)
<b>Liability at the end of the period</b>	<b>99.44</b>	105.51

- (ii) Movements in the fair value of plan assets

(Rs. In lakhs)

Particulars	31/03/2020	31/03/2019
<b>Fair value of plan assets at the beginning of the period</b>	<b>95.01</b>	88.13
Expected interest income on plan assets	6.36	6.80
Contributions	2.80	5.04
Benefits paid	(6.22)	(4.52)
<b>Actuarial Gain/(Loss)</b>	<b>(0.24)</b>	(0.44)
<b>Fair value of plan assets at the end of the period</b>	<b>97.71</b>	95.01

- (iii) Net liability disclosed above relates to

(Rs. In lakhs)

Particulars	31/03/2020	31/03/2019
Fair value of plan assets at the end of the period	97.71	95.01
Liability as at the end of the period	(99.44)	(105.51)
<b>Net Liability/Asset</b>	<b>(1.73)</b>	(10.50)

# Annual Report 2019-20

## (iv) Balance Sheet Reconciliation

(Rs. In lakhs)		
Particulars	31/03/2020	31/03/2019
<b>Net Balance Sheet Liability/(Asset) at the beginning of the year</b>	<b>(10.50)</b>	(3.54)
--Amount recognized in Accumulated OCI at the beginning of the period	<b>9.20</b>	10.45
-Expenses recognized in the statement of P&L	<b>(12.28)</b>	(13.54)
--Expenses recognized in the OCI at the end of the period	<b>9.06</b>	(8.90)
--Employer's Contribution	<b>2.80</b>	5.03
<b>Net Balance Sheet Liability/(Asset) at the end of the year</b>	<b>(1.73)</b>	(10.50)

## Profit & Loss Disclosures

### (i) Net interest Cost for Current period

(Rs. In lakhs)		
Particulars	31/03/2020	31/03/2019
Interest Cost	<b>6.98</b>	6.88
Interest Income	<b>(6.36)</b>	(6.81)
<b>Net interest Cost</b>	<b>0.62</b>	<b>0.07</b>

### (ii) Expenses recognised in the profit & loss

(Rs. In lakhs)		
Particulars	31/03/2020	31/03/2019
Net Interest Cost	<b>0.62</b>	0.07
Current Service Cost	<b>11.66</b>	13.46
Past Service Cost	<b>0.00</b>	0.00
<b>Expenses recognized in the profit &amp; loss</b>	<b>12.28</b>	<b>13.53</b>

### (iii) Amount recognized in OCI

(Rs. In lakhs)		
Particulars	31/03/2020	31/03/2019
Actuarial Loss/(Gain) on DBO	<b>(18.49)</b>	(1.98)
Actuarial Loss/(Gain) on Assets	<b>0.23</b>	0.44
Amortization Actuarial Loss/(Gain)	<b>0.00</b>	0.00
<b>Net Increasing in OCI</b>	<b>(18.26)</b>	<b>(1.54)</b>



## Sensitivity Analysis

(Rs. In lakhs)

Particulars	31/03/2020	31/03/2019
<b>Projected Benefit obligation on current assumptions</b>	<b>99.44</b>	105.51
Data effect of 1% change in Rate of		
- Discounting	<b>92.05</b>	96.46
- Salary Increase	<b>107.35</b>	115.10
- Employee Turnover	<b>98.36</b>	102.32
Data effect of (-1%) change in Rate of		
- Discounting	<b>107.87</b>	115.92
- Salary Increase	<b>92.38</b>	96.90
- Employee Turnover	<b>100.60</b>	109.08

## Significant Actuarial Assumptions

(Rs. In lakhs)

Particulars	31/03/2020	31/03/2019
Discount Rate	<b>6.82%</b>	<b>7.70%</b>
Rate of return on Plan Assets	<b>6.82%</b>	<b>7.70%</b>
Salary Escalation	<b>12% F 5 Y &amp; 7% TA</b>	<b>12.00%</b>
Attrition Rate	<b>14.15%</b>	<b>14.15%</b>

### (54) Disclosure under Ind AS 116 - Leases

The Company has adopted Ind AS 116 on "Leases" w.e.f. April 1, 2019. During the year, the Company has recognised and measured the Right-of-Use (ROU) asset and the lease liability amounting to Rs. 10.98 Lakhs using the incremental borrowing rate as at the date of initial application.

