

SUBAM PAPER AND BOARDS PRIVATE LIMITED
TIRUNELVELI -627 011
CIN:U21000TN2020PTC136504

3rd ANNUAL REPORT
2022-2023

AUDITED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
31ST MARCH 2023

SUBAM PAPER AND BOARDS PRIVATE LIMITED

TIRUNELVELI -627 011

CIN:U21000TN2020PTC136504

ANNUAL REPORT 2022-23

BOARD OF DIRECTORS

T.Balakumar - DIN:00440500

A.Sudha - DIN: 01515113

Directors

BANKERS

HDFC Bank Ltd.

D.No.9 South Car Street

Tirunelveli

ICICI Bank Ltd

Tirunelveli

Yes Bank Limited

Tirunelveli

AUDITORS

M/s. Narayanasamy & Associates

Chartered Accountants

73D Kamaraj Nagar

Rajapalayam – 626 117

REGISTERED OFFICE

S.F.NO. 126,128,129,140,141,142

Vaduganpatti Village, IC Pettai

TIRUNELVELI -627010

SUBAM PAPER AND BOARDS PRIVATE LIMITED
TIRUNELVELI -627 011
CIN:U21000TN2020PTC136504

NOTICE

NOTICE is hereby given that the Third Annual General Meeting of the Company will be held on Saturday, the 30th September 2023 at the Registered Office of the Company at S.F.NO. 126, 128, 129, 140, 141 & 142 Vaduganpatti Village, IC Pettai, TIRUNELVELI -627010, India at 10 A.M to transact the following business.

AGENDA

- 1 To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st March 2023, the Balance Sheet as on that date together, Cash Flow statement for the year ended 31st March 2023 with the Directors' and Auditors' Report thereon.

By Order of the Board



T. Balakumar - DIN:00440500

CHAIRMAN & DIRECTOR

Tirunelveli

4th September 2023

1. A member of the company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf and such a person acting as proxy need not be a member of the company.
2. The proxy form duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

SUBAM PAPER AND BOARDS PRIVATE LIMITED
TIRUNELVELI -627 011
CIN:U21000TN2020PTC136504
DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2022-2023

To
The Members

Your directors have pleasure in presenting their Third Annual Report on the affairs of the company together with the audited Statement of Accounts for the year ended 31st March, 2023.

1. Financial Highlights

During the year under review, performance of your company as under:

(Rupees in Lakhs)

Particulars	Year ended 31st March 2023		Year ended 31st March 2022	
Sales & Other operating income	8040.60		3,539.89	
Other Income	123.51		38.02	
Total Income	8164.11		3,577.91	
Profit / (Loss) before exceptional and extraordinary items and tax (1 - 2)	7.82		174.29	
Exceptional items	-		-	
Profit / (Loss) before extraordinary items and tax	7.82		174.29	
Extraordinary items	-		-	
Prior Period items	-3.34		-	
Profit/(Loss) before Taxation	11.16		174.29	
<u>Less:</u>				
i) Tax expense			33.21	
ii) Deferred Tax	160.23		0.32	
Profit/(Loss) after tax	-149.07		140.76	
Add : Balance B/F from previous year	140.76		-	
Balance Profit / (Loss) C/F to next year	-8.31		140.76	

2. State of Company's Affairs and Future Outlook:

Your directors report that the entire plant was pressed into commercial operations from 1st October 2022. During the previous year, part of the capacity was made operational from October 2021 and in the year under review, full capacity is made operational. There are certain initial bottle necks in the production line-up which are being addressed to. Due to war in Ukraine, movement of containers for export/ import materials got affected. This had led to congestions in major ports across the globe. This had resulted in higher cost of imported waste paper which as a catalytic effect pushed up the cost of domestic waste paper also. Due to this reason and also due to increase in the cost of PPower & Fuel, the profit was lower at Rs.11.16 lakhs as compared to corresponding previous year's Rs.174.29 lakhs. Your directors expect better performance in the current year.

3. Amounts Transferred to Reserves:

The company has not transferred any amount to reserves during the year.

4. Dividend:

The Company has not declared any dividend during the year.

5. Change in nature of business, if any:

There is no change in the nature of business during the year.

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DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2022-2023

6. Changes in Share Capital, if any:

There is no change in the Share Capital of the company during the year.

7. Material Changes between the date of the Board report and end of financial year.

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

8. Subsidiary Company:

The Company does not have any subsidiary as on March 31, 2023. The company is a subsidiary of M/s Subam Papers Private Limited as on 31st March 2023 whose holding is 99.88% in the Issued and Subscribed Paid-up Share Capital of the Company.

9. Statutory Auditor & Audit Report:

M/s. Narayanasamy & Associates (FRN No.002401S), Chartered Accountants, Statutory Auditors of the Company, hold office till the conclusion of the Sixth Annual General Meeting of the Company. The Company has received a certificate from the Statutory Auditors that their appointment is within the limits prescribed.

10. Explanation to Auditor's Remarks:

- i) The Auditors of the Company have pointed out in their Note No.52 that confirmation of balances due to/due from the company has not been received which is being obtained.
- ii) The Auditors of the Company have reported that short term funds aggregating to Rs.1948.05 lakhs have been used for long term applications. In this connection it is stated that due to sharp increase in the cost of waste paper, the profitability was lower as compared to the corresponding previous year which had resulted in lower cash generations. The current year's profitability is better and the gap will be bridged in the current year.

11. Details of Directors or Key Managerial Personnel:

All the directors of the company continue in their office.

12. Deposits:

The Company has not invited/ accepted any deposits from the public during the year ended March 31, 2023. There were no unclaimed or unpaid deposits as on that date.

13. Conservation of energy, technology absorption, foreign exchange earnings outgo:

The information on 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 A".

14. Corporate Social Responsibility:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

15. Number of meeting of the Board:

The Board of Directors met fifteen times on 11.5.22, 28.6.22, 5.7.22, 27.7.22, 30.7.22, 3.8.22, 6.8.22, 1.9.22, 3.9.22, 19.9.22, 19.10.22, 28.10.22, 4.11.22, 1.12.22 and 26.12.22 during the year 2022-23.

SUBAM PAPER AND BOARDS PRIVATE LIMITED
TIRUNELVELI -627 011
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DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2022-2023

16. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) 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 as at March 31, 2023 and of the loss of the company for that year;

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

(iv) the directors had prepared the annual accounts on a going concern basis; and

v) 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.

17. Particulars of loans, guarantees or investments under section 186:

The company has not given any loan or guarantee to any person/company during the year 2022-23 under section 186 of the Companies Act, 2013.

18. Particulars of Employee:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

19. Related Party Transactions:

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2022-23 in the prescribed format - AOC 2 has been enclosed with the report.

20. Risk Management Policy:

The Directors of the Company continuously assess the risk the company is exposed to which in their opinion threaten the existence of the company and take suitable preventive steps to mitigate the risk. In the opinion of the directors there are no perceivable risks threatening the existence of the company.

21. Internal Financial Controls

In accordance with Section 134(5)(e) of the Companies Act, 2013, the company has Internal Financial Controls Policy by means of Policies and Procedures commensurate with the size and nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5)(viii) of Companies (Accounts) Rules 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements.

