

**SUBAM PAPERS LIMITED**  
**TIRUNELVELI - 627010**  
**CIN :U21012TN2004PLC054403**

**TWENTIETH ANNUAL REPORT 2023-24**

**AUDITED BALANCE SHEET, PROFIT AND LOSS ACCOUNT, AUDITORS' AND  
DIRECTORS' REPORT FOR THE YEAR ENDED 31/03/2024**

**SUBAM PAPERS LIMITED**  
**CIN :U21012TN2004PLC054403**

**ANNUAL REPORT 2023-24**

**BOARD OF DIRECTORS**

- 1.T.Balakumar - DIN: 00440500- Managing Director
2. Ramasubbu Venkatesh -DIN: 00951835-Director
3. Sudha Alagarsamy -DIN: 01515113, Director
- 4.Chelladurai Gunasingh Prithiviraj- DIN- 00168538  
Independent Director
5. Gurusamy Rathakrishna - DIN- 01759564  
Independent Director

**BANKERS**

1. HDFC BANK LIMITED - Tirunelveli  
(Vannarapettai Branch
- 2.ICICI BANK LIMITED - Tirunelveli
3. STATE BANK OF INDIA - Tirunelveli

**AUDITORS**

M/s. CNGSN ASSOCIATES LLP  
Chartered Accountants  
Anand Seethakathi Business Centre, 2nd floor  
Anna Salai, Thousand Lights, Chennai - 600006.

**REGISTERED OFFICE**

S.F.No.143-146 Vaduganpatti Village  
Nadukallur to Tirunelveli, Tirunelveli,  
Tirunelveli Taluk, Tamil Nadu, INDIA, 627010

**SUBAM PAPERS LIMITED**  
**((PREVIOUSLY KNOWN AS SUBAM PAPERS PRIVATE LIMITED))**

**CIN NO : U21012TN2004PLC054403, GSTIN:33AAICS5376E1ZA**

**Reg. office : S.F.No.143-146, Vaduganpatti Village,Nadukallur to Tirunelveli,  
Tirunelveli Taluk, Tirunelveli - 627 010,Tamil Nadu, India.**

**Contact No: 9489926130 E-mail ID: finance@Subampapers.com,**

**Website: www.Subam papers.com**

**NOTICE OF ANNUAL GENERAL MEETING**

Shorter Notice is hereby given that the Twentieth (20<sup>th</sup>) Annual General Meeting of **Subam Papers Limited** (“the Company”) (previously known **Subam Papers Private Limited**) will be held on Tuesday, September 10, 2024 at 10:30 a.m. at its Registered office of the Company situated at S.F.No.143-146 Vaduganpatti village Nadukallur to Tirunelveli, Tirunelveli Taluk - 627010 Tamil Nadu, for the purpose of considering and, if thought fit, passing the following businesses:

\*\*\*\*\*

❖ **ORDINARY BUSINESS:**

1. **To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon.**

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

“**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2024, including the Audited Balance Sheet as on 31st March 2024 and Statement of Profit & Loss for the year ended on that date, Cash Flow Statement for the financial year ended March 31, 2024 and the Reports of the Board of Directors and Auditors thereon. along with all annexures as laid before this Annual General Meeting be and are hereby received, considered and adopted.”

**RESOLVED FURTHER THAT** any Director of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary or expedient to give effect to this resolution.”

2. **To consider and approve appointment of Ms. Sudha Alagarsamy (DIN: 01515113) as a Director of the Company, who retires by rotation and being eligible offers herself for re-appointment.**

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

“**RESOLVED THAT** Ms. Sudha Alagarsamy (DIN: 01515113), who retires by rotation in terms of Section 152 of Companies Act, 2013 and being eligible be and is hereby re-appointed as Director of the Company whose office shall be liable to retirement by rotation”

**RESOLVED FURTHER THAT** any Director of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary or expedient to give effect to this resolution.”

3. **To consider and approve appointment of Mr. Ramasubbu Venkatesh (DIN: 00951835) as a Director of the Company, who retires by rotation and being eligible offers himself for re-appointment.**

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



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**“RESOLVED THAT**Mr. Ramasubbu Venkatesh (DIN: 00951835), who retires by rotation in terms of Section 152 of Companies Act, 2013 and being eligible be and is hereby re-appointed as Director of the Company whose office shall be liable to retirement by rotation”

**RESOLVED FURTHER THAT** any Director of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary or expedient to give effect to this resolution.”

4. **To re-appoint M/s. CNGSN Associates LLP, Chartered Accountants based in Chennai, Tamil Nadu (Firm Registration No:004915S/S200036) as Statutory and Peer Review Auditors of the Company for a period of Five Years and to fix their remuneration.**

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

**“RESOLVED THAT** pursuant to provision of Sections 139, 141, 142 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) **M/s. CNGSN ASSOCIATES LLP,Chartered Accountants** based in Chennai, Tamil Nadu (Firm Registration No:004915S/S200036) be and is hereby re- appointed as the Statutory and Peer Review Auditors of the Company for the period of Five Years to hold the office from the conclusion of this meeting till the conclusion of the Annual General Meeting to held for the Financial Year ended March 31, 2029, at a remuneration to be fixed by the Board of Directors of the Company, in addition to the re-imbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit and billed progressively.

**RESOLVED FURTHER THAT** any Director of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary or expedient to give effect to this resolution.”

**By order of the Board of Directors**

*T. Balakumar*

**Managing Director  
(T. Balakumar)  
DIN: 00440500**



**Date: September 03, 2024  
Place: Vaduganpatti/ Tirunelveli**

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**Notes:**

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours (forty-eight hours) before the time fixed for holding the meeting.
5. Members are requested to bring their copies of the Notice to the Meeting. Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Companies Act, 2013 read with rules issued thereunder shall be available for inspection of the Members at the Meeting.



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**Form No. MGT-11**  
**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**CIN: U21012TN2004PTC054403**

Name of the company: **SUBAM PAPERS PRIVATE LIMITED**

Registered office: **S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli,  
Tirunelveli Taluk-627010, Tamil Nadu, India**

|  |
|--|
| Name of the member (s):<br>Registered address:<br>E-mail Id:<br>Folio No/ DP ID and Client Id: |
|--|

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....  
Address: .....  
E-mail Id: .....  
Signature: ....., or failing him
2. Name: .....  
Address: .....  
E-mail Id: .....  
Signature: ....., or failing him
3. Name: .....  
Address: .....  
E-mail Id: .....  
Signature: .....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twentieth (20<sup>th</sup>) Annual General Meeting of the company scheduled to be held on Tuesday, September 10, 2024 at 10:30 a.m.. at S.F.No.143-146 Vaduganpatti Village Nadukallur To Tirunelveli, Tirunelveli, Tirunelveli Taluk, 627010 Tamil Nadu, India and at any adjournment thereof, in respect of such resolutions as are indicated below:

| Resolution Number | Resolution  | Please Tick Relevant |         |         |
|-------------------|---|----------------------|---------|---------|
|                   |   | For                  | Against | Abstain |
|                   | <b>ORDINARY BUSINESS</b>  |                      |         |         |
| 1.                | To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon. |                      |         |         |

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|    |  |  |  |  |
|----|--|--|--|--|
|    |  |  |  |  |
| 2. | To consider and approve appointment of Ms. Sudha Alagarsamy (DIN: 01515113) as a Director of the Company, who retires by rotation and being eligible offers herself for re-appointment.  |  |  |  |
| 3. | To consider and approve appointment of Mr. Ramasubbu Venkatesh (DIN: 00951835) as a Director of the Company, who retires by rotation and being eligible offers himself for re-appointment.   |  |  |  |
| 4. | To re-appoint M/s. CNGSN Associates LLP, Chartered Accountants based in Chennai, Tamil Nadu (Firm Registration No:004915S/S200036) as Statutory and Peer Review Auditors of the Company for a period of two years and to fix their remuneration. |  |  |  |

Signed this ..... day of..... 20....

Signature of shareholder .....

Signature of Proxy holder(s) .....

|   |
|---|
| Affix Revenue<br>Stamp of not<br>less than Rs.1/- |
|---|

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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**ATTENDANCE SLIP**

Member's/Proxy's Name :

Regd. Folio No. :

No. of Shares held :

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the Twentieth (20<sup>th</sup>) Annual General Meeting of the company scheduled to be held on Tuesdat, September 10, 2024, at 10:30 a.m. at S.F.No.143-146 Vaduganpatti Village Nadukallur to Tirunelveli, Tirunelveli, Tirunelveli Taluk, 627010 Tamil Nadu, India

Member's/Proxy's Signature:

Member's/Proxy's Name:

Note: Please fill this attendance slip and hand it over at the entrance of the hall.

➤ **Route map of the Venue is attached herewith the Notice**



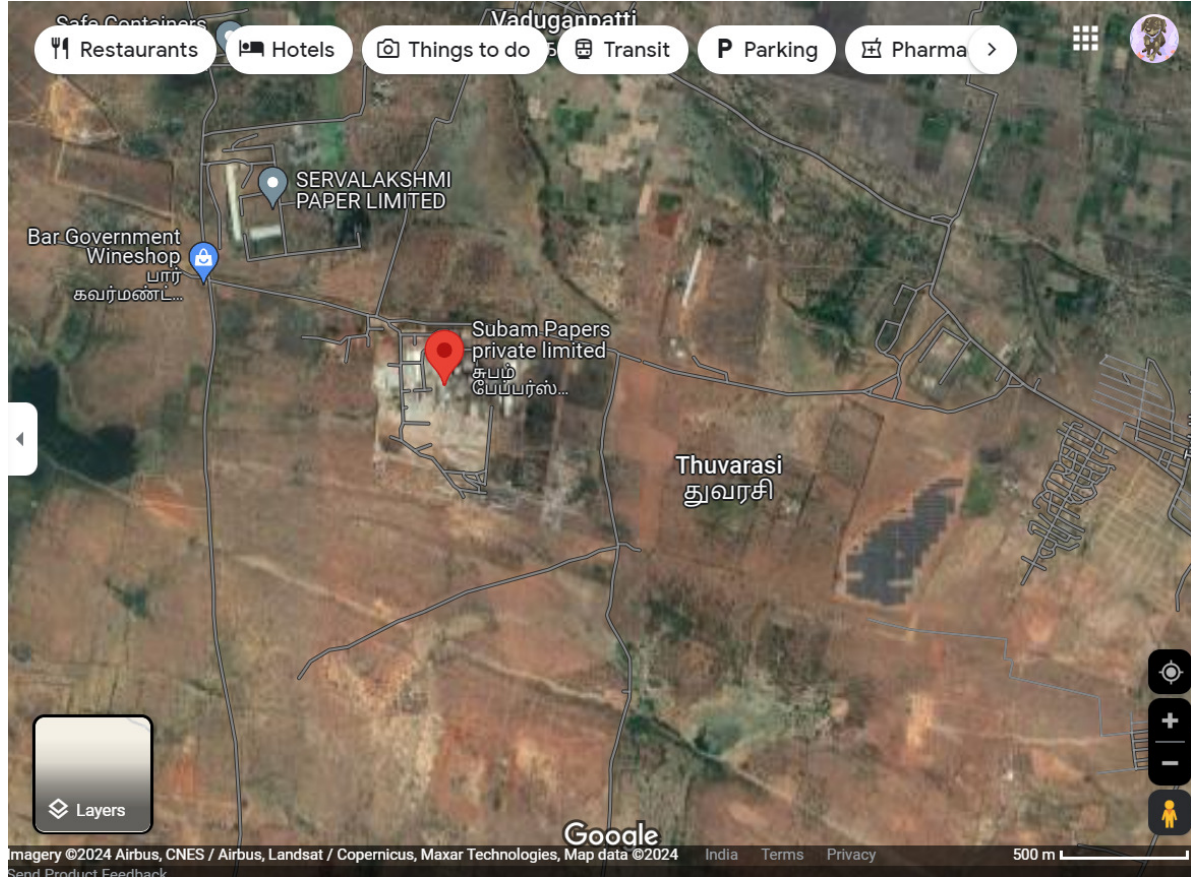
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Dear Members,

Your Directors have pleasure in presenting the Twentieth (20<sup>th</sup>) Annual Report on the Affairs of the Company together with Board's Report and the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the reports of the Auditors thereon.