#### Lease liabilities included in financial statements

(Rs. In lakhs)

Particulars	31/03/2020
Current	<b>3.54</b>
Non Current	<b>5.27</b>

# Annual Report 2019-20

The following are the amounts recognised in profit or loss:

(Rs. In lakhs)	
Particulars	31/03/2020
Amortization of Right-of-Use Assets	2.44
Interest expense on lease liabilities	0.64
Total amount recognised in profit or loss	3.08

The Company's other leasing arrangements are in respect of operating lease for office premises. These lease agreements are of 12 months and are usually renewable by mutual consent on mutually agreeable terms. The above lease is accounted for as "Short term lease" as per Ind AS 116, Leases. The amount in respect of Short term lease is Rs.5.33 lakhs.

**Maturity Analysis of the undiscounted cash flow of the lease liabilities**

(Rs. In lakhs)	
Particulars	31/03/2020
Less than one year	4.22
One to Five years	5.63
More than Five years	0.00
Total	9.85



# SHREE RAMA MULTI-TECH LIMITED

- (55) The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

(Rs. in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a. The principal amount remaining unpaid to any supplier as at the end of each accounting year;	310.46	383.74
b. The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts 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 Micro, Small and Medium Enterprise Development Act, 2006;	20.72	12.24
d. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	1.08	2.31
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	36.35	14.55

The above disclosure has been prepared based on the confirmation received for the year ended March 31, 2020.

# Annual Report 2019-20

## (56) Information Concerning Classification of Securities

### 1. Term Loan from Other Parties: Rs 2500 Lakhs – Nirma Chemical Works Pvt. Ltd. (NCWPL)

Particulars	31/03/2020	31/03/2019
<b>Current</b> Financial Asset - First Charge - Floating Charge Non Financial Asset - First Charge - Floating Charge	<b>No Charge</b>	<b>No Charge</b>
<b>Non Current</b> First Charge	<b>1. Movable properties</b> First charge on the whole of the movable fixed assets, etc. both present and future including movables as described in schedule III of DOH  <b>2. Immovable properties</b> First charge on the whole of the immovable properties situated at Village Moti Bhoyan & Pondichery	<b>1. Movable properties</b> First charge on the whole of the movable fixed assets, etc. both present and future including movables as described in schedule III of DOH  <b>2. Immovable properties</b> First charge on the whole of the immovable properties situated at Village Moti Bhoyan, Ambaliyara & Pondichery
<b>Total assets pledged as security</b>	<b>Rs 2500.00 Lakhs</b>	<b>Rs 2500.00 Lakhs</b>

Rate of interest 14% and 15% on Rs. 1442.00 lakhs and Rs. 1058.00 lakhs respectively on above term loans and the company has defaulted in repayment of above loans since 2002-03.





# SHREE RAMA MULTI-TECH LIMITED

## 2. Debentures: Rs. 3000 Lakhs - Nirma Chemical Works Pvt. Ltd. (NCWPL)

Particulars	31/03/2020	31/03/2019
<b>Current</b> Financial Asset - First Charge - Floating Charge Non Financial Asset - First Charge - Floating Charge	<b>No Charge</b>	<b>No Charge</b>
<b>Non Current</b> First Charge	<b>1. Movable properties</b> First charge on the whole of the movable properties including movable plant & machinery, spares, tools, accessories & other movable both present and future situated at Moti Bhoyan & Pondicherry <b>2. Immovable properties</b> First charge on the whole of the immovable properties situated at Village Moti Bhoyan.	<b>1. Movable properties</b> First charge on the whole of the movable properties including movable plant & machinery, spares, tools, accessories & other movable both present and future situated at Moti Bhoyan, Ambaliyara & Pondicherry <b>2. Immovable properties</b> First charge on the whole of the immovable properties situated at Village Moti Bhoyan & Ambaliyara.
<b>Total assets pledged as security</b>	<b>Rs 3000.00 Lakhs</b>	<b>Rs 3000.00 Lakhs</b>