22. Cost Records

The Company is required to maintain records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained.

SUBAM PAPER AND BOARDS PRIVATE LIMITED
TIRUNELVELI -627 011
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DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2022-2023

23. Internal Complaints Committee

Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013] has been formed under the Chairmanship of Mrs. A Sudha, Director of the company and is active.

24. IBC 2016 Proceedings

The company has not filed any application or has any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

25. Details of One-Time settlement(OTS)


The company has not made any application for OTS before any Bank, Financial Institution or any other lender during the year.

26. Acknowledgement

Your Directors take this opportunity to place on record their sincere thanks to M/s HDFC Bank Ltd, M/s ICICI Bank Ltd. and M/s Yes Bank Limited, Tirunelveli, for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors,


T. Balakumar - DIN:00440500
CHAIRMAN & DIRECTOR

Tirunelveli
4th September 2023

SUBAM PAPER AND BOARDS PRIVATE LIMITED
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ANNEXURE A TO DIRECTORS REPORT Cl.(13) FOR THE YEAR 2022-23

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

Particulars		
a) Conservation of Energy:		
Steps taken for conservation	Power capacitors are provided to ensure saving in energy.	
Steps taken for utilizing alternate sources of energy	Nil	
Capital investment on energy conservation Equipments	Nil	
b) Technology Absorption :		
Efforts made for technology absorption Benefits derived	Nil	
Expenditure on Research & Development, if any	Nil	
Details of technology imported, if any	Nil	
Year of import	Nil	
Whether imported technology fully absorbed	Nil	
Areas where absorption of imported technology has not taken place, if any	Nil	
c) Foreign Exchange Earnings/ Outgo:		
Earnings		(Rs. In Lakhs)
<u>Outgo:</u>		Nil
Import of capital goods - Machinery		1,473.13
Advance for capital goods - Machinery		13.17
Liability for capital goods - Machinery		-

For and on behalf of the Board of Directors

Tirunelveli
4th September 2023


T. Balakumar - DIN:00440500
CHAIRMAN & DIRECTOR

SUBAM PAPER AND BOARDS PRIVATE LIMITED
TIRUNELVELI -627 011
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ANNEXURE TO DIRECTORS REPORT FOR THE YEAR 2022-23
FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section(1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis **NIL**

2. Details of contracts or arrangements or transactions at Arm's length basis

1		
S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mr.T.Balakumar, Director
b)	Nature of contracts/arrangements/transaction	Vide details in Note No.36
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Vide details in Note No.36
e)	Date of approval by the Board	11.5.2022
f)	Amount paid as advances, if any	Vide details in Note No.36
2		
S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mrs.A Sudha, Director
b)	Nature of contracts/arrangements/transaction	Vide details in Note No.36
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Vide details in Note No.36
e)	Date of approval by the Board	11.5.2022
f)	Amount paid as advances, if any	Vide details in Note No.36
3		
S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Subam Papers Private Limited-Holding Company
b)	Nature of contracts/arrangements/transaction	Vide details in Note No.36
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No.36
e)	Date of approval by the Board	11.5.2022
f)	Amount paid as advances, if any	Vide details in Note No.36
4		
S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Saradhambika Paper and Board Mills Private Limited - KMPs interested concern
b)	Nature of contracts/arrangements/transaction	Vide details in Note No.36
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No.36
e)	Date of approval by the Board	11.5.2022
f)	Amount paid as advances, if any	Vide details in Note No.36

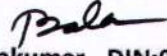
SUBAM PAPER AND BOARDS PRIVATE LIMITED
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ANNEXURE TO DIRECTORS REPORT FOR THE YEAR 2022-23
FORM NO. AOC -2

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

5		
S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	B.M.M. Paper Board Private Limited KMPs interested concern
b)	Nature of contracts/arrangements/transaction	Vide details in Note No.36
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No.36
e)	Date of approval by the Board	11.5.2022
f)	Amount paid as advances, if any	Vide details in Note No.36
6		
S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Unicone - KMP's interested concern
b)	Nature of contracts/arrangements/transaction	Vide details in Note No.36
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No.36
e)	Date of approval by the Board	11.5.2022
f)	Amount paid as advances, if any	Vide details in Note No.36

For and on behalf of the Board of Directors

Tirunelveli
4th September 2023


T. Balakumar - DIN:00440500
CHAIRMAN & DIRECTOR

[CA] M/s Narayanasamy & Associates

Chartered Accountants

D.No.241/73D Kamaraj Nagar,
Rajapalayam - 626117

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS TO THE MEMBERS OF SUBAM PAPER AND BOARDS PRIVATE LIMITED CIN:U21000TN2020PTC136504

1 Report on the Financial Statements

We have audited the accompanying financial statements of M/s. SUBAM PAPER AND BOARDS PRIVATE LIMITED ("the Company"), as of 31st March, 2023, which comprise the Balance Sheet as at March 31, 2023 and the Statement of Profit and Loss and Statement of Cash Flow for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

2 Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss and cash flows for the year ended on that date.

3 Basis for opinion

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

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

4 Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the information obtained at the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5 Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.



[CA] M/s Narayanasamy & Associates

Chartered Accountants

D.No.241/73D Kamaraj Nagar,
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**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS TO THE MEMBERS OF
SUBAM PAPER AND BOARDS PRIVATE LIMITED
CIN:U21000TN2020PTC136504**

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

6 Auditor's responsibilities for the audit of the financial statements

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

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

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

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



[CA] M/s Narayanasamy & Associates

Chartered Accountants

D.No.241/73D Kamaraj Nagar,
Rajapalayam - 626117

**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS TO THE MEMBERS OF
SUBAM PAPER AND BOARDS PRIVATE LIMITED
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>Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

>Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

>Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

>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.

7 Report on Other Legal and Regulatory Requirements

(i) As required by the Companies (Auditor' Report) Order, 2020 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure A, a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

(d) In our opinion, the aforesaid 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



[CA] M/s Narayanasamy & Associates

Chartered Accountants

D.No.241/73D Kamaraj Nagar,
Rajapalayam - 626117

**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS TO THE MEMBERS OF
SUBAM PAPER AND BOARDS PRIVATE LIMITED
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(g) With respect to the other matters to be included in the Auditors' 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 no pending litigations which would impact its financial position.

ii) The Company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

iii) The company is not required to transfer any amount to the Investor Education and protection Fund during the year.

(h) (i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

i) The Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Companies Act, 2013 is not applicable for the year under consideration.

j) The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software, which has a feature of recording audit trail (Edit Log) facility, is applicable to the Company with effect from 1st April 2023, and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) 2014 is not applicable for the Financial Year ended 31st March 2023.