**1. FINANCIAL RESULTS:**

The financial results of the Company for the year ended March 31, 2024, as compared with the previous Financial Year are as under:

The consolidated performance of the Company and its subsidiaries has been referred to wherever required

*(Rs in Lakhs)*

| PARTICULARS   | Standalone             |                        | Consolidated           |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | Financial Year 2023-24 | Financial Year 2022-23 | Financial Year 2023-24 | Financial Year 2022-23 |
| Revenue from operations                               | 44,767.83              | 44,525.86              | 49,386.46              | 50,826.89              |
| Other income  | 599.99                 | 677.47                 | 341.68                 | 211.88                 |
| <b>Total income</b>                                   | <b>45367.82</b>        | <b>45203.33</b>        | <b>49728.14</b>        | <b>51038.77</b>        |
| <b>Expenses</b>                                       |                        |                        |                        |                        |
| Operating expenditure                                 | 39224.90               | 42182.37               | 42672.14               | 47473.39               |
| Depreciation and amortisation expense                 | 964.72                 | 1392.94                | 1296.72                | 1540.61                |
| <b>Total expenses</b>                                 | <b>40189.62</b>        | <b>43575.31</b>        | <b>43968.86</b>        | <b>49014.00</b>        |
| Profit before finance costs, exceptional item and tax | 5178.2                 | 1628.02                | 5758.28                | 2024.77                |
| Finance costs   | 1258.70                | 1021.68                | 1767.51                | 1414.53                |
| <b>Profit before exceptional item and tax</b>         | <b>3919.50</b>         | <b>606.34</b>          | <b>3991.77</b>         | <b>610.24</b>          |
| <b>Exceptional item</b>                               |                        |                        |                        |                        |
| Prior Period Items                                    | 70.83                  | 0.00                   | -95.30                 | 3.34                   |
| <b>Profit before tax</b>                              | <b>3848.67</b>         | <b>606.34</b>          | <b>3896.47</b>         | <b>613.58</b>          |
| Tax expense   | 968.63                 | 354.86                 | 1070.66                | 515.10                 |
| <b>Profit for the year</b>                            | <b>2880.04</b>         | <b>251.48</b>          | <b>2825.81</b>         | <b>98.48</b>           |

On a consolidated basis, the total income for FY 2024 was ₹49,728.14 Lakhs, lower by 2.64% over the previous year's total income of ₹51,038.77 Lakhs. The Profit after tax improved substantially from ₹98.48 Lakhs during the previous year to ₹2825.81 Lakhs during FY 2024.

On a standalone basis, the total income for FY 2024 was ₹45,367.82 Lakhs, higher by 0.36% over the previous year's total income of ₹45,203.33 Lakhs. The profit after tax (PAT) for FY 2024 improved substantially to ₹2880.04 Lakhs from ₹251.48 Lakhs during FY 2023.



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**2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**Industry Overview**

The paper and packaging sector in India is growing rapidly and has significant potential for future expansion. The industry was valued at \$50.5 billion in 2019 and is anticipated to reach \$204.81 billion by 2025, registering a CAGR of 26.7% from 2020 to 2025. The growth in the sector is being driven by a surge in e-commerce, food processing, pharmaceuticals, FMCG, manufacturing industry and healthcare sector. Additionally, numerous government initiatives including 'Make in India' had positive impact on the packaging industry. The paper and packaging industry is currently the fifth largest sector in the Indian economy and has the potential to achieve pricing levels that are about 40% cheaper compared to European regions.

**Overview of the Company**

The Company is engaged in the manufacturing of Paper and Paper Product and is a packaging solution providing company. Subam started its journey in the year 2004 with manufacturing of paper cones and later expanded the product base by adding Duplex board and Kraft paper in its portfolio. The company is not like the traditional paper manufactures, wherein the company does not manufacture the products from wood pulp but instead uses wastepaper as raw material. The Company aims to preserve mother nature and tends to drive the company on the principle of recycling. The Company leverages wastepaper as the primary raw material in the production of Kraft Paper and Duplex Board.

To further minimize the environmental impact, the Company harnesses renewable energy through its own wind and solar power installations. The captive wind energy infrastructure includes two windmills: with a capacity of 850 KW each totalling approximately 1.7 MW. Additionally, the Company operates solar plant with a capacity of 14 MW. These renewable energy sources enable the Company's manufacturing facilities to significantly reduce their carbon footprint, aligning with the Company's goals of sustainable and eco-friendly operations.

The Company features an infrastructure facility, supported by a dedicated team of professionals, focused on the production of Kraft Paper and Duplex Board to meet customer demands promptly. With the capability to manufacture and supply Kraft Paper and Duplex Boards in various shades, our products offer GSM ranging from 120 to 300, Busting Factor of 16 to 35, and Deckle sizes from 2,000 MM to 4,400 MM and with reel diameters up to 1,400 MM. Furthermore, the Company maintain a substantial raw material storage facility to ensure ample reserves, enabling consistent production of high-quality products for the packaging industry.



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The Company has two wholly owned subsidiaries namely Subam Paper and Boards Private Limited which is also into manufacture of Paper Products and Subam Agro Ventures Private Limited.

The installed capacity for Kraft Paper was 300 metric tons per day and for Duplex Board, the installed capacity was 140 MTPD. The Company is in the process of expanding its production capacity which includes Expanding PM-1 (Duplex Board) to 180 MTPD and PM-2, (Kraft Paper) to 360 MTPD. Further, the Company is also setting up Multigrade paper plant (PM-3) with capacity of 350 MTPD in its wholly owned subsidiary Subam Paper and Boards Private Limited. Over the years, the consolidated production capacity has grown substantially and is expected to reach more than 1,000 Metric tons per day by fourth quarter of FY 2024-25 after the current capacity expansion is completed.

The Company is in the process of raising funds through an Initial Public Offering for funding the above proposed capacity expansion. In this regard, the Company has been converted from a Private Limited Company to a Public Company w.e.f. May 15, 2024 and the Company has filed the Draft Red Herring Prospectus (DRHP) with the Bombay Stock Exchange.

The Company is located at Tirunelveli, Tamil Nadu and is also in proximity to the Harbor city of Tuticorin, Tamil Nadu. Since inception, the Company has prioritized focus towards continual improvement based on specific product quality and end user application. The success narrative of the Company is shaped by a clear and consistent business strategy that has propelled the Company to its current standing.

### **Future Business Outlook**

The products manufactured by the Company are used in various industries, including automobiles, textiles, FMCG, food, distilleries, pharmaceuticals, electrical and electronics, printing and more, where packaging is indispensable. Paper products play a pivotal role in packaging across sectors, from biscuit wrappers to marriage invitations, showcasing the versatility and significance of our offerings across diverse industries.

The Company aims to shift from solely focusing on paper manufacturing to incorporating value-added paper products and packaging solutions like corrugated boxes, paper cones, paper tubes and paper cores manufactured by the Subsidiaries and Group Companies. By diversifying the offerings, the Company aims to cater to the evolving needs of its clientele and enhance its presence among larger corporations. For instance, the Company has successfully started supplying to major corporations such as Britannia and United Breweries Companies, targeting direct engagement with key players rather than intermediaries like middle-level corrugators. By supplying directly to these corporate giants, the Company ensures reliability, cost efficiency, and larger volume transactions, positioning itself as preferred suppliers over smaller vendors.



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The current challenges in maritime logistics, particularly the reliance on transshipment through ports like Colombo, Singapore, Jebel Ali, significantly inflate the costs associated with importing and exporting goods. With vessels often needing to transfer cargo to smaller vessels for onward transportation to destinations like Mumbai and Mundra, Tuticorin in this process incurs substantial expenses. As a result, the container freight costs to ports such as Nhava Sheva, Mundra, and Tuticorin are notably higher compared to destinations like Singapore. The upcoming Vizhinjam Seaport in Thiruvananthapuram is set to have a significant impact on our Indian sea trade and Company's operations. Designated as a transshipment hub with the capacity to manage ultra-large ships, this state-owned facility, managed by the Adani Group under a 40-year agreement with the Government of Kerala and Government of India, is strategically positioned to compete with international ports like Colombo, Salalah, Dubai, and Singapore for container transshipment. Its proximity to the Company, situated just 150 km away, positions the Company to benefit from the anticipated reduction in logistics costs once the port becomes fully operational by December 2024.

Vizhinjam's status as the gateway to the Southern States, which contribute to 31% of India's GDP, will further enhance the Company's competitiveness in both domestic and global markets. This reduction in container freight costs will not only facilitate re-export to Europe but also expand the Company's market reach, leading to improved company profits and a stronger market presence.

**3. TRANSFER TO RESERVES**

The Company has not transferred to any amount to General Reserve for the financial year under review.

**4. DIVIDEND**

In order to conservation of funds for future business expansion, 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 under review. However, the Company has been converted into public limited with effect from May 15,2024.

**6. CHANGES IN SHARE CAPITAL, IF ANY**

There is no change in the share capital of the Company during the year ended March 31, 2024.



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In accordance with Ministry of Corporate Affairs notification dated 27<sup>th</sup> October 2013 for amending Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company had to apply for converting its shares in dematerialized form. To comply with the above, the Company has dematerialized its shares.

The Company has appointed Bigshare Services Private Limited as its Registrar and Share Transfer Agent (RTA) and NSDL as its Depository Participant (DP).

The Authorized Share Capital of the Company has been increased from ₹ 2,05,00,000 /- (Indian Rupees Two Crore Five Lakhs Only) divided into 20,00,000 (Twenty Lakhs) Equity Share of ₹ 10/- (Indian Rupees Ten Only) each and 50,000 (Fifty Thousand) 12% Non-Cumulative Redeemable Preference Shares of ₹ 10/- (Indian Rupees Ten Only) each to ₹ 25,05,00,000 /- (Indian Rupees Twenty-Five Crore Five Lakh Only) divided into 2,50,00,000 (Two Crores Fifty Lakhs) Equity Share of ₹ 10/- (Indian Rupees Ten Only) and 50,000 (Fifty Thousand) 12% Non-Cumulative Redeemable Preference Shares of ₹ 10/- (Rupees Ten Only) each on May 06, 2024

Further, the Company has issued 1,46,49,048 Equity Shares as Bonus Issue having Face Value of ₹ 10.00 each fully paid allotted on June 01, 2024, in the ratio of 9:1 i.e., 9 (Nine) Bonus Equity Shares for 1 (One) equity share held by the existing equity shareholders as on the record date i.e. May 17, 2024.