Rate of interest 13.50% on above debentures and the company has defaulted in repayment of above debentures since 2002-03

## Annual Report 2019-20

### 3. Debentures: Rs. 671.86 Lakhs – (Principle Amount Rs 700.00 Lakhs)

#### A. Nirma Chemical Works Pvt. Ltd.(NCWPL) – Rs. 500.00 Lakhs

Particulars	31/03/2020	31/03/2019
<b>Current</b>		
Financial Asset		
- First Charge		
- Floating Charge	<b>No Charge</b>	<b>No Charge</b>
Non Financial Asset		
- First Charge		
- Floating Charge		
<b>Non Current</b>	<b>1. Movable properties</b>	<b>1. Movable properties</b>
First Charge	Floating Charge on the whole of the movable plant & machinery, spares, tools, accessories & other movable both present and future situated at all locations in Gujarat	Floating Charge on the whole of the movable plant & machinery, spares, tools, accessories & other movable both present and future situated at all locations in Gujarat
	<b>2. Immovable properties</b>	<b>2. Immovable properties</b>
	First pari passu charge on the whole of the immovable properties situated at Village Moti Bhoyan state of Gujarat.	First pari passu charge on the whole of the immovable properties situated at Village Moti Bhoyan state of Gujarat.
<b>Total assets pledged as security</b>	<b>Rs 500.00 Lakhs</b>	<b>Rs 500.00 Lakhs</b>

Rate of interest 15.50% on above debentures and the company has defaulted in repayment of above debentures since 2002-03



# SHREE RAMA MULTI-TECH LIMITED

## B. Nirma Credit and Capital Pvt. Ltd. (NCCPL) – Rs 200.00 Lakhs

Particulars	31/03/2020	31/03/2019
<b>Current</b> Financial Asset - First Charge - Floating Charge Non Financial Asset - First Charge - Floating Charge	<b>No Charge</b>	<b>No Charge</b>
<b>Non Current</b> First Charge	<b>1. Movable properties</b> Charge on the whole of the movable plant & machinery, spares, tools, accessories & other movable both present and future situated at all locations in Gujarat <b>2. Immovable properties</b> First pari passu charge on the whole of the immovable properties situated at Village Moti Bhoyan state of Gujarat.	<b>1. Movable properties</b> Charge on the whole of the movable plant & machinery, spares, tools, accessories & other movable both present and future situated at all locations in Gujarat <b>2. Immovable properties</b> First pari passu charge on the whole of the immovable properties situated at Village Moti Bhoyan state of Gujarat.
<b>Total assets pledged as security</b>	<b>Rs 200.00 Lakhs</b>	<b>Rs 200.00 Lakhs</b>

Rate of interest 15.50% on above debentures and the company has defaulted in repayment of above debentures since 2002-03.

# Annual Report 2019-20

## 4. Credit Facilities from RBL Bank Ltd.: Rs 5450.00 Lakhs

Particulars	31/03/2020	31/03/2019
<b>Current</b>		
First Pari Passu Charge	First Pari Passu Charge on whole of current assets and book debts, both present and future of the Company as described in Schedule 3 of Deed of Hypothecation dated 12th July, 2019	-
<b>Non Current</b>	1. Movable properties	
First Pari Passu Charge	First Pari Passu Charge on the present and future movable fixed assets particularly plant and machinery, equipment, furniture and fixtures etc. of Company's factories, premises more particularly described in Schedule 3 of Deed of Hypothecation dated 12th July, 2019	-
<b>Total assets pledged as security</b>	<b>Rs 5450.00 Lakhs</b>	-

Rate of interest in case of cash credit – 3 months MCLR and in WCTL – 3 months MCLR plus 0.05%