[CA] M/s Narayanasamy & Associates

Chartered Accountants

**D.No.241/73D Kamaraj Nagar,
Rajapalayam - 626117**

**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS TO THE MEMBERS OF
SUBAM PAPER AND BOARDS PRIVATE LIMITED
CIN:U21000TN2020PTC136504**


8 With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.



Tirunelveli
4th September 2023

For M/s Narayanasamy & Associates
Chartered Accountants

~~FRN 0024015~~


M Muthusubramanian

Partner

M.No.022863

UDIN:23022863BGVVFU4994

SUBAM PAPER AND BOARDS PRIVATE LIMITED

CIN:U21000TN2020PTC136504

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date, we state that:-

- i)
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 - b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
 - c) The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company. The leasehold rights over the factory lands are held in the name of the Company.
 - d) The company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
 - e) According to information and explanation given to us, the company has not held any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii)
 - a) The physical verification of inventories has been conducted by the management at reasonable intervals. The discrepancies noticed on verification between the physical stock and the book records were not material and the same have been properly dealt with in the accounts.
 - b) According to the information and explanation given to us, the company has been sanctioned Working Capital Limit in excess of Rupees Five Crores, in aggregate, by M/s. Yes Bank Limited on the basis of security of current assets. There are differences between the figures reported in quarterly bank stock statements and the books of accounts for which the company has made a reconciliation statement in Note No:37 detailing the reasons for such difference.
- iii) According to information and explanation given to us, the Company has not, made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or any other parties during the year and hence other sub-clauses iii a(i), iii a(ii), iii(b) to iii(f) are not applicable.
- iv) According to information and explanation given to us, the company has not given any loan, made any investment, furnished any guarantee or provided any security during the year and hence Clause (iv) Companies (Auditor' Report) Order, 2020 is not applicable and the compliance of Provisions of Section 185 and 186 of the Companies Act, does not apply.
- v) According to information and explanation given to us, the company has not accepted any deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 during the year.
- vi) We have broadly reviewed the books of accounts and records maintained by the company pursuant to the rules prescribed u/s 148(1) of the Act for maintenance of cost records in respect of finished goods and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.



SUBAM PAPER AND BOARDS PRIVATE LIMITED

CIN:U21000TN2020PTC136504

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date, we state that:-

- vii) a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, VAT, Service Tax, GST, Cess, Tax Deducted at Source and Tax Collected at Source and other statutory dues applicable to it. According to the information and explanation given to us, there are no undisputed amounts payable in respect of Income Tax, GST and Cess were in arrears as at 31.03.2023 for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us, there are no statutory dues referred in Sub-Clause (a) which have not been deposited on account of any dispute.
- viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(b) The company is not a declared wilful defaulter by any bank or financial institution or other lender.
(c) The term loans availed during the year were applied for the purpose for which the loans were obtained.
(d) According to the information and explanations given to us and the records of the Company examined by us, funds raised on short term basis of Rs.1948.05 lakhs have been utilised for long term purposes.
(e) According to the information and explanations given to us and the records of the Company examined by us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
(f) According to the information and explanations given to us and the records of the Company examined by us, the company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) a) The Company has not raised any money by way of initial public offer or further public offers (including debt instruments) during the year and hence reporting on utilization of such money does not arise.
(b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year.
- xi) a) Based upon the audit procedures performed and information and explanation given by the management we report that no fraud by the Company or no fraud on the company has been noticed and reported during the year ended 31st March 2023.
(b) According to the information and explanations given to us and the records of the Company examined by us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
(c) According to the information and explanations given to us, the company has not received any whistle-blower complaints received during the year.



SUBAM PAPER AND BOARDS PRIVATE LIMITED

CIN:U21000TN2020PTC136504


Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date, we state that:-

- xii) The Company is not a Nidhi Company and as such this clause of the Order is not applicable.
- xiii) According to information and explanations given to us and based upon the audit procedures performed, all the transactions with the related parties are in compliance with Section 177 and Section 188 of the Companies Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) The company is not required to have an internal audit system under Companies Act 2013 and hence reporting under clause (xiv) of the Order is not applicable.
- xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them.
- xvi) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- xvii) The company has not incurred cash loss in the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the Statutory Auditors during the year.
- xix) According to the information and explanations given to us and the records of the Company examined by us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) According to the information and explanations given to us and the records of the Company examined by us, the Company does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence Clause (xx) of this order is not applicable.
- xxi) According to the information and explanations given to us and the records of the Company examined by us, the company does not have any Associate or Subsidiary and hence Clause (xxi) of this order is not applicable.



For M/s Narayanasamy & Associates
Chartered Accountants
FRN 002401S


M Muthusubramanian

Partner

M.No.022863

UDIN:23022863BGVVFU4994

[CA] M/s Narayanasamy & Associates

Chartered Accountants

D.No.241/73D Kamaraj Nagar,
Rajapalayam - 626117

SUBAM PAPER AND BOARDS PRIVATE LIMITED
CIN:U21000TN2020PTC136504

Annexure B

	<p>Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date</p>
	<p>We have audited the Internal Financial controls over financial reporting of M/s SUBAM PAPER AND BOARDS PRIVATE LIMITED ("the Company"), as of 31st March, 2023 in conjunction with the audit of the financial statements of the Company for the year ended on that date.</p>
1	<p><u>Managements' Responsibility for Internal Financial Controls</u></p> <p>The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.</p>
2	<p><u>Auditors' Responsibility</u></p> <p>Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and 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 were established and maintained and if such controls operated effectively in all material respects.</p> <p>Our Audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk, whether material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.</p> <p>We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.</p>



[CA] M/s Narayanasamy & Associates

Chartered Accountants

D.No.241/73D Kamaraj Nagar,
Rajapalayam - 626117

SUBAM PAPER AND BOARDS PRIVATE LIMITED

CIN:U21000TN2020PTC136504

Annexure B

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

3 Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 financial statements.

4 Inherent Limitations of Internal Financial Controls over Financial Reporting

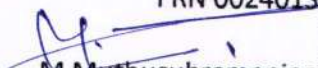
Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

5 Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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.



For M/s Narayanasamy & Associates
Chartered Accountants
FRN 002401S


M Muthusubramanian
Partner

M.No.022863

UDIN:23022863BGVVFU4994

Tirunelveli
4th September 2023

SUBAM PAPER AND BOARDS PRIVATE LIMITED

(CIN: U21000TN2020PTC136504)

(Address: S.F.NO. 126,128,129,140,141,142 , Vaduganpatti Village, I.C.Pettai, Tirunelveli- 627010)

Balance Sheet as at 31 March 2023

(` in lakhs)

Particulars	Note	31 March 2023	31 March 2022
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	820.00	820.00
(b) Reserves and Surplus	3	-8.31	140.76
(c) Money Received against Share Warrants		-	-
Total		811.69	960.76
(2) Share application money pending allotment			
(2) Share application money pending allotment		-	-
(3) Non-current liabilities			
(a) Long-term Borrowings	4	4,322.10	3,984.99
(b) Deferred Tax Liabilities (Net)	5	160.55	0.32
(c) Other Long term Liabilities	6	3,452.28	3,450.22
(d) Long-term Provisions		-	-
Total		7,934.93	7,435.53
(4) Current liabilities			
(a) Short-term Borrowings	7	1,614.87	71.25
(b) Trade Payables	8	-	-
- Due to Micro and Small Enterprises		-	-
- Due to Others		2,012.45	966.22
(c) Other Current Liabilities	9	265.57	195.07
(d) Short-term Provisions	10	-	33.21
Total		3,892.89	1,265.75
Total Equity and Liabilities		12,639.51	9,662.04
II. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	11	8,043.43	35.62
(ii) Intangible Assets		-	-
(iii) Capital Work-in-progress	11	13.64	4,231.12
(iv) Intangible Assets under Development		-	-
(b) Non-current investments		-	-
(c) Deferred Tax Assets (net)		-	-
(d) Long-term Loans and Advances	12	652.34	1,686.12
(e) Other Non-current Assets	13	31.40	466.75
Total		8,740.81	6,419.61
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	14	917.69	501.98
(c) Trade Receivables	15	2,373.55	1,768.75
(d) Cash and cash equivalents	16	265.35	297.70
(e) Short-term Loans and Advances	17	339.84	672.02
(f) Other Current Assets	18	2.27	1.98
Total		3,898.70	3,242.43
Total Assets		12,639.51	9,662.04