Further, the Company has issued and allotted 8,03,350 Equity Shares as preferential Issue on June 15, 2024 having Face Value of ₹ 10.00 each

Pursuant to the above issuances, the Paid-up Share Capital of the Company as on the date of this report stands at Rs. 17,08,00,700 comprising of 1,70,80,070 equity shares of Rs. 10 each.

**7. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR**

There is material changes in the financial position of the Company pursuant to the changes in the share capital of the Company since the end of the year ended March 31, 2024.

Also, the Company has been converted into public limited with effect from May 15, 2024.

Further, the Company has filed the Draft Red Herring Prospectus on the SME Platform of BSE Limited ("BSE SME") on July 11, 2024.

**8. STATUTORY AUDITORS:**

M/s. CNGSN ASSOCIATES LLP, Chartered Accountants based in Chennai, Tamil Nadu (Firm Registration No:004915S/S200036) has been appointed as Statutory and Peer Review Auditors of the Company vide the resolution passed by the Shareholders in their Extra



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Ordinary General meeting of the Company held on March 08, 2024 in the place of M/s. Narayanasamy Associates Chartered Accountants who tendered their resignation on February 17,2024. and they hold the office till the conclusion of this Annual General meeting and they are eligible to re appoint of further period of Five Years.

The Auditors of the Company are not disqualified and have confirmed that their appointments within the limits as prescribed under Section 139 of the Companies Act, 2013.

**9. AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT**

The statutory auditor's report and the secretarial auditor's report do not contain any qualifications, reservations, or adverse remarks or disclaimer.

The Secretarial audit report is separately attached to this report

**10. ACCEPTANCE OF DEPOSIT**

During the year under review, your Company has neither invited nor accepted any deposits from public in terms of Section 73 of the Companies Act, 2013 and consequently, no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2024.

**11. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND 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) Rules2014, is annexed herewith as "Annexure A".

**12. CORPORATE SOCIAL RESPONSIBILITY**

In terms of Section 135 and Schedule VII of the Companies Act 2013, the Board of Directors of the Company have formed a Corporate Social Responsibility (CSR) Committee. The CSR Committee of the Board have formulated necessary CSR policy which is available with the Company. The Company has been pursuing the CSR project and CSR Obligation.

The report on Corporate Social Responsibility (CSR) as prescribed under the Companies (Corporate Social Responsibility policy) 2014 is given in "Annexure E".

**13. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:**

As on date, the Company has two wholly owned subsidiary Company namely:

1. Subam Paper and Boards Private Limited and
2. SubamAgro Ventures Private Limited



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Further, as on date, the Company has two Associate Companies namely:

1. B.M.M. Paper Board Private Limited and
2. Saradhambika Paper and Board Mills Private Limited

The information as required under the first proviso to sub-Section (3) of Section 129 is given in Form AOC - 1 in "Annexure C".

**14. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- c. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. They have prepared the annual accounts on a going concern basis;
- e. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**15. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on date of this report, the Company has 5 (Five) Directors on the Board, 1 (One) as Managing Director, 1 (One) as Executive Director, 1 (One) as Non-Executive Directors (women director) and 2 (Two) as Independent Directors. The list of Directors is given below:

| S No. | Name of the Directors / KMPs          | Designation             |
|-------|---------------------------------------|-------------------------|
| 1     | Mr. T Balakumar                       | Managing Director       |
| 2     | Ms. Sudha Alagarsamy                  | Non-executive Director  |
| 3     | Mr. Ramasubbu Venkatesh               | Executive Director      |
| 4     | Mr. Chelladurai Gunasingh Prithiviraj | Independent Director    |
| 5     | Mr. Gurusamy Rathakrishna             | Independent Director    |
| 6     | Mr. Mohamed Nizar Jahir Hussain       | Chief Financial Officer |
| 7     | Mr. Poovalingam Nagarajan             | Company Secretary       |





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During the year, the following appointment and re-appointment, Change in Designation of Directors and Key Managerial personnel have taken place:

- a) Mr. Ramasubbu Venkatesh (DIN 00951835) who was a Non-executive Director has been appointed as Executive Director of the Company w.e.f. March 8, 2024.
- b) Ms. Sudha Alagarsamy (DIN: 01515113) has been re-designated as Non-Executive Director instead of Whole Time Director of the Company with effect from March 8, 2024.
- c) Mr. Chelladurai Gunasingh Prithiviraj (DIN: 00168538) and Mr. Gurusamy Rathakrishna (DIN: 01759564) have been appointed as Independent Directors of the Company with effect from March 23, 2024, for a period of 5 years. Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder.
- d) Mr. Mohamed Nizar Jahir Hussain has been appointed as the Chief Financial Officer of the Company with effect from March 08, 2024.
- e) Mr. Poovalingam Nagarajan has been appointed as the Company Secretary with effect from April 05, 2024.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any.

**16. DIRECTOR DISQUALIFICATION**

None of the directors of the Company is disqualified as per the provision of section 164(2) of the Companies Act, 2013 or any other law as may be applicable, as on March 31, 2024.

**17. MEETING OF BOARD OF DIRECTORS**

During the Financial Year 2023-24, the Company held Twenty meetings of the Board of Directors. All the meetings were convened and held in accordance with the proceedings of the Companies Act, 2013 and Secretarial Standard issued by ICSI institute of Company Secretaries of India). The time gap between any two meetings did not exceed 120 days.

The attendance of Directors to the Meetings of the Board is given below:

| Sr. No | Date of Meeting | Number of Directors on the Board | No. of Directors who attended the meeting |
|--------|-----------------|----------------------------------|---|
| 1      | 03/04/2023      | 5                                | 5   |
| 2      | 14/04/2023      | 5                                | 5   |
| 3      | 12/06/2023      | 5                                | 5   |
| 4      | 19/06/2023      | 5                                | 5   |
| 5      | 05/09/2023      | 5                                | 5   |
| 6      | 25/09/2023      | 5                                | 5   |
| 7      | 06/10/2023      | 5                                | 5   |



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|    |            |   |   |
|----|------------|---|---|
| 8  | 05/12/2023 | 5 | 5 |
| 9  | 11/12/2023 | 5 | 5 |
| 10 | 30/12/2023 | 5 | 5 |
| 11 | 02/01/2024 | 5 | 5 |
| 12 | 25/01/2024 | 5 | 5 |
| 13 | 03/02/2024 | 3 | 3 |
| 14 | 07/02/2024 | 3 | 3 |
| 15 | 12/02/2024 | 3 | 3 |
| 16 | 14/02/2024 | 3 | 3 |
| 17 | 23/02/2024 | 3 | 3 |
| 18 | 07/03/2024 | 3 | 3 |
| 19 | 22/03/2024 | 3 | 3 |

## **18. CORPORATE GOVERNANCE**

The Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealings with the stakeholders, emphasis on communication and transparent reporting. The Company has complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof.

The Corporate Governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this report, there are 5 (Five) Directors on the Board out of which one third are Independent Directors. The Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to the Board and constitution of Board level committees.

The Company would take all necessary steps to comply with all the requirements of the SEBI (LODR) Regulation, 2015 as and when made applicable.

## **19. COMMITTEES OF THE BOARD**

The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:

- a) Audit Committee
- b) Stakeholders' Relationship Committee
- c) Nomination and Remuneration Committee
- d) Corporate Social Responsibility Committee
- e) Internal Complaints Committee



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**Audit Committee**

Our Company has constituted an Audit Committee ("Audit Committee"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on May 17, 2024.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises the following 3 (Three) directors:

| Sr. No. | Name of Director                      | Status in Committee | Nature of Directorship |
|---------|---------------------------------------|---------------------|------------------------|
| 1       | Mr. Gurusamy Rathakrishna             | Chairman            | Independent Director   |
| 2       | Mr. Chelladurai Gunasingh Prithiviraj | Member              | Independent Director   |
| 3       | Mr. T Balakumar                       | Member              | Managing Director      |

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the SEBI (LODR) Regulation, 2015.

**Meetings of Audit Committee and Quorum**

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

**Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- a) To investigate any activity within its terms of reference;
- b) To seek information from any employee;
- c) To obtain outside legal or other professional advice; and
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of Audit Committee**

The role of the Audit Committee shall include the following:

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;



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- b) Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditor of the Company;
  - c) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
  - d) Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
  - e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013, as amended;
    - ii. Changes, if any, in accounting policies and practices and reasons for the same;
    - iii. Major accounting entries involving estimates based on the exercise of judgment by the management;
    - iv. Significant adjustments made in the financial statements arising out of audit findings;
    - v. Compliance with SEBI Listing Regulations and other legal requirements relating to financial statements;
    - vi. Disclosure of any related party transactions; and
    - vii. modified opinion(s) in the draft audit report.
  - f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
  - g) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - h) Approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;
  - i) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
  - j) Scrutinizing of inter-corporate loans and investments;
  - k) Valuing of undertakings or assets of the Company, wherever it is necessary;
  - l) Evaluating of internal financial controls and risk management systems;
  - m) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  - n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - o) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;



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- p) Discussing with internal auditors of any significant findings and follow up there on;
- q) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- r) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- t) Reviewing the functioning of the whistle blower mechanism;
- u) Approving the appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
- v) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.
- w) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- x) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Further, the Audit Committee shall mandatorily review the following information:

- a) management discussion and analysis of financial condition and results of operations;
- b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) internal audit reports relating to internal control weaknesses; and
- e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

**Stakeholders' Relationship Committee**

The Company has constituted a shareholder / investors grievance committee "Stakeholders' Relationship Committee" to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on May 17, 2024.



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The Stakeholders' Relationship Committee comprises:

| Sr. No. | Name of Director                     | Status in Committee | Nature of Directorship |
|---------|--------------------------------------|---------------------|------------------------|
| 1       | Mr. Chelladurai GunasinghPrithiviraj | Chairman            | Independent Director   |
| 2       | Mr. Gurusamy Rathakrishna            | Member              | Independent Director   |
| 3       | Ms. Sudha Alagarsamy                 | Member              | Non-executive Director |

The Company Secretary & Compliance Officer of the Company shall act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters pertaining to investors of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

**Meetings**

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the Annual general meetings to answer queries of the security holders.

**Role of the Stakeholders' Relationship Committee**

The Committee shall consider and resolve grievances of security holders, including but not limited to:

- a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- b) Review of measures taken for effective exercise of voting rights by shareholders.
- c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**Nomination and Remuneration Committee**

The Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on May 17, 2024.