## 5. Notes for borrowing particulars:

- In respect of various overdue Long Term Borrowings excluding Working Capital Term Loan are treated as “Non-current interest-bearing loans and borrowings” since, the Company is under the process of filing the review petition with the Hon'ble High Court of Gujarat upon the dismissal of O J Appeal filed by the Company against the order of single bench of Hon'ble High Court of Gujarat in respect of Scheme of Compromise and Arrangement u/s 391(1) of Companies Act, 1956 and the company has been legally advised that there are fair chances of the acceptance of the company's stand and that company should file a review petition against the order of the division bench dated 20/02/2020 before the Hon'ble High Court of Gujarat.
- The Company has defaulted in repayment of above secured term loans (except credit facilities from RBL Bank) since 2002-03.
- Term Loans:-** Term Loans of Rs 2500 Lakhs from NCWPL are Secured by first charge on whole of movable fixed assets etc. both present and future including movables as described in Schedule III of DOH and First charge on whole immovable properties situated at village: Moti-Bhoyan & Pondichery ranking pari-passu with the charges created in favor of a trustee for privately placed debentures and personal guarantee of some of the erstwhile directors.



## 4. Non-Convertible Debentures

- (a) 700000 (15.5%) Redeemable Non-Convertible Debentures privately placed with lenders (Rs. 500 lakhs with NCWPL & Rs. 200 Lakhs with NCCPL) are secured by way Mortgage of immovable assets both present and future situated at village: Moti-Bhoyan in the state of Gujarat and charges on movable assets of the Company at all locations in Gujarat in favor of a trustee, ranking pari-passu with the charges created on the said assets for term loans from lenders.
- (b) 300 (13.5%) Redeemable Non-Convertible Debentures privately placed with NCWPL are secured by First charge on whole of movable Properties both present and future, at village Moti Bhoyan situated in the state of Gujarat and Pondichery and immovable property both present and future, situated at village: Moti Bhoyan in the state of Gujarat in favor of a trustee, ranking pari-passu with the charges created on the said assets for term loans from lenders.

### (57) The company operates in only single Segment viz. Packaging Material.

Details of information about geographical areas for sales are as below:

(Rs. In lakhs)

Country Name	2019-20	2018-19	Country Name	2019-20	2018-19	Country Name	2019-20	2018-19
Belarus	30	0	Kenya	0	5	Sri Lanka	246	188
Bulgaria	24	22	Malaysia	16	0	Singapore	220	359
Czech Republic	46	164	Nepal	2	6	Tanzania	980	723
Egypt	0	1	Nigeria	552	699	Turkey	0	0
India	9723	9281	Saudi Arabia	387	156	United Kingdom	672	0
<b>Grand Total</b>							<b>12898</b>	<b>11604</b>

There are no non-current assets other than in India.

As per our report of even date attached herewith

For and on behalf of the Board

**For Chandulal M. Shah & Co.**

Chartered Accountants  
FRN: 101698W

**Arpit D. Shah**  
Partner M. No.: 135188

**Place :** Ahmedabad  
**Date :** 21/07/2020

Shailesh K. Desai  
**Managing Director**  
(DIN: 01783891)

Krunal G. Shah  
**Chief Financial Officer**

**Place :** Moti-Bhoyan  
**Date :** 21/07/2020

Hemal R. Shah  
**Whole-Time Director**  
(DIN: 07338419)

Purvang Trivedi  
**Company Secretary**

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# SHREE RAMA MULTI-TECH LIMITED

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If undelivered please return to :



SHREE RAMA

## SHREE RAMA MULTI-TECH LIMITED

**Regd. Office :** 301, Corporate House, Opp. Torrent House,  
Income Tax, Ahmedabad-380009.

**Tel :** (079)27546800, 27546900 • **Website:** [www.srmtl.com](http://www.srmtl.com)

**Email :** [cslegal@srmtl.com](mailto:cslegal@srmtl.com)

**CIN :** L25200GJ1993PLC020880

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