See accompanying notes to the financial statements

As per our report of even date
For Narayanasamy & Associates
Chartered Accountants
Firm's Registration No. 002401S

For and on behalf of the Board of
SUBAM PAPER AND BOARDS PRIVATE LIMITED

M.Muthusubramanian
Partner
Membership No. 022863
UDIN: 23022863BGVVFU4994
Place: Tirunelveli
Date: 4 September 2023



T.Balakumar
Director
DIN:00440500

A.Sudha
Director
DIN:01515113

Place: Tirunelveli
Date: 4 September

SUBAM PAPER AND BOARDS PRIVATE LIMITED

(CIN: U21000TN2020PTC136504)

(Address: S.F.NO. 126,128,129,140,141,142 , Vaduganpatti Village, I.C.Pettai, Tirunelveli- 627010)

Statement of Profit and loss for the year ended 31 March 2023

(` in lakhs)

Particulars	Note	31 March 2023	31 March 2022
Revenue from Operations	19	8,040.60	3,539.89
Other Income	20	123.51	38.02
Total Income		8,164.11	3,577.91
Expenses			
Cost of Material Consumed	21	4,347.60	2,741.52
Purchases of Stock in Trade		-	-
Change in Inventories of work in progress and finished goods	22	-216.50	-231.61
Employee Benefit Expenses	23	679.94	225.83
Finance Costs	24	874.04	194.90
Depreciation and Amortization Expenses	25	147.67	1.63
Other Expenses	26	2,323.54	471.35
Total expenses		8,156.29	3,403.62
Profit/(Loss) before Exceptional and Extraordinary Item and Tax		7.82	174.29
Exceptional Item		-	-
Profit/(Loss) before Extraordinary Item and Tax		7.82	174.29
Prior Period Item	27	-3.34	-
Extraordinary Item		-	-
Profit/(Loss) before Tax		11.16	174.29
Tax Expenses	28		
- Current Tax		-	33.21
- Deferred Tax		160.23	0.32
- MAT Credit Entitlement		-	-
- Prior Period Taxes		-	-
- Excess/Short Provision Written back/off		-	-
Profit/(Loss) for the Period from Continuing Operations		-149.07	140.76
Profit/(loss) from Discontinuing Operation (before tax)		-	-
Tax Expenses of Discontinuing Operation		-	-
Profit/(loss) from Discontinuing Operation (after tax)		-	-
Profit/(Loss) for the period		-149.07	140.76
Earnings Per Share (Face Value per Share Rs.10 each)			
-Basic (In Rs)	29	(1.82)	1.72
-Diluted (In Rs)	29	(1.82)	1.72

See accompanying notes to the financial statements

As per our report of even date
For Narayanasamy & Associates
Chartered Accountants
Firm's Registration No. 0024015

For and on behalf of the Board of
SUBAM PAPER AND BOARDS PRIVATE LIMITED

M. Muthusubramanian
Partner
Membership No. 022863
UDIN: 23022863BGVVFU4994
Place: Tirunelveli
Date: 4 September 2023



T. Balakumar
Director
DIN:00440500

A. Sudha
Director
DIN:01515113

Place: Tirunelveli
Date: 4 September

23 SUBAM PAPER AND BOARDS PRIVATE LIMITED

(CIN: U21000TN2020PTC136504)

(Address: S.F.NO. 126,128,129,140,141,142 , Vaduganpatti Village, I.C.Pettai, Tirunelveli- 627010)

Cash Flow Statement for the year ended 31 March 2023

Particulars	Note	(in lakhs)	
		31 March 2023	31 March 2022
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit after tax		11.16	141.08
Depreciation and Amortisation Expense		147.67	1.63
Finance Costs		874.04	194.90
Operating Profit before working capital changes		1,032.87	337.61
Adjustment for:			
Inventories		-415.70	-501.98
Trade Receivables		-604.79	-1,768.75
Loans and Advances		332.18	-575.66
Other Current Assets		-0.29	-1.98
Other Non current Assets		435.35	-443.65
Trade Payables		1,046.23	966.22
Other Current Liabilities		70.50	191.26
Long term Liabilities		2.06	2,038.53
Short-term Provisions		-33.21	33.21
Cash (Used in)/Generated from Operations		1,865.20	274.79
Net Cash (Used in)/Generated from Operating Activities		1,865.20	274.79
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment		-3,938.01	-3,792.47
Loans and Advances given		1,033.78	-32.65
Net Cash (Used in)/Generated from Investing Activities		-2,904.23	-3,825.13
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Long Term Borrowings		337.11	3,944.07
Proceeds from Short Term Borrowings		1,543.62	71.25
Interest Paid		-874.04	-194.90
Net Cash (Used in)/Generated from Financing Activities		1,006.69	3,820.42
Net Increase/(Decrease) in Cash and Cash Equivalents		-32.34	270.08
Opening Balance of Cash and Cash Equivalents		297.70	27.61
Closing Balance of Cash and Cash Equivalents	16	265.36	297.70

Note:

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".

See accompanying notes to the financial statements

As per our report of even date
For Narayanasamy & Associates
Chartered Accountants
Firm's Registration No. 0024015

For and on behalf of the Board of
SUBAM PAPER AND BOARDS PRIVATE LIMITED

M.Muthusubramanian

Partner

Membership No. 022863

UDIN: 23022863BGVVFU4994

Place: Tirunelveli

Date: 4 September 2023

T.Balakumar

Director

DIN:00440500

A.Sudha

Director

DIN:01515113



Place: Tirunelveli
Date: 4 September

SUBAM PAPER AND BOARDS PRIVATE LIMITED
CIN:U21000TN2020PTC136504
SIGNIFICANT ACCOUNTING POLICIES

1	Company Information
	SUBAM PAPER AND BOARDS PRIVATE LIMITED is a Private Limited Company with Registered Office at S.F.NO. 126,128,129,140,141,142 Vaduganpatti Village, IC Pettai, TIRUNELVELI -627010, India. The Company is in the business of manufacture, sale and dealing in Kraft Paper Boards, Cones, Tubes and other allied goods and primarily caters to the Indian Market and also doing exports directly and through merchant exporters.
2	Basis of Preparation and Measurement
2.1	Basis of Preparation
	The financial statements have been prepared and presented under the historic cost convention on accrual basis of accounting, in accordance with Generally Accepted Accounting Principles ("GAAP") applicable in India. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') and pronouncements of the Institute of Chartered Accountants of India, the provisions of the Act (to the extent notified).
2.2	Key Accounting Estimates and Judgements
	The preparation of standalone financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively
2.3	Significant Accounting Policies
	The significant accounting policies used in preparation of the standalone financial statements are as under
a)	Property, Plant & Equipment
	Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the standalone statement of profit and loss during the period in which they are incurred. Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognized in the statement of profit and loss when the same is derecognized. Depreciation is calculated on pro rata basis on straight-line method based on estimated useful life prescribed under Schedule II of the Companies Act, 2013 for all the assets.