The Nomination and Remuneration Committee comprises the following Directors:

| Sr. No. | Name of Director                     | Status in Committee | Nature of Directorship |
|---------|--------------------------------------|---------------------|------------------------|
| 1       | Mr. Gurusamy Rathakrishna            | Chairman            | Independent Director   |
| 2       | Mr. Chelladurai GunasinghPrithiviraj | Member              | Independent Director   |
| 3       | Ms. Sudha Alagarsamy                 | Member              | Non-Executive Director |



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The Company Secretary & Compliance Officer of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

**Meetings**

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

**Role of the Nomination and Remuneration Committee not limited to but includes:**

- a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b) Formulating of criteria for evaluation of performance of independent Directors and the Board;
- c) Devising a policy on Board diversity;
- d) Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;
- e) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.;
- f) Recommend to the board, all remuneration, in whatever form, payable to senior management.

**Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee shall formulate and recommend a CSR policy to the Board, the Company has re-constituted a Corporate Social Responsibility Committee pursuant to resolution of the Board of Directors dated May 17, 2024. The Corporate Social Responsibility Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company, monitor the CSR policy of the Company from time to time and establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company as per the requirements of the Companies Act, 2013, Listing Agreement and SEBI LODR for Corporate Governance.

The Corporate Social Responsibility Committee comprises the following members:

| Sr. No. | Name of Director          | Status in Committee | Nature of Directorship |
|---------|---------------------------|---------------------|------------------------|
| 1       | Mr. Gurusamy Rathakrishna | Chairman            | Independent Director   |
| 2       | Mr. T Balakumar           | Member              | Managing Director      |
| 3       | Mr. Ramasubbu Venkatesh   | Member              | Executive Director     |



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*Role of the Corporate Social Responsibility Committee not limited to but includes:*

The Company Secretary & Compliance Officer of the Company shall act as the secretary to the Corporate Social Responsibility Committee.

The CSR Committee shall –

- a) Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company in areas or subject, specified in Schedule VII;
- b) Recommend the amount of expenditure to be incurred on the activities; and
- c) Monitor the Policy of the company from time to time.

At the Company, the Managing Director takes on the role of the mentor, while the onus for the successful and time bound implementation of the CSR activities / projects is on the HR Head and CSR teams.

**Internal Complaints Committee**

An Internal Complaints Committee is constituted for the Company by the Board to look into the matters concerning sexual harassment pursuant to resolution of the Board of Directors dated May 17, 2024. The Internal Complaints consists of the following members.

| Sr. No. | Name                | Status in Committee | Gender |
|---------|---------------------|---------------------|--------|
| 1.      | Ms. M. Esakkiammal  | Presiding officer   | Female |
| 2.      | Ms. S. Priya        | Member              | Female |
| 3.      | Mr. Ayyappan        | Member              | Male   |
| 4.      | Ms. M. Subbalakshmi | Member (External)   | Female |

During the financial year 2023-24, your Company has not received any complaints pertaining to sexual harassment.

The Company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013.

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

The particulars of loans, investments and guarantees for FY 2023-24 have been provided in the notes to the Financial Statements of the Company.

**21. 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.

**22. 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 March 31, 2024 in the prescribed format-AOC2 has been enclosed with the report as “Annexure D”.





**SUBAM PAPERS LIMITED**  
**((PREVIOUSLY KNOWN AS SUBAM PAPERS PRIVATE LIMITED))**

CIN NO : U21012TN2004PLC054403, GSTIN:33AAIC5376E1ZA

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Tirunelveli Taluk, Tirunelveli - 627 010, Tamil Nadu, India.

Contact No: 9489926130 E-mail ID: finance@Subampapers.com,

Website: www.Subam papers.com

**23. DISCLOSURE ABOUT COST AUDIT AND COST RECORDS:**

As per the provisions of section 148 of the Companies Act, 2013 read with the Cost Audit Orders, Cost Audit is not applicable to the Company's products/ business for the current financial year.

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.

**24. RISK MANAGEMENT**

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.

**25. EXTRACT OF THE ANNUAL RETURN**

In accordance with Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 ('the Act'), the annual return in Form MGT-7 is placed on the website of the Company and is available at [www.subampapers.com](http://www.subampapers.com)

**26. DISCLOSURE ON ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company believes in the conduct of the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company has implemented a vigil mechanism to provide a framework for the Company's employees and Directors to promote responsible and secure whistle blowing.

The Company has established a Board approved policy on whistle blowing and separate email addresses are designated wherein the employees, or the stakeholders can report the matters falling under the purview of Vigil Mechanism. There was no complaints received under this category during the Financial Year ended March 31, 2024.

**27. COMPLIANCE WITH THE SECRETARIAL STANDARDS**

The Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

**28. 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.



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**29. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

**30. DETAILS OF ANY PROCEEDINGS UNDER INSOLVENCY BANKRUPTCY CODE 2016**

The Company has not filed any application or has any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

**31. 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.

**32. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF) during the financial year.

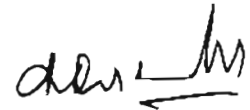
**33. ACKNOWLEDGEMENT**

Your directors take this opportunity to place on record their sincere thanks to Bank 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.

**By Order of the Board  
For Subam Papers Limited**



**Managing Director  
T Balakumar  
DIN: 00440500**



**Director  
Ramasubbu Venkatesh  
DIN:00951835**

**Dated: 11/07/2024**

**Place: Tirunelveli, Tamil Nadu**

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**ANNEXURE A****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS OUTGO****Details of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as under:**

| Particulars   |  |
|---|--|
| <b>a) Conservation of Energy:</b>   | 1.Power capacitors are provided to ensure saving in energy.<br>2.All the key machinery parts are properly maintained/ replaced on a regular basis to improve the productivity and reduce the power consumption.<br>3. As part of maintenance of the system in place, energy consumption is also closely monitored. |
| <b>Steps taken for utilizing alternate sources of energy</b>  | As a measure of utilizing alternate source of energy, the company has installed two windmills with a capacity of 1.700 MWH and 14MWH Solar Power plant to harness solar energy.  |
| <b>Capital investment on energy conservation Equipment</b>  | Investment in wind mill Rs.1043.15 lakhs and Solar plant is Rs.4778.54 lakhs as on 31st March 2024.  |
| <b>b) Technology Absorption:</b>  |  |
| Efforts made for technology absorption  | NIL  |
| Benefits derived  |  |
| Expenditure on Research & Development, if any Details of technology imported, if any year of import.                  | NIL  |
| Whether imported technology fully absorbed. Areas where absorption of imported technology has not taken place if any. | NIL  |
| <b>c)Foreign Exchange Earnings/ Outgo Earnings Sale of Goods (Net of Exchange Difference)</b>                         | Rs. 3040.10 Lakhs  |
| <b>Outgo</b>  |  |
| <b>Import of Capital Goods</b>  | Rs. 184.08 Lakhs   |
| <b>Import of raw materials</b>  | Rs. 11,711.84 Lakhs  |
| <b>Import of Spares</b>   | Rs. 18.19 Lakhs  |
| <b>Selling commission</b>   | Rs. 12.93 Lakhs  |



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**ANNEXURE –B**

**Form AOC-1**

*(Pursuant to first proviso to sub-section (3) of section 129 read with  
Rule 5 of Companies (Accounts) Rules, 2014)*

**Statement containing salient features of the financial statement of subsidiaries/associate  
companies/joint ventures**

**Part A: Subsidiaries**

*(INR Lakhs)*

| S. No. | Particulars   | Details                                |                                     |
|--------|---|--|-------------------------------------|
| 1.     | Name of the subsidiary  | Subam Paper and Boards Private Limited | Subam Agro Ventures Private Limited |
| 2.     | Date since when subsidiary was incorporated/acquired  | 07/08/2020                             | 04/02/2024                          |
| 3.     | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | 31/03/2024                             | 31/03/2024                          |
| 4.     | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Not Applicable                         | Not Applicable                      |
| 5.     | Share capital   | 820.00                                 | 5.00                                |
| 6.     | Reserves & surplus  | 8.83                                   | (6.05)                              |
| 7.     | Total assets  | 13422.99                               | 58.53                               |
| 8.     | Total Liabilities   | 13422.99                               | 58.53                               |
| 9.     | Investments   | 0.00                                   | 43.10                               |
| 10.    | Turnover  | 7427.53                                | 1.75                                |
| 11.    | Profit / (Loss) before taxation   | 130.08                                 | (92.08)                             |
| 12.    | Provision for taxation  | 112.95                                 | (10.92)                             |
| 13.    | Profit / (Loss) after taxation  | 17.13                                  | (81.16)                             |
| 14.    | Proposed Dividend   | 0.00                                   | 0.00                                |
| 15.    | Extent of Shareholding  | 100%                                   | 100%                                |

Names of subsidiaries which are yet to commence operations. - Nil

Names of subsidiaries which have been liquidated or sold during the year – **Not Applicable**



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**Part B: Associates and Joint Ventures**


**Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(Rs in Lakhs)

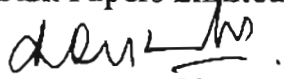
| Name of Associates/Joint Ventures   | B.M.M.PAPER BOARD PRIVATE LIMITED | SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED |
|---|-----------------------------------|--|
| 1. Latest audited Balance Sheet Date  | 31/03/2024                        | 31/03/2024   |
| 2. Date on which the Associate or Joint Venture was associated or acquired    | 20/05/2010                        | 12/06/2019   |
| 3. Shares of Associate/Joint Ventures held by the company on the year end     |                                   |  |
| No. of shares   | 60000                             | 47250  |
| Amount of Investment in Associates/Joint Venture                              | 6.00 Lakhs                        | 240.05 Lakhs                                       |
| Extent of Holding%  | 28.57%                            | 28.13%   |
| 4. Description of how there is significant influence                          |                                   |  |
| 5. Reason why the associate/joint venture is not consolidated                 |                                   |  |
| 6. Net worth attributable to shareholding as per latest audited Balance Sheet | 2323.63 Lakhs                     | 1899.67 Lakhs                                      |
| 7. Profit/Loss for the year   | 53.89 Lakhs                       | 84.26 Lakhs  |
| i. Considered in Consolidation  |                                   |  |
| ii. Not Considered in Consolidation   |                                   |  |

1. Names of associates or joint ventures which are yet to commence operations – **Not applicable**

2. Names of associates or joint ventures which have been liquidated or sold during the year – **Not applicable**

  
Managing Director  
T Balakumar  
DIN: 00440500



By Order of the Board  
For Subam Papers Limited  
  
Director  
Ramasubbu Venkatesh  
DIN:00951835

Dated: 11/07/2024

Place: Tirunelveli, Tamil Nadu

**SUBAM PAPERS LIMITED**  
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**Annexure C**

**Form No. AOC -2**

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

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain Arm's Length Transactions under third provision thereto.**

a) Details of contracts or arrangements or transactions not at arm's length basis:

| Name(s) of the related party and nature of relationship | Nature of contracts/arrangements / transaction | Duration of the contracts/arrangements/transactions | Justification for entering into such contracts or arrangements or transactions | Date of Approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in General Meeting as required under first proviso to Section 188 |
|---|--|---|--|-------------------------------|---------------------------------|---|
| NIL   |  |   |  |                               |                                 |   |

b) Details of material contracts or arrangement or transactions at arm's length basis:



## SUBAM PAPERS LIMITED

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| Name(s) of the related party and nature of relationship       | Nature of contracts/arrangements/transactions | Duration of the Contracts/Arrangements/Transaction | Salient terms of the contracts or arrangements or transactions including the value, if any (Amount in INR lakhs) | Date of Approval by the Board | Amount paid as advances, if any |
|---|---|--|--|-------------------------------|---------------------------------|
| Subam Paper and Boards Private Limited (Interested Directors) | Sale  | On going   | 2,272.17 Lakhs   | N.A.                          | NIL                             |
| Subam Paper and Boards Private Limited (Interested Directors) | Purchase                                      | On Going   | 605.79 Lakhs   | N.A.                          | 3,140.43 Lakhs                  |
| Subam Paper and Boards Private Limited (Interested Directors) | Interest received                             | On Going   | 316.64 Lakhs   | N.A.                          |                                 |
| Subam Agro Ventures Private Limited                           | Lease Rent paid                               | On Going   | 1.61 Lakhs   | N.A.                          |                                 |
| Saradhambika Paper and Board Mills Private Limited            | Sale  | On Going   | 53.08 Lakhs  | N.A.                          |                                 |



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| <b>Name(s) of the related party and nature of relationship</b> | <b>Nature of contracts/arrangements/transactions</b> | <b>Duration of the Contracts/Arrangements/Transaction</b> | <b>Salient terms of the contracts or arrangements or transactions including the value, if any (Amount in INR lakhs)</b> | <b>Date of Approval by the Board</b> | <b>Amount paid as advances, if any</b> |
|--|--|---|---|--------------------------------------|--|
| Saradhambika Paper and Board Mills Private Limited             | Purchase   | On Going  | 135.03 Lakhs  | N.A.                                 |  |
| Saradhambika Paper and Board Mills Private Limited             | Technical Fees Received                              | On Going  | 240.00 Lakhs  | N.A.                                 |  |
| Mayura Packaging Private Limited                               | Sale   | On Going  | 2,770.40 Lakhs  | N.A.                                 |  |
| Mayura Packaging Private Limited                               | Purchase   | On Going  | 649.54 Lakhs  | N.A.                                 |  |
| Mayura Packaging Private Limited                               | Interest received                                    | On Going  | 16.79 Lakhs   | N.A.                                 |  |
| BMM Transport  | Freight Charges Paid                                 | On Going  | 73.49 Lakhs   | N.A.                                 |  |





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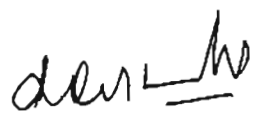
Website: www.Subam papers.com

| Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Duration of the Contracts/Arrangements/ Transaction | Salient terms of the contracts or arrangements or transactions including the value, if any (Amount in INR lakhs) | Date of Approval by the Board | Amount paid as advances, if any |
|---|---|---|--|-------------------------------|---------------------------------|
| Unicone   | Asset purchase                                  | One Time  | 1.50 Lakhs   | N.A.                          |                                 |
| Unicone   | Lease Rent paid                                 | On Going  | 116.67 Lakhs   | N.A.                          |                                 |
| Unicone   | Power charges paid                              | On Going  | 207.94 Lakhs   | N.A.                          |                                 |

By Order of the Board  
For Subam Papers Limited

  
Managing Director  
T Balakumar  
DIN: 00440500



  
Director  
Ramasubbu Venkatesh  
DIN:00951835

Dated: 11/07/2024

Place: Tirunelveli, Tamil Nadu

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**Annexure D**

**Annual Report on Corporate Social Responsibilities (CSR) Activities**

**1. Brief outline on CSR Policy of the Company:**

Subam Papers Limited recognizes that integrating social, environmental and ethical responsibilities into the governance of businesses ensures the long-term success, competitiveness and sustainability.

Further, CSR makes business sense as companies with effective CSR, have image of socially responsible companies, achieve sustainable growth in their operations in the long run and their products and services are preferred by the customers.

The main objective of CSR policy is to make CSR a key business process for sustainable development of society. Subam Papers Limited will act as a good corporate citizen and aims at supplementing the role of Government in enhancing the welfare measures of the society within the framework of its policy.

**2. Composition of CSR Committee:**

| SL NO | Name of Director Designation Nature of Directorship | Number of meetings of CSR Committee held during the Year | Number of meetings of CSR attended during the Year |
|-------|---|--|--|
| 1     | Mr. Ramasubbu Venkatesh                             | 3  | 3  |
| 2     | Ms. Sudha Alagarasamy                               | 3  | 3  |
| 3     | Ms. Madhumitha Balakumar                            | 3  | 3  |

3. Provide the web-link (s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company. **NA**

4. Provided the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. **-Not Applicable**

5. (a) Average net profit of the company as per sub-section (5) of section 135.

**INR= 27,81,35,421**

(b) Two percent of average net profit of the company as per sub-section (5) of section 135.

**INR = 55,62,708**

(c) surplus arising out of the CSR projects of programmes or activities of the previous financial years. **NIL**

(d) Amount required to be set-off for the financial year, if any **-NIL**

(e) Total CSR obligation for the financial year [(b)+(c) -(d)] = **INR - 55,62,708**

6. (a) Amount spent on CSR projects (both ongoing project and other than ongoing project)

**INR -61,23,097**



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- (b) Amount spent in Administrative overheads. **NIL**  
(c) Amount spent on Impact Assessment, if applicable. - **NIL**  
(d) Total amount spent for the Financial Year [(a)+(b) +(c)] = **INR 61,23,097**  
(e) CSR amount spent or unspent for the Financial Year:

| Amount Unspent (in RS.) NIL                        |  |                   |  |      |
|--|--|-------------------|--|------|
| Total Amount spent for the Financial Year (in Rs.) | Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135. |                   | Amount transferred to any fund spec schedule VII as per second provision to on (5) of section 135. |      |
|  | Amount   | Date of transfer. | Name of the Fund   | Date |
| 61,23,097  | NA   | NA                | NIL  | NA   |

- (f) Excess amount for set-off, if any:

| SL No. | Particulars   | Amount (in Rs.)     |
|--------|---|---------------------|
| (1)    | (2)   | (3)                 |
| (i)    | Two percent of average net profit of the company as per sub-section (5) of section 135  | 55,62,708.00        |
| (ii)   | Total amount spent for the Financial Year   | 61,23,097.00        |
| (iii)  | Excess amount spent for the Financial Year [(ii)-(i)]   | 5,60,389.00         |
| (iv)   | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any <b>For FY 2022-23</b> | 57,55,825.00        |
| (v)    | Amount available for set off in succeeding Financial Years [(iii)-(iv)]   | <b>63,16,214.00</b> |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:



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| SL NO | Preceding Financial year(s) | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in RS.) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in RS.) | Amount spent in the financial year (in RS.) | Amount transferred Amount to a Fund as specified under Schedule VII as per second provision to sub-section (5) of section 135, if any |                  | Amount remaining to be spent in succeeding Financial Years (in RS.) | Deficiency, if any |
|-------|-----------------------------|---|---|---|---|------------------|---|--------------------|
|       |                             |   |   |   | Amount (in Rs.)   | Date of Transfer |   |                    |
| 1     | FY 2020-21                  | Nil   | Nil   | Nil   | Nil   | N.A.             | Nil   |                    |
| 2     | FY 2021-22                  | 28,39,197   | Nil   | Nil   | Nil   | N.A.             | Nil   |                    |
| 3     | FY 2022-23                  | Nil   | Nil   |   | Nil   | N.A.             | Nil   |                    |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

If Yes, enter the number of Capital assets created /acquired.

Furnish the details relating to such assets(s) so created or acquired through Corporate social Responsibility amount spent in the Financial Year:

| SL No | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincod e of the property or asset(s) | Date of creation | Amou nt of CSR amount spent | Details of entity/Authority/benefi ciary of the registered owner |      |                     |
|-------|---|--------------------------------------|------------------|-----------------------------|--|------|---------------------|
| (1)   | (2)   | (3)                                  | (4)              | (5)                         | (6)  |      |                     |
|       |   |                                      |                  |                             | CSR Registration Number, if applicable                           | Name | Register ed address |
|       |   |                                      |                  |                             |  |      |                     |



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(All the fields should be captured as appearing in the revenue record, Flat No, House No, Municipal Office/Municipal Corporation/Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

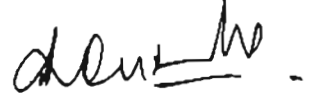
9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per sub-section (5) of section 135.

**Not Applicable**

**By Order of the Board  
For Subam Papers Limited**



**Managing Director  
T Balakumar  
DIN: 00440500**



**Director  
Ramasubbu Venkatesh  
DIN:00951835**

**Dated: 11/07/2024**

**Place: Tirunelveli, Tamil Nadu**

# JOHN O. & ASSOCIATES

Company Secretarial Auditors

**Dr. J. John Ohilvi**, M.Com., L.L.B., FCS., Ph.D., IP, RV  
Company Secretary, Insolvency Professional,  
Registered Valuer, Forensic Auditor & Social Auditor

3/95A, East of Medical College,  
Asaripallam - 629201,  
Nagercoil, Tamil Nadu.  
Cell: 098421-34891, 095788-08888  
Ph: 04652-234289  
E-mail: johnohilvi@yahoo.co.in  
Website: www.johnohilvi.com

Date: .....

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2024

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

To,

**THE MEMBERS,**  
M/s. SUBAM PAPERS LIMITED  
TIRUNELVELI.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. SUBAM PAPERS LIMITED (U21012TN2004PLC054403)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion there on.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,

We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 complied with the statutory provisions listed here under and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:



We have examined the books, papers, minute books, forms and returns filed and other records maintained by SUBAM PAPERS LIMITED for the financial year ended on 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 2013 ('SCRA') and the rules made there under; **Not Applicable to the Audit period.**
- (iii) The Depositories Act, 2013 and the Regulations and Bye-laws framed thereunder; **Not Applicable to the Audit period.**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable to the Audit period.**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not Applicable to the Audit period.**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable to the Audit period.**
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable to the Audit period.**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable to the Audit period.**
  - (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable to the Audit period.**
- (vi) All relevant laws applicable to the company as provided by the Management hereunder.



#### **A. Industrial and Labour Laws**

1. The Contract Labour (Regulation and Abolition) Act, 1970
2. The Employees Provident Funds and Miscellaneous Provisions Act, 1952
3. The Equal Remuneration Act, 1976
4. The Minimum Wages Act, 1948
5. The Payment of Bonus Act, 1965
6. The Payment of Gratuity Act, 1972
7. The Payment of Wages Act, 1936

#### **B. ENVIRONMENTAL RELATED**

1. Air (Prevention and Control of Pollution) Act, 1981
2. Water (Prevention and Control of Pollution) Act, 1974
3. Hazardous Waste (Management & Handling) Rules, 1989
4. Environment (Protection) Act, 1986

#### **C. INSURANCE**

Public Liabilities Insurance Act

#### **D. MOVEMENT RELATED**

The Indian Port Act, 1909 and Major Port Act, 1960

#### **E. BRANCH OFFICE RELATED**

Shops and Establishment Act

#### **F. APPLICABLE LOCAL / MUNICIPAL LAW**

We have also examined compliance with the applicable clauses of the following

(i) Secretarial Standards

The secretarial standards issued and notified by the Institute of Company Secretaries of India, the SS I and SS 2 are not applicable from the year under review and the company has generally followed the Secretarial Standards as prescribed and other standards were optional therefore we have not commented on the said compliances.