SUBAM PAPER AND BOARDS PRIVATE LIMITED

CIN:U21000TN2020PTC136504

SIGNIFICANT ACCOUNTING POLICIES

b)	INVENTORY	
	Raw materials	At Cost on FIFO method
	Finished Goods	Cost or Net realizable value whichever is lower
	Stores & Spares	At Cost
c)	Revenue Recognition	
	<p>Revenue is recognized to the extent that it is probable that, the economic benefits will flow to the Company and the revenue can be reliably estimated and collectability is reasonably assured. Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when 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.</p> <p>Revenue is measured on the basis of sale price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.</p> <p>Unbilled revenue represents earnings on ongoing fixed price and time and material contracts over and above the amounts invoiced to customers.</p>	
d)	Other Revenues	
	Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.	
e)	Employee Benefits	
	Employee benefits payable wholly within 12 months of leaving employee services are classified as short term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short term employee benefits to be paid in exchange for employee services is recognized as an expense as the related services is rendered by employees.	
f)	Provident Fund	
	Eligible employees receive benefits from the provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to specified percentage of the covered employees' basic salary. The Company has no further obligations under the plan beyond its monthly contributions. Contributions to provident fund are charged to the statement of profit and loss on accrual basis.	
g)	Gratuity	
	Being the first year of commercial operations, the company has not provided for Gratuity to its employees and has been accounting the same as "Pay as you go" basis.	
h)	Foreign currency transactions:	
	Foreign exchange transactions are recorded at the rate prevailing on the date of the respective transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year and on restatement as at the balance sheet date are recognized in the statement of profit and loss for the year.	

SUBAM PAPER AND BOARDS PRIVATE LIMITED

CIN:U21000TN2020PTC136504

SIGNIFICANT ACCOUNTING POLICIES

i)	Income Tax <p>Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in profit or loss except that tax expense related to items recognised directly in reserves is also recognised in those reserves.</p> <p>Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.</p> <p>The Company has opted for taxation under the provisions of section 115BAB of Income-tax Act 1961 from the current year and hence the provisions of section 115JB of the Income tax Act 1961 is not applicable.</p>
j)	Provisions, contingent liabilities and contingent assets <p>A provision is recognized when the Company has a present obligation as a result of past event i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.</p> <p>A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.</p>

SUBAM PAPER AND BOARDS PRIVATE LIMITED
CIN:U21000TN2020PTC136504
SIGNIFICANT ACCOUNTING POLICIES

k)	EARNINGS PER SHARE
	<p>Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.</p> <p>Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that decrease profit per share are included.</p>
l)	Liability to MSME entities
	The company categorises the amounts payable to MSME entities in respect of supplies effected by the respective entity only on the basis of necessary declaration furnished by the supplier. If no declaration is received before the finalization accounts, the same is disclosed as "Liability payable to others" and the provisions of Micro, Small and Medium Enterprises Development Act, 2006 are not applied in such cases.
m)	BORROWING COST
	The borrowing costs that are directly attributable to the cost of acquisition of fixed assets of the company have been capitalized as part of the cost of these assets as provided under Accounting Standard No.16.
n)	IMPAIRMENT OF ASSETS
	An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.
o)	GOVERNMENT SUBSIDY/GRANT
	All revenue subsidies and grants from the Government are accounted on accrual basis and are credited to miscellaneous income.

SUBAM PAPER AND BOARDS PRIVATE LIMITED

(CIN: U21000TN2020PTC136504)

Notes forming part of the Financial Statements

2 Share Capital

(₹ in lakhs)

Particulars	31 March 2023		31 March 2022	
	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
Authorised Share Capital				
Equity Shares, Rs. 10 par value, 10000000 (Previous Year -10000000) Equity Shares		1,000.00		1,000.00
Issued, Subscribed and Fully Paid up Share Capital				
Equity Shares, Rs. 10 par value 8200000 (Previous Year -8200000) Equity Shares paid up		820.00		820.00
Total		820.00		820.00

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

(i) Reconciliation of number of shares

Particulars	31 March 2023		31 March 2022	
	No. of shares	(₹ in lakhs)	No. of shares	(₹ in lakhs)
Opening Balance	82,00,000	820.00	82,00,000	820.00
Issued during the year	-	-	-	-
Deletion	-	-	-	-
Closing balance	82,00,000	820.00	82,00,000	820.00

(ii) Rights, preferences and restrictions attached to shares

Equity Shares: The Company has one class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Shares held by Holding company, its Subsidiaries and Associates

Particulars	31 March 2023		31 March 2022	
	No of Shares	(₹ in lakhs)	No of Shares	(₹ in lakhs)
Subam Papers Private Limited	81,90,000	819.00	81,90,000	819.00

(iv) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company

Equity Shares	31 March 2023		31 March 2022	
	No. of shares	In %	No. of shares	In %
Subam Papers Private Limited	81,90,000	99.88%	81,90,000	99.88%

(v) Shares held by Promoters at the end of the year 31 March 2023

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Subam Papers Private Limited	Equity	81,90,000	99.88	-
T Balakumar	Equity	5,000	0.06	-
A.Sudha	Equity	5,000	0.06	-

Shares held by Promoters at the end of the year 31 March 2022

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
Subam Papers Private Limited	Equity	81,90,000	99.88	-
T Balakumar	Equity	5,000	0.06	-
A.Sudha	Equity	5,000	0.06	-

SUBAM PAPER AND BOARDS PRIVATE LIMITED

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Notes forming part of the Financial Statements

(vi) Equity shares movement during 5 years preceding 31 March 2023

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
Equity shares issued as bonus	-	-	-	-	-
Equity shares extinguished on buy-back	-	-	-	-	-
Details of calls unpaid : Nil					
Details of forfeited shares : Nil					

3 Reserves and Surplus

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Statement of Profit and loss		
Balance at the beginning of the year	140.76	-
Add: Profit/(loss) during the year	-149.07	140.76
Balance at the end of the year	-8.31	140.76
Total	-8.31	140.76

4 Long term borrowings

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Secured Term loans from banks		
-Hdfc Termloan	2,719.25	2,839.96
-Icici Bank Ltd - Term Loan	1,602.85	1,145.03
Total	4,322.10	3,984.99

Particulars of Long term Borrowings

Name of Lender/Type of Loan	Nature of Security	Rate of Interest	Monthly Installments	No of Installment
Term Loan from HDFC Bank Limited	Vide details below	Repo Rate +2.25%	Rs.33.25 lakhs	84
Term Loan from ICICI Bank Limited	Vide details below	LIBOR+2.30%	Rs.22.94 lakhs for	24

All the term loans from M/s HDFC Bank Ltd, Tirunelveli, and M/s ICICI Bank Ltd., Tirunelveli, are secured by first charge on the entire block assets of the company created/ to be created out of bank finance under Multi Banking arrangement.

The directors of the company have personally guaranteed all the above term loans. The directors of the company have given certain immovable properties in various locations as collateral security for the above credit facilities.

M/s Subam Papers Private Limited, the Holding Company, has given corporate guarantee favouring M/s HDFC Bank Limited and M/s ICICI Bank Ltd for the above credit facilities.

The Company has not defaulted in repayment of loans and interest for the above loan.

The Company has used the borrowings from banks for the specific purpose for which it was taken as at the reporting date.

Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the Registrar of Companies, within the prescribed time.

5 Deferred tax liabilities Net

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Deferred tax liabilities Net	160.55	0.32
Total	160.55	0.32

SUBAM PAPER AND BOARDS PRIVATE LIMITED

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Notes forming part of the Financial Statements

Significant components of Deferred Tax

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Deferred Tax Liability		
Difference between book depreciation and tax depreciation	160.55	0.32
Gross Deferred Tax Liability (A)	160.55	0.32
Deferred Tax Asset		
Gross Deferred Tax Asset (B)	-	-
Net Deferred Tax Liability (A)-(B)	160.55	0.32

Significant components of Deferred Tax charged during the year

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Difference between book depreciation and tax depreciation	160.23	0.32
Total	160.23	0.32

6 Other Long term liabilities

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Others		
-Due to Holding Company	3,452.28	3,450.22
Total	3,452.28	3,450.22

The amounts are due to Holding Company M/s.Subam Papers Private Limited. Interest is payable at 15%. There is no fixed repayment schedule for this liability. There are no delays or overdues in servicing of interest. These amounts are utilised for business purposes of the company.

7 Short term borrowings

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Current maturities of long-term debt		
-HDFC Bank Limited Term Loan	398.97	71.25
-ICICI Bank Limited Term Loan	275.27	-
Secured Loans repayable on demand from banks		
-YES BANK LTD-CC A/C 003681300001322	-9.37	-
-YES BANK LTD-WC DL	950.00	-
Total	1,614.87	71.25

Particulars of Short term Borrowings

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
Yes Bank Limited, Coimbatore	Repo Rate+2.60%	Vide details below

Working capital loan availed from M/s. Yes Bank Limited, Coimbatore is secured by hypothecation of raw materials, finished and semi-finished goods, receivables and other current assets of the company. The loan is secured by parripasu second charge over the block assets of the company.

The directors of the company have personally guaranteed all the above term loans.

M/s Subam Papers Private Limited, the Holding Company, has given corporate guarantee favouring M/s Yes Bank Limited for the above credit facilities.

The Company has not defaulted in repayment of loans and interest for the above loan.

The Company has used the borrowings from banks for the specific purpose for which it was taken as at the reporting date.

SUBAM PAPER AND BOARDS PRIVATE LIMITED

(CIN: U21000TN2020PTC136504)

Notes forming part of the Financial Statements

8 Trade payables

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Due to Micro and Small Enterprises	-	-
Due to others	2,012.45	966.22
Total	2,012.45	966.22

8.1 Trade Payable ageing schedule as at 31 March 2023

(` in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME					-
Others	2,012.45				2,012.45
Disputed dues- MSME					-
Disputed dues- Others					-
Sub total					2,012.45
MSME - Undue					
Others - Undue					
Total					2,012.45

8.2 Trade Payable ageing schedule as at 31 March 2022

(` in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME					-
Others	966.22				966.22
Disputed dues- MSME					-
Disputed dues- Others					-
Sub total					966.22
MSME - Undue					
Others - Undue					
Total					966.22

9 Other current liabilities

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Interest accrued and due on borrowings	23.45	-
Statutory dues	55.27	22.66
Advances from customers		
-Cheques realised but not accounted	-	7.31
-Others	13.72	6.97
Creditors for capital goods	96.26	93.62
Other payables		
-Liability for expenses	76.87	64.51
Total	265.57	195.07

10 Short term provisions

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Provision for income tax	-	33.21
Total	-	33.21

SUBAM PAPER AND BOARDS PRIVATE LIMITED

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Notes forming part of the Financial Statements

11 Property, Plant and Equipment

Name of Assets	Gross Block		Depreciation and Amortization		Net Block	
	As on 01-Apr-22	Addition	Deduction	As on 01-Apr-22	for the year	As on 31-Mar-23
(i) Property, Plant and Equipment						
Land	-	0.52	-	-	-	0.52
Building	-	2,099.40	-	-	32.31	2,067.09
Plant and Equipment	37.25	6,049.06	-	1.63	114.81	5,969.87
Vehicles	-	2.48	-	-	0.10	2.38
Office equipment	-	1.56	-	-	0.07	1.49
Computers	-	2.47	-	-	0.39	2.08
Total	37.25	8,155.49	-	1.63	147.67	8,043.43

Name of Assets	Gross Block		Depreciation and Amortization		Net Block	
	As on 01-Apr-21	Addition	Deduction	As on 01-Apr-21	for the year	As on 31-Mar-22
(i) Property, Plant and Equipment						
Plant and Equipment	-	37.25	-	-	1,62,880.00	-1,62,842.75
Total	-	37.25	-	-	1,62,880.00	-1,62,842.75

(iii) Capital Work-in-progress						
					13.64	4,231.12

The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) since the Company has adopted cost model as its accounting policy to an entire class of Property. The Company has no intangible assets as at the balance sheet date.

Particulars	31 March 2023		31 March 2022	
	As on 31-Mar-23	Addition	As on 31-Mar-22	Deduction
Opening Balance			4,231.12	475.89
Add: Addition during the year			13.64	3,755.22
Less: Capitalised during the year			4,231.12	-
Closing Balance			13.64	4,231.12

Capital Work-in-Progress	Amount in CWIP for a period of				31-Mar-23	
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total	Total
Projects in progress	13.64	-	-	-	13.64	4,231.12
Projects temporarily suspended	-	-	-	-	-	-

SUBAM PAPER AND BOARDS PRIVATE LIMITED

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Notes forming part of the Financial Statements

12 Long term loans and advances

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Capital Advances	652.19	1,686.12
Others		
-Rent Advance	0.15	-
Total	652.34	1,686.12

13 Other non current assets

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Security Deposits	31.40	6.50
Others		
-Pre-Operative Expenses	-	460.25
Total	31.40	466.75

14 Inventories

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Raw materials	236.04	225.32
Finished goods	448.12	231.61
Stores and spare parts	210.01	45.04
Fire Wood	23.52	-
Total	917.69	501.98

15 Trade receivables

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Unsecured considered good	2,373.55	1,768.75
Total	2,373.55	1,768.75

15.1 Trade Receivables ageing schedule as at 31 March 2023

(` in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	2,241.91	32.39	99.25			2,373.55
Undisputed Trade Receivables-considered doubtful						-
Disputed Trade Receivables considered good						-
Disputed Trade Receivables considered doubtful						-
Sub total						2,373.55
Undue - considered good						
Total						2,373.55

SUBAM PAPER AND BOARDS PRIVATE LIMITED

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Notes forming part of the Financial Statements