- (ii) The company is not a listed company and therefore no Listing Agreement was entered into by the Company with any of the Stock Exchanges.





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

We further report that:-

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. There is no change in the composition of the Board of Directors taken place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried out through, as there are no dissenting members' view. These are captured and recorded as part of the minutes.

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

We further report that during the audit period the company there were no specific events/actions such as Public Issue of Securities, redemption, buy back, merger, amalgamation, foreign technical collaborations etc., or any other major decisions in pursuance of section 180 of the Companies Act, 2013 which require compliance of applicable provisions thereof.

Place: Nagercoil

Date: 17/07/2024

(UDIN: F004513F000761500)



  
JOHN OHILVI

FCS: 4513 /CP: 4010

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

**ANNEXURE - I**

To

**THE MEMBERS**  
M/s.SUBAM PAPERS LIMITED  
TIRUNELVELI.

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

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

Place: Nagercoil

Date: 17/07/2024



*John Ohilvi*  
**JOHN OHILVI**  
FCS: 4513 /CP: 4010  
Company Secretary

Anand Seethakathi Business Centre, 2<sup>nd</sup> Floor, No. 684-690

Anna Salai, Thousand Lights, Chennai - 600 006, India.

Tel : +91 - 44 - 4554 1480 / 81 / 82

Web : www.cngsn.com ; Email : info@cngsn.com

## INDEPENDENT AUDITORS' REPORT

To the Members of Subam Papers Limited

Report on the audit of the Consolidated Financial Statements

### Opinion

1. We have audited the accompanying consolidated financial statements of **Subam Papers Limited** ("the Holding Company" its subsidiaries and associates together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2024, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended ("AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2024 and the consolidated profit, and the consolidated cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.



**Information other than the Consolidated Financial Statements and Auditor's Report thereon**

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

**Other matters**

8. We did not audit the financial statements / financial information of two associate companies included in the Consolidated financial statements, whose financial statements / financial information reflect total assets of INR 5592.99 lakhs and Net assets of INR 4223.3 Lakhs as at March 31, 2024, total revenues of INR 4978.75 Lakhs and Total profit of INR 138.15 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements/ financial information also includes the Holding Company's share of net profit of INR 39.10 lakhs for the year ended March 31, 2024, as considered in the consolidated financial statements, in respect of the associate companies, whose financial statements / financial information have not been audited by us. This financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these companies and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors
9. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

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



11. In preparing the consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the Group and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.
12. The respective Board of Directors of the Group including the Holding Company and its subsidiary Company are responsible for overseeing the financial reporting process of the Holding Company and its subsidiary Company.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

13. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
14. 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 consolidated 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its Subsidiaries to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its Subsidiaries to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

15. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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

17. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (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, except that the reporting under Rule 11(g) is separately commented upon in paragraph (i)(vi) below.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of written representations received from the directors of the Holding Company as at March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as at March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.



- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11 (g);
- (g) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A' which is based on the auditors' reports of the Holding Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- (h) With respect to other matters to be included in Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – refer Note 27 to the Consolidated financial statements.
- (ii) The Group did not have long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2024.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended March 31, 2024.
- (iv) (a) The respective Managements of the Holding Company, its subsidiaries and associate companies which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, 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.



(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

(v) There is no dividend declared or paid during the year by the Group. Hence, reporting of compliance with section 123 of the Companies Act, 2013 does not arise.

(vi) Based on our examinations which include test checks performed by us on the Holding Company, the Holding company has accounting software's for maintaining their books of accounts for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of audit, we have not come across any instances of the audit trail feature being tampered.

We did not audit the financial statements / financial information of two associate companies included in the Consolidated financial statements. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) of the Act, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 in so far as it relates to the aforesaid Subsidiary, is based solely on the reports of the other auditors.

As Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable with effect from April 1, 2023 to the Company and its subsidiaries, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per Statutory requirements is not applicable for the financial year ended March 31, 2024.

18. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and its subsidiaries included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For M/s CNGSN & Associates LLP**

Chartered Accountant

FRN: 04915S/S200036

*E.K. Srivatsan*

**E.K. Srivatsan**

Partner

M. No.: 225064



Place: Chennai

Date: 01.07.2024

UDIN: 24225064BKeswP2026



## Annexure A to Independent Auditors' Report

Referred to in paragraph 17(f) of the Independent Auditors' Report of even date to the Members of Subam Papers Limited on the Consolidated Financial Statements for the year ended March 31, 2024

Page 1 of 2

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

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to financial statements of Subam Papers Limited (hereinafter referred to as "the Holding Company") as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to the subsidiary companies incorporated in India pursuant to MCA notification GSR 583(E) dated 13 June 2017.

### Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control 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.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

8. In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Holding 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 CNGSN & Associates LLP

Chartered Accountant  
FRN: 04915S/S200036

*E.K. Srivatsan*

**E.K.Srivatsan**  
Partner  
M. No.: 225064



Place: Chennai  
Date: 01.07.2024

UDIN: *24 225 064 BKCSWP 2026*

**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Consolidated Balance Sheet as at March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------|-------------------------|-------------------------|
| <b>EQUITY AND LIABILITIES</b>                       |       |                         |                         |
| <b>Shareholders' Funds</b>                          |       |                         |                         |
| Share Capital                                       | 3     | 162.77                  | 162.77                  |
| Reserves and Surplus                                | 4     | 19,801.98               | 16,937.06               |
| <b>Total</b>  |       | <b>19,964.75</b>        | <b>17,099.83</b>        |
| <b>Minority Interest</b>                            |       | <b>1.00</b>             | <b>0.99</b>             |
| <b>Non-current liabilities</b>                      |       |                         |                         |
| Long-term Borrowings                                | 5     | 8,762.72                | 9,845.90                |
| Deferred Tax Liabilities (Net)                      | 6     | 1,139.92                | 737.48                  |
| Long-term Provisions                                | 7     | 154.18                  | 101.98                  |
| <b>Total</b>  |       | <b>10,056.82</b>        | <b>10,685.36</b>        |
| <b>Current liabilities</b>                          |       |                         |                         |
| Short-term Borrowings                               | 8     | 9,578.48                | 6,436.71                |
| Trade Payables                                      | 9     |                         |                         |
| - Due to Micro and Small Enterprises                |       | 123.79                  | 179.40                  |
| - Due to Others                                     |       | 4,940.11                | 6,664.71                |
| Short-term Provisions                               | 7     | 89.24                   | 66.51                   |
| Other Current Liabilities                           | 10    | 1,320.77                | 863.44                  |
| <b>Total</b>  |       | <b>16,052.39</b>        | <b>14,210.77</b>        |
| <b>Total Equity and Liabilities</b>                 |       | <b>46,074.96</b>        | <b>41,996.95</b>        |
| <b>ASSETS</b>                                       |       |                         |                         |
| <b>Non-current assets</b>                           |       |                         |                         |
| Property, Plant and Equipment and Intangible Assets | 11    |                         |                         |
| -Property, Plant and Equipment                      |       | 22,402.41               | 21,710.42               |
| -Intangible Assets                                  |       | -                       | -                       |
| -Capital Work-in-progress                           |       | 2,197.75                | 13.64                   |
| -Intangible Assets under Development                |       | -                       | -                       |
| -Goodwill on Consolidation                          |       | 370.70                  | 370.70                  |
| Non-current Investments                             | 12    | 1,047.86                | 1,052.16                |
| Long-term Loans and Advances                        | 13    | 422.02                  | 975.21                  |
| <b>Total</b>  |       | <b>26,440.74</b>        | <b>24,122.13</b>        |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Consolidated Balance Sheet as at March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|                               | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------|-------|-------------------------|-------------------------|
| <b>Current assets</b>         |       |                         |                         |
| Inventories                   | 14    | 5,733.30                | 4,221.20                |
| Cash and cash equivalents     | 15    | 1,093.06                | 762.01                  |
| Short-term Loans and Advances | 16    | 1,360.47                | 3,200.76                |
| Trade Receivables             | 17    | 11,104.99               | 9,685.01                |
| Other Current Assets          | 18    | 342.40                  | 5.84                    |
|                               |       | <u>19,634.22</u>        | <u>17,874.82</u>        |
| <b>Total Assets</b>           |       | <u>46,074.96</u>        | <u>41,996.95</u>        |

Significant accounting policies & Notes to accounts 1 & 2

The notes referred to above form an integral part of the financial statements

As per our report of even date  
for **CNGSN & Associates LLP**  
Chartered Accountants  
Firm Registration No. 04915S/S200036

For and on behalf of the Board of Directors of  
**Subam Papers Limited**  
[CIN: U21012TN2004PLC054403]

*F.K. Srivatsan*

**E-K Srivatsan**  
Partner  
Membership No. 225064

*T Balakumar*

**T Balakumar**  
Managing Director  
DIN: 00440500

*A Sudha*

**A Sudha**  
Director  
DIN: 01515113

*M. Jahir Hussain*  
**M Jahir Hussain**  
Chief Financial Officer

*S. Nagarajan P*  
**Nagarajan P**  
Company Secretary

Place: Chennai  
Date: 01/07/2024

Place: Tirunelveli  
Date: 01/07/2024



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Consolidated Statement of Profit and Loss for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | Notes | For the period ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|-------|--|--------------------------------------|
| <b>INCOME</b>  |       |  |                                      |
| Revenue from Operations                                      | 19    | 49,386.46                              | 50,826.89                            |
| Other Income   | 20    | 341.68                                 | 211.88                               |
| <b>Total Income</b>  |       | <b>49,728.14</b>                       | <b>51,038.77</b>                     |
| <b>Expenses</b>  |       |  |                                      |
| Cost of Material Consumed                                    | 21    | 37,281.98                              | 43,126.37                            |
| Change in Inventories of work in progress and finished goods | 22    | 183.91                                 | (298.61)                             |
| Employee Benefit Expenses                                    | 23    | 2,120.60                               | 2,136.81                             |
| Finance Costs  | 24    | 1,767.51                               | 1,414.53                             |
| Depreciation and Amortization Expenses                       | 11    | 1,296.72                               | 1,540.61                             |
| Other Expenses   | 25    | 3,085.65                               | 2,508.82                             |
| <b>Total expenses</b>  |       | <b>45,736.37</b>                       | <b>50,428.53</b>                     |
| <b>Profit/(Loss) before Extraordinary item and Tax</b>       |       | <b>3,991.77</b>                        | <b>610.24</b>                        |
| Prior period item  |       | (95.30)                                | 3.34                                 |
| <b>Profit/(Loss) before Tax</b>                              |       | <b>3,896.48</b>                        | <b>613.58</b>                        |
| Tax Expenses   |       |  |                                      |
| -Current Tax   |       | 668.22                                 | -                                    |
| -Deferred Tax  |       | 402.44                                 | 515.10                               |
|  |       | 1,070.66                               | 515.10                               |
| <b>Profit/(Loss) for the year</b>                            |       | <b>2,825.81</b>                        | <b>98.48</b>                         |
| Share of profit/(loss) of Associate Companies                |       | 39.10                                  | 41.74                                |
| Add/(Less): Minority Interest's share in profit/(loss)       |       | 0.01                                   | (0.18)                               |
| <b>Profit/(Loss) for the year</b>                            |       | <b>2,864.92</b>                        | <b>140.04</b>                        |