15.2 Trade Receivables ageing schedule as at 31 March 2022

(` in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	1,768.75					1,768.75
Undisputed Trade Receivables-considered doubtful						-
Disputed Trade Receivables considered good						-
Disputed Trade Receivables considered doubtful						-
Sub total						1,768.75
Undue - considered good						
Total						1,768.75

16 Cash and cash equivalents

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Cash on hand	13.07	12.12
Balances with banks in current accounts	57.74	183.38
Cash and cash equivalents - total	70.81	195.50
Other Bank Balances		
Deposits with original maturity for more than 3 months but less than 12 months	194.54	102.20
Total	265.35	297.70

17 Short term loans and advances

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Loans and advances to employees	1.46	0.30
Advances to suppliers	69.03	11.70
Balances with Government Authorities	259.20	658.31
Others		
-Prepaid Expenses	8.33	-
-TDS &TCS receivable	1.82	1.71
Total	339.84	672.02

18 Other current assets

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Interest accrued	2.27	1.98
Total	2.27	1.98

SUBAM PAPER AND BOARDS PRIVATE LIMITED

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Notes forming part of the Financial Statements

19 Revenue from operations

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Sale of products	8,040.60	3,539.89
Total	8,040.60	3,539.89

20 Other Income

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Interest Income		
-Interest Income	1.06	2.36
Others		
-Discount received	1.40	-
-Scrap Sales	25.50	-
Sale of scraps	95.55	35.66
Total	123.51	38.02

21 Cost of Material Consumed

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Raw Material Consumed		
Opening stock	225.32	-
Purchases	4,358.31	2,966.84
Less: Closing stock	236.04	225.32
Total	4,347.60	2,741.52
Total	4,347.60	2,741.52

22 Change in Inventories of work in progress and finished goods

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Opening Inventories		
Finished Goods	231.61	-
Less: Closing Inventories		
Finished Goods	448.12	231.61
Total	-216.50	-231.61

23 Employee benefit expenses

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Salaries and wages		
-Bonus	37.85	-
-Salaries and wages	620.37	219.03
Contribution to provident and other funds		
-Contribution ESI	9.93	4.14
-Contribution Provident Fund	2.44	0.65
Staff welfare expenses	9.35	2.01
Total	679.94	225.83

SUBAM PAPER AND BOARDS PRIVATE LIMITED

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Notes forming part of the Financial Statements

24 Finance costs

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Interest expense		
-Interest on income tax	3.14	-
-On Other loans	478.19	194.90
-On Term Loans	193.08	-
-On Working Capital	37.13	-
Other borrowing costs		
-Bank Charges	0.75	-
Applicable net gain/loss on foreign currency transactions and translation	161.75	-
Total	874.04	194.90

25 Depreciation and amortization expenses

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Depreciation on property, plant and equipment	147.67	1.63
Total	147.67	1.63

26 Other expenses

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Auditors' Remuneration	2.50	2.50
Advertisement	0.42	0.13
Commission	0.72	-
Consultancy fees	0.20	-
Consumption of stores and spare parts	654.76	123.72
Freight Inward	6.63	-
Freight outward	280.18	125.64
Insurance	6.93	-
Manufacturing Expenses	0.43	-
Power and fuel	912.23	151.90
Professional fees	7.26	0.32
Rent	138.53	3.00
Repairs to buildings	15.39	5.63
Repairs to machinery	149.21	30.75
Repairs others	87.54	13.92
Rates and taxes	28.20	0.01
Selling & Distribution Expenses	4.71	1.46
Other Business Administrative Expenses		
-Filing Fees	0.06	-
-Printing & Stationery Expenses	2.07	0.95
-Subscription	0.09	-
Travelling Expenses	21.37	7.32
Miscellaneous expenses	1.40	0.74
Other Expenses		
-Postage & Telephone Expenses	2.69	0.69
-Postage and Telephone expenses	0.02	-
Preliminary Expenses written off	-	2.67
Total	2,323.54	471.35

SUBAM PAPER AND BOARDS PRIVATE LIMITED

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Notes forming part of the Financial Statements

Consumption of stores and spare parts debited to Other Expenses

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Consumption of stores and spare		
Opening stock	45	-
Purchases	820	169
Less: Closing stock	210	45
Total	655	124
Consumables		
Opening stock	-	-
Purchases	515	48
Less: Closing stock	24	-
Total	491	48
Total	1,146	172

27 Prior Period Item

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Excess tax provision written back	-3.34	-
Total	-3.34	-

28 Tax Expenses

(` in lakhs)

Particulars	31 March 2023	31 March 2022
Current Tax	-	33.21
Deferred Tax	160.23	0.32
Total	160.23	33.53

SUBAM PAPER AND BOARDS PRIVATE LIMITED

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Notes forming part of the Financial Statements

29 Earning per share

Particulars	31 March 2023	31 March 2022
Profit attributable to equity shareholders (₹ in lakhs)	-149.07	140.76
Weighted average number of Equity Shares	82,00,000	82,00,000
Earnings per share basic (Rs)	(1.82)	1.72
Earnings per share diluted (Rs)	(1.82)	1.72
Face value per equity share (Rs)	10	10

30 Auditors' Remuneration

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Payments to auditor as		
- Auditor	1.50	1.50
- for taxation matters	0.50	0.50
- for reimbursement of expenses	0.50	0.50
Total	2.50	2.50

31 Contingent Liabilities and Commitments

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Claims against the Company not acknowledged as debt	-	-
- Income tax demands	-	-
Total	-	-

32 Earnings in Foreign Currencies

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Export of Goods calculated on FOB basis	-	-
Total	-	-

33 Expenditure made in Foreign Currencies

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Capital Goods (Machinery)	1,473.13	2,185.70
Advance for Capital Goods (Machinery)	13.17	668.74
Total	1,486.30	2,854.44

34 Value of Import on CIF basis

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Raw Materials	-	-
Components and Spare Parts	-	-
Capital goods	1,473.13	2,185.70
Total	1,473.13	2,185.70

35 Value of imported and indigenous raw materials, spare parts and components consumed

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Raw Materials		
- Imported	-	-
- Indigenous	4,347.60	2,741.52
Spare parts and components		
- Imported	-	-
- Indigenous	654.76	123.72
Capital Goods (Plant & Machinery)		
- Imported	1,473.13	2,185.70
- Indigenous	4,575.93	1,048.94
Total	11,051.42	6,099.88

SUBAM PAPER AND BOARDS PRIVATE LIMITED

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Notes forming part of the Financial Statements

36 Related Party Disclosure

(i) List of Related Parties	Relationship
Subam Papers Private Limited	Holding Company
Saradhambika Paper & Board Private Limited	KMP's interested Concern
Unicone	KMP's interested Concern
BMM Paper Board Private Limited	KMP's interested Concern
T.Balakumar	Key Managerial Personnel
A.Sudha	Key Managerial Personnel

(ii) Related Party Transactions

(` in lakhs)