Earnings Per Share (Face Value per Share Rs.10 each)

-Basic (In Rs)

-Diluted (In Rs)

Significant accounting policies &amp; Notes to accounts

I &amp; 2

The notes referred to above form an integral part of the financial statements

As per our report of even date  
for CNGSN & Associates LLP

Chartered Accountants

Firm Registration No. 04915S/S200036

For and on behalf of the Board of Directors of  
Subam Papers Limited

[CIN: U21012TN2004PLC054403]

E.K. Srivatsan

Partner

Membership No. 225064

T. Balakumar

Managing Director

DIN: 00440500

A. Sudha

Director

DIN: 01515113

M. Jahir Hussain

Chief Financial Officer

D. Nagarajan

Company Secretary

Place: Chennai

Date: 01/07/2024

Place: Tirunelveli

Date: 01/07/2024



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

**Statement of Consolidated Cash Flows for the year ended March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | For the Year ended<br>March 31, 2024 | For the Year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Cash Flows from Operating Activities (A)</b>                           |                                      |                                      |
| Net Profit before Taxation and Extraordinary Items                        | 3,935.58                             | 655.38                               |
| Adjustment For Non-cash and Non-operating Items                           |                                      |                                      |
| Depreciation  | 1,296.72                             | 1,540.61                             |
| Finance Costs   | 1,767.51                             | 1,944.40                             |
| Interest Income   | (332.93)                             |                                      |
| <b>Operating Profit before working capital changes</b>                    | <b>6,666.88</b>                      | <b>4,140.39</b>                      |
| Working Capital Changes   |                                      |                                      |
| Increase/(decrease) in Trade Payables                                     | (1,780.20)                           | 1,452.99                             |
| Increase/(decrease) in Provisions   | 74.93                                | (693.60)                             |
| Increase/(decrease) in Other Current Liabilities                          | 457.33                               | 71.68                                |
| (Increase)/decrease in Loans and Advances                                 | 2,393.48                             | 501.54                               |
| (Increase)/decrease in Trade Receivables                                  | (1,419.98)                           | (640.48)                             |
| (Increase)/decrease in Inventories  | (1,512.10)                           | 1,424.01                             |
| (Increase)/decrease in Other Assets                                       | (336.56)                             |                                      |
| (Increase)/decrease in Other Current Assets                               | 4.30                                 | 19.62                                |
| (Increase)/decrease in Other Non Current Assets                           | -                                    | 522.47                               |
| <b>Cash Generated from Operations</b>                                     | <b>4,548.07</b>                      | <b>6,798.62</b>                      |
| Direct Taxes Paid   | (698.30)                             | -                                    |
| <b>Net Cash Flow from/(used in) Operating Activities</b>                  | <b>3,849.77</b>                      | <b>6,798.62</b>                      |
| <b>Cash Flows from Investing Activities (B)</b>                           |                                      |                                      |
| Payment towards capital expenditure                                       | (4,172.82)                           | (6,584.77)                           |
| Sale of Property, Plant and Equipment                                     | 30.08                                | 0.81                                 |
| Purchase of investment in equity shares                                   | -                                    | (38.09)                              |
| Proceeds from Loans and advances  | 332.93                               | 1,033.78                             |
| <b>Net Cash Flow from/(used in) Investing Activities</b>                  | <b>(3,809.81)</b>                    | <b>(5,588.27)</b>                    |
| <b>Cash Flows from Financing Activities (C)</b>                           |                                      |                                      |
| Interest Cost   | (1,767.51)                           | (1,944.40)                           |
| Loans availed from/(repaid) to Bank                                       | 2,058.60                             | 709.24                               |
| Minority Movement   | 0.01                                 | (0.18)                               |
| <b>Net Cash Flow from/(used in) Financing Activities</b>                  | <b>291.10</b>                        | <b>(1,235.34)</b>                    |
| <b>Net Increase/(Decrease) In Cash &amp; Cash<br/>Equivalents [A+B+C]</b> | <b>331.06</b>                        | <b>(24.99)</b>                       |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Statement of Consolidated Cash Flows for the year ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | For the Year ended<br>March 31, 2024 | For the Year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Cash & Cash Equivalents at the beginning of the period | 762.01                               | 787.00                               |
| Cash & Cash Equivalents at the end of the period       | 1,093.06                             | 762.01                               |
| Cash-in-hand   | 28.42                                | 15.51                                |
| Bank balances  |                                      |                                      |
| - in Current Accounts                                  | 567.76                               | 151.32                               |
| - in Deposit Accounts                                  | 496.88                               | 595.18                               |
| Bank Overdraft   | -                                    | -                                    |
| <b>Total</b>   | <b>1,093.06</b>                      | <b>762.01</b>                        |
| Significant accounting policies & Notes to accounts    | 1 & 2                                |                                      |

The notes referred to above form an integral part of the financial statements

As per our report of even date  
for **CNGSN & Associates LLP**  
Chartered Accountants  
Firm Registration No. 04915S/S200036

For and on behalf of the Board of Directors of  
**Subam Papers Limited**  
[CIN: U21012TN2004PLC054403]

*E.K. Srivatsan*

**E.K. Srivatsan**  
Partner  
Membership No. 225064

*T. Balakumar*

**T Balakumar**  
Managing Director  
DIN: 00440500

*A. Sudha*

**A Sudha**  
Director  
DIN: 01515113

Place: Chennai  
Date: 01/07/2024

*M. Jahir Hussain*

**M Jahir Hussain**  
Chief Financial Officer  
Place: Tirunelveli  
Date: 01/07/2024

*P. Nagarajan P*

**Nagarajan P**  
Company Secretary



**SUBAM PAPERS LIMITED**  
S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010  
Consolidated Notes to financial statements for the period ended March 31, 2024  
(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2024 | March 31, 2023 |
| <b>3 Share capital</b>  |                |                |
| a) <b>Authorised</b>  |                |                |
| 20,00,000 (March 31, 2023; 20,00,000) equity shares of Rs.10 each | 200.00         | 200.00         |
| 50,000 Preference Shares of Rs.10/- each                          | 5.00           | 5.00           |
|   | <b>205.00</b>  | <b>205.00</b>  |
| <b>Issued, Subscribed and paid up</b>                             |                |                |
| 16,27,672 (March 31, 2023: 16,27,672) equity shares of Rs.10 each | 162.77         | 162.77         |

**b) Reconciliation of the number of shares outstanding at the beginning and at the end of reporting period**

| Particulars                           | As at            |                |
|---------------------------------------|------------------|----------------|
|                                       | March 31, 2024   | March 31, 2023 |
|                                       | Number           | Value          |
| Balance at the beginning of the year  | 1,627,672        | 162.77         |
| Add: Shares issued during the year    | -                | -              |
| <b>Balance at the end of the year</b> | <b>1,627,672</b> | <b>162.77</b>  |

**c) 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

**d) Shares held by the Holding Company, its Subsidiaries and Associates**

|  | As at          |                |
|--|----------------|----------------|
|  | March 31, 2024 | March 31, 2023 |
|  | No. of shares  | Value          |
| BMM Paper Board Private Limited                    | 157,458        | 15.75          |
| Saradhambika Paper and Board Mills Private Limited | 27,503         | 2.75           |
|  |                |                |
|  | 157,458        | 15.75          |
|  | 27,503         | 2.75           |





**SUBAM PAPERS LIMITED**  
**S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010**  
**Consolidated Notes to financial statements for the period ended March 31, 2024**  
 (All amounts are in Indian Rupees lakhs, except share data or as stated)

**e) Details of the shareholders holding more than 5% shares in the Company**

|   | As at            |                   |                  |                   |
|---|------------------|-------------------|------------------|-------------------|
|   | March 31, 2024   |                   | March 31, 2023   |                   |
|   | No. of shares    | % of shareholding | No. of shares    | % of shareholding |
| Equity shares of Rs.10 each fully paid up held by |                  |                   |                  |                   |
| T Balakumar                                       | 746,153          | 45.84%            | 739,756          | 45.45%            |
| A Sudha   | 286,645          | 17.61%            | 286,645          | 17.61%            |
| BMM Paper Board Private Limited                   | 157,458          | 9.67%             | 157,458          | 9.67%             |
| K V Tirupathi                                     | 100,000          | 6.14%             | 100,000          | 6.14%             |
| S S Alagarsamy                                    | 100,000          | 6.14%             | 100,000          | 6.14%             |
| R Premavathy                                      | 100,000          | 6.14%             | 100,000          | 6.14%             |
| T Rukkumaniammal                                  | 99,617           | 6.12%             | -                | 0.00%             |
|   | <b>1,589,873</b> | <b>97.68%</b>     | <b>1,483,859</b> | <b>91.16%</b>     |

**f) Details of the shareholding of the promoters in the Company**

| Promoter name | March 31, 2024           |                   | March 31, 2023           |                   | % change during the year |
|---------------|--------------------------|-------------------|--------------------------|-------------------|--------------------------|
|               | No. of shares            | % of total shares | No. of shares            | % of total shares |                          |
|               | % change during the year |                   | % change during the year |                   |                          |
| T Balakumar   | 746,153                  | 45.84%            | 739,756                  | 45.45%            | 0%                       |
| A Sudha       | 286,645                  | 17.61%            | 286,645                  | 17.61%            | 0%                       |
|               | <b>1,032,798</b>         | <b>63.45%</b>     | <b>1,026,401</b>         | <b>63.06%</b>     |                          |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Consolidated Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | As at                   |                         |
|---|-------------------------|-------------------------|
|   | March 31, 2024          | March 31, 2023          |
| <b>4 Reserves and surplus</b>                   |                         |                         |
| <i>Capital Redemption Reserve</i>               |                         |                         |
| Opening balance                                 | 3.95                    | 3.95                    |
| Add: Transfer from Statement of Profit and Loss | -                       | -                       |
|   | <u>3.95</u>             | <u>3.95</u>             |
| <i>Securities Premium</i>                       |                         |                         |
| Opening balance                                 | 1,983.48                | 1,983.48                |
| Add: Premium received during the period         | -                       | -                       |
|   | <u>1,983.48</u>         | <u>1,983.48</u>         |
| <i>General Reserve</i>                          |                         |                         |
| Opening balance                                 | 5,120.00                | 5,120.00                |
| Add: Transfer from Statement of Profit and Loss | -                       | -                       |
|   | <u>5,120.00</u>         | <u>5,120.00</u>         |
| <i>Capital Reserve</i>                          |                         |                         |
| Opening balance                                 | 150.62                  | 150.62                  |
| Add: Additions                                  | -                       | -                       |
|   | <u>150.62</u>           | <u>150.62</u>           |
| <i>Statement of Profit and loss</i>             |                         |                         |
| Opening balance                                 | 9,679.01                | 9,538.97                |
| Add: Profit/(loss) during the year              | 2,864.92                | 140.04                  |
| Less: Transfer to General Reserve               | -                       | -                       |
|   | <u>12,543.93</u>        | <u>9,679.01</u>         |
| <b>Total</b>                                    | <u><u>19,801.98</u></u> | <u><u>16,937.06</u></u> |
| <b>5 Long-term Borrowings</b>                   |                         |                         |
| <i>From Other than related parties</i>          |                         |                         |
| Term Loan from Bank - Secured                   | 8,620.69                | 9,656.74                |
| Vehicle Loan from Bank - Secured                | 142.03                  | 189.16                  |
|   | <u>8,762.72</u>         | <u>9,845.90</u>         |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Consolidated Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**5.1 Summary of Borrowing Arrangements**