Particulars	Relationship	31 March 2023	31 March 2022
Purchase of rawmaterials			
- Subam Papers Private Limited	Holding Company	1,404.67	2,324.24
- Saradhambika Paper & Board Private Limited	KMP's interested Concern	515.94	431.29
- Unicone	KMP's interested Concern	23.58	149.20
- BMM Paper Board Private Limited	KMP's interested Concern	5.94	-
Sale of goods			
- Subam Papers Private Limited	Holding Company	470.77	399.60
- Saradhambika Paper & Board Private Limited	KMP's interested Concern	7.57	-
- Unicone	KMP's interested Concern	6.61	-
- BMM Paper Board Private Limited	KMP's interested Concern	15.20	-
Interest Paid			
- Subam Papers Private Limited	Holding Company	478.05	194.90
Lease Rent			
- BMM Paper Board Private Limited	KMP's interested Concern	2.83	1.42
- Unicone	KMP's interested Concern	157.33	-
Purchase of electrical power			
- Unicone	KMP's interested Concern	195.01	-

(iii) Related Party Balances

(` in lakhs)

Particulars	Relationship	31 March 2023	31 March 2022
Shares subscribed			
- Subam Papers Private Limited	Holding Company	819.00	819.00
Loan received			
- Subam Papers Private Limited	Holding Company	3,452.28	3,450.22
Trade Payables			
- Saradhambika Paper & Board Private Limited	KMP's interested Concern	892.53	384.15
- Unicone	KMP's interested Concern	-	149.20
- BMM Paper Board Private Limited	KMP's interested Concern	2.20	1.42

37 Security of Current Assets Against Borrowings

The Company has been sanctioned working capital limit in excess of Rs.500.00 lakhs based on the security of the current assets by M/s. Yes Bank Limited, Coimbatore and the Stock statements submitted to bank and as per books of accounts are reconciled as under.

Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Books of Account (` in lakhs)

Particulars	Jun, 2022	Sept, 2022	Dec, 2022	Mar, 2023
Inventories as per Quarterly Return filed with Bank	-	-	877.47	682.51
Add:				
Purchase Bills accounted later	-	-	-	104.48
Stores and Consumables not fully declared	-	-	46.38	130.70
Current Assets as per Books of Account	-	-	923.85	917.69

SUBAM PAPER AND BOARDS PRIVATE LIMITED

(CIN: U21000TN2020PTC136504)

Notes forming part of the Financial Statements

Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Books of Account (₹ in lakhs)

Particulars	Jun, 2022	Sept, 2022	Dec, 2022	Mar, 2023
Book Debts as per Quarterly Return filed with Bank	-	-	2,317.10	3,079.17
Less:				
Due to inadvertent inclusion of Inter Divisional Receivables	-	-	-	705.62
Current Assets as per Books of Account	-	-	2,317.10	2,373.55

38 Details of Benami Property held

There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

39 Relationship with Struck off Companies

The Company has not entered into any transactions with Companies struck off under section 248 of the Companies Act 2013 or section 560 of the Companies Act 1956.

40 Registration of Charge

Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the Registrar of Companies, within the prescribed time.

41 Compliance with number of layers of companies

The Company is a Subsidiary company of M/s Subam Paper Private Limited whose shareholding is 99.88%. The Company doesn't hold any shares in other Companies.

42 Ratio Analysis

Particulars	Numerator/Denominator	31 March 2023	31 March 2022	Change in %
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.00	2.56	-60.90%
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Shareholder's Equity}}$	7.31	4.22	73.25%
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Debt Service}}$	1.33	-	-
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	-16.82%	15.81%	-206.40%
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	11.33	14.10	-19.68%
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	3.88	4.00	-3.01%
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	2.93	6.14	-52.35%
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	1,384.04	1.79	77185.23%
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	-1.85%	3.98%	-146.62%
(j) Return on Capital employed	$\frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$	12.81%	7.36%	74.11%
(k) Return on investment	$\frac{\text{Return on Investment}}{\text{Total Investment}}$	-1.32%	2.36%	-156.00%

Current ratio has slipped by more than 25% due to increase in short term borrowings and lower current assets buildup.

Debt Equity ratio had increased by more than 25% due to loss and consequent reduction in the tangible net worth of the company.

Trade payables turnover ratio had increased by more than 25% due to increase in trade payables as compared to the previous year.

On account of losses during the year, the ratios which have bearing on the profitability of the company had declined by more than 25%.

SUBAM PAPER AND BOARDS PRIVATE LIMITED

(CIN: U21000TN2020PTC136504)

Notes forming part of the Financial Statements

- 43 **Disclosure where company has given loan or invested to other person or entity to lend or invest in another person or entity**
The Company has not advanced or loaned or invested funds from borrowing or share premium or from any other source or kind of funds during the year.
- 44 **Undisclosed Income**
The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.
- 45 **Details of Crypto Currency**
The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable.
- 46 **Subsequent Events**
There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.
- 47 **Regrouping**
Previous year's figures have been re-grouped wherever necessary to conform to the classification of this year.
- 48 **MSME Entities**
The management of the Company segregates the amounts due to Micro and Small Enterprises and others in respect of goods supplied or service rendered on the basis of the declarations received from the concerned supplier/service provider and the provisions of Micro, Small and Medium Enterprises Development Act, 2006 are applied accordingly.
The company has not received any Memorandum as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006, claiming their status as Micro, Small and Medium enterprises. In view of this the amount paid/payable to these parties during the year 2022-23 is Rs. Nil.
- 49 **Impairment of Assets**
As required by Accounting Standard -28 (Impairment of Asset), the management reviewed the potential generation of economic benefits from the fixed assets and in the opinion of the management, the carrying amount of the fixed assets of the company is less than its recoverable amount and no provision need to be made towards impairment loss.
- 50 **Income-tax Assessments**
The company's income-tax assessment is provisionally completed up to the assessment year 2022-23 and there are no disputed demands in respect of the completed assessment.
- 51 **Scheme of Arrangements**
There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.
- 52 **Confirmation of balances**
Confirmation of balances from certain parties due to and due from the company has not been received by the Company.
- 53 **Rounding Off**
Figures have been rounded off to the nearest lakhs.

SUBAM PAPER AND BOARDS PRIVATE LIMITED

(CIN: U21000TN2020PTC136504)

Notes forming part of the Financial Statements

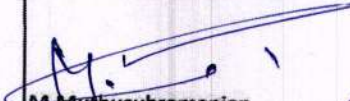
54 Segment Reporting-AS17

As the company has only one segment of activity, namely Paper, Paper Boards, Paper cores, Paper Tubes and Paper Cones, the requirement of segment reporting as required under Accounting Standard No.17 (AS-17) does not arise.

55 CSR Expenditure

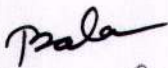
The company is not required to contribute for the CSR expenditure as per the provisions of section 135(1) of the Companies Act 2013.

As per our report of even date
For Narayanasamy & Associates
Chartered Accountants
Firm's Registration No. 0024015



M. Muthusubramanian
Partner
Membership No. 022863

UDIN: 23022863BGVVFU4994
Place: Tirunelveli
Date: 4 September 2023




T. Balakumar
Director
DIN:00440500

For and on behalf of the Board of
SUBAM PAPER AND BOARDS PRIVATE LIMITED


A. Sudha
Director
DIN:01515113

Place: Tirunelveli
Date: 4 September