| Name of Lender/Type of Loan                             | Date of issue | Sanctioned Amount | Nature of Security   | Rate of Interest  | Repayment periods |
|---|---------------|-------------------|--|-------------------|-------------------|
| M/s HDFC Bank Limited - Duplex Loan                     | 8/4/2021      | 3,600.00          | 1. Residential Plot at Plot no 1, 2, 3 and 4 at Sankarankovil in the name of Mr. T. Balakumar.<br>2. Residential Site of 8118 Sq ft at Palayankottai in the name of Mr T.Balakumar and Mrs A. Sudha.<br>3. Industrial Land of 22.23 acres at Manur Panchayat, 56.54 acres at Vadukanpatti, 24 acres at Vadukanpatti, 21.60 acres at Kodaganallur village, 44.47 acres at Thulukarkulam Panchayat in the name of Subam Papers Limited.<br>4. 2 acres of land in valaimathi village. | MCLR + 2.71%      | 84                |
| M/s HDFC Bank Limited - Solar Term Loan                 | 2/22/2022     | 3,790.00          | 1. Hypothecation On Equipment's - Exclusive on Equipment's and machineries<br>2. Immovable Securities - First Pari Passu Charge on Immovable Fixed Assets of the company<br>3. Personal Guarantee: PG of Mr T Balakumar and Ms A Sudha Movable Fixed Assets - First Pari Passu Charge on all movable fixed assets<br>4. Current Assets - First Pari Passu Charge on the entire current of the Company  | MCLR + 2.99%      | 84                |
| STATE BANK OF INDIA TERM LOAN (SOLAR)                   | 12/28/2023    | 1,650.00          | 1. Property totally to the extent of 21.24 Acres located in Tirunelveli, Sankaranthiradu Village<br>2. Hypothecation on Solar power plant of 4 MW AC   | 6M MCLR + 4%      | 78                |
| M/s HDFC Bank Limited - VL 1 - Ashok Leyland Lorry Loan | 5/5/2022      | 203.50            | Ashok Leyland 1615 HE (10 Vehicles)  | 6.75%             | 48                |
| M/s HDFC Bank Limited - VL 2 - Bull Loan                | 6/29/2022     | 27.03             | Bull SD 76/BHL - Chasis No: BCECH10FVA2200163  | 8.02%             | 48                |
| M/s HDFC Bank Limited - VL 3 - Bull Loan                | 3/24/2023     | 19.26             | Bull CH 76 2WD2 - Chasis No: BCECH10FVB2300524   | 8.75%             | 48                |
| M/s HDFC Bank Limited - VL 4 - Bull Loan                | 3/24/2023     | 19.26             | Bull CH 76 2WD2 - Chasis No: BCECH10FJB2300522   | 8.75%             | 48                |
| AXIS BANK LTD - VEHICLE LOAN BULL 1                     | 3/31/2023     | 18.19             | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCC2300533   | MCLR+0.30%        | 36                |
| AXIS BANK LTD - VEHICLE LOAN BULL 2                     | 3/30/2023     | 18.19             | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCC2300547   | MCLR+0.30%        | 36                |
| AXIS BANK LTD - VEHICLE LOAN BULL 3                     | 6/19/2023     | 18.19             | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FTE2300598   | MCLR + 0.15%      | 36                |
| AXIS BANK LTD - VEHICLE LOAN BULL 4                     | 6/19/2023     | 18.19             | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCE2300591   | MCLR + 0.15%      | 36                |
| AXIS BANK LTD - VEHICLE LOAN BULL 5                     | 6/20/2023     | 18.19             | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FEF2300616   | MCLR + 0.15%      | 36                |
| AXIS BANK LTD - VEHICLE LOAN BULL 6                     | 6/20/2023     | 18.19             | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FTF2300621   | MCLR + 0.15%      | 36                |
| HDFC TERMLoan   | 1/4/2021      | 5,000.00          | Current Assets SPBPL, Fixed Assests SPBPL, Industiral Plot of SPPL and Residential Property of Mr T.Balakumar and Mrs A. Sudha   | Repo Rate + 3.5%  | 96                |
| ICICI BANK LTD - TERM LOAN                              | 2/17/2021     | 2,500.00          | Current Assets SPBPL, Fixed Assests SPBPL, Industiral Plot of SPPL and Residential Property of Mr T.Balakumar and Mrs A. Sudha   | 1 Yr MCLR + 0.20% | 84                |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Consolidated Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | As at           |                |
|---|-----------------|----------------|
|   | March 31, 2024  | March 31, 2023 |
| <b>6 Deferred Tax Liabilities (Net)</b>                   |                 |                |
| <i>Deferred Tax Liabilities</i>                           |                 |                |
| Difference between book depreciation and tax depreciation | 1,139.92        | 737.48         |
| <b>Gross Deferred Tax Liability (A)</b>                   | <b>1,139.92</b> | <b>737.48</b>  |
| <b>Total</b>  | <b>1,139.92</b> | <b>737.48</b>  |

|  | As at          |                |                |                |
|--|----------------|----------------|----------------|----------------|
|  | Long-term      |                | Short-term     |                |
|  | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| <b>7 Provisions</b>                    |                |                |                |                |
| Provision for Gratuity                 | 154.18         | 101.98         | 36.58          | -              |
| Provision for leave encashment         | -              | -              | -              | -              |
| Provision for Bonus                    | -              | -              | 82.74          | 66.51          |
| Provision for Tax [Net of advance tax] | -              | -              | (30.08)        | -              |
| <b>Total</b>                           | <b>154.18</b>  | <b>101.98</b>  | <b>89.24</b>   | <b>66.51</b>   |

|                                       |                 |                 |
|---------------------------------------|-----------------|-----------------|
| <b>8 Short-term Borrowings</b>        |                 |                 |
| Current maturities of long-term debts | 2,152.12        | 1,838.43        |
| Loans repayable on demand - Secured   | 5,640.20        | 4,207.69        |
| Cash Credit                           | 1,638.21        | -               |
| Loan from Related party - Unsecured   | 147.96          | -               |
| Buyer's credit                        | -               | 390.59          |
| <b>Total</b>                          | <b>9,578.48</b> | <b>6,436.71</b> |

**8.1 Summary of Borrowing Arrangements**

| Name of Lender/Type of Loan                   | Rate of Interest   | Nature of Security |
|---|--|--------------------|
| HDFC Bank Limited-Cash Credit Account         | Repo Rate+2%   | Vide details below |
| HDFC Bank Limited-Working Capital Demand Loan | Repo Rate+1.75%  | Vide details below |
| ICICI Bank Limited-Cash Credit Account        | Repo Rate+2.50%  | Vide details below |
| ICICI Bank Limited-Buyers Credit Limit        | LIBOR +1.05%   | Vide details below |
| Yes Bank Limited, Coimbatore                  | Repo Rate+2.60% for Cash Credit and for WCDL Repo Rate+1.85% | Vide details below |

- Working Capital limits availed from the above banks are secured by hypothecation of on entire current assets, i.e. stock of raw materials, SIP, finished goods and receivables (present & future) of the company and receivables with a cover period not exceeding 120 days ranking parripassu with one another. Further secured by joint and equitable mortgage of all immovable properties and by hypothecation of machineries ranking parripassu with one another.
- The directors of the Company namely Mr. T Balakumar and Mrs. A Sudha have personally guaranteed the above credit facilities and have given properties situated in various locations as collateral security towards the credit facilities availed from the Banks.
- The Company has not defaulted in repayment of loans and interest.



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 (All amounts are in Indian Rupees lakhs, except share data or as stated)

| As at           |                 |
|-----------------|-----------------|
| March 31, 2024  | March 31, 2023  |
| 123.79          | 179.40          |
| 4,940.11        | 6,664.71        |
| <b>5,063.90</b> | <b>6,844.11</b> |

**9 Trade Payables**  
 Dues to Micro and Small Enterprises  
 Dues to Others

**Trade Payables ageing schedule as on March 31, 2024**

| Particulars               | Outstanding for the 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 |                 |
| (i) MSME                  | 123.79   |                  |                 |               |                   | 123.79          |
| (ii) Others               | 2,365.84   | 507.08           | 1,543.89        | 478.95        | 44.35             | 4,940.11        |
| (iii) Disputed Dues-MSME  |  |                  |                 |               |                   | -               |
| (iv) Disputed Dues-Others |  |                  |                 |               |                   | -               |
| <b>Total</b>              | <b>2,489.63</b>  | <b>507.08</b>    | <b>1,543.89</b> | <b>478.95</b> | <b>44.35</b>      | <b>5,063.90</b> |

**Trade Payables ageing schedule as on March 31, 2023**

| Particulars               | Outstanding for the 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 |                 |
| (i) MSME                  | 179.40   |                  |             |             |                   | 179.40          |
| (ii) Others               | 6,643.99   | 2.76             | 8.02        | 9.94        |                   | 6,664.71        |
| (iii) Disputed Dues-MSME  |  |                  |             |             |                   | -               |
| (iv) Disputed Dues-Others |  |                  |             |             |                   | -               |
| <b>Total</b>              | <b>6,826.15</b>  | <b>2.76</b>      | <b>8.02</b> | <b>9.94</b> |                   | <b>6,844.11</b> |

**10 Other Current Liabilities**  
 Interest accrued and due on borrowings  
 Statutory dues  
 Advances from customers  
 Payable to employees  
 Capital Creditors  
 Liability for expenses  
**Total**

|                 |               |
|-----------------|---------------|
| 390.80          | 99.96         |
| 101.02          | 82.36         |
| 200.19          | 165.16        |
| 0.02            | -             |
| -               | 96.26         |
| 628.74          | 419.70        |
| <b>1,320.77</b> | <b>863.44</b> |



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11 Property, Plant and Equipment and Intangible Assets

| Particulars                     | Property, Plant and Equipment |          |                |           |          |                              |                   |                           |          |  | Total     |  |
|---------------------------------|-------------------------------|----------|----------------|-----------|----------|------------------------------|-------------------|---------------------------|----------|--|-----------|--|
|                                 | Land                          | Building | Trees & Plants | Livestock | Windmill | Office Equipment & Furniture | Plant & Machinery | Groundmounted Solar Plant | Vehicles |  |           |  |
| <b>Gross Block</b>              |                               |          |                |           |          |                              |                   |                           |          |  |           |  |
| Balance as at April 01, 2022    | 49.30                         | 2,053.05 | 14.13          | -         | 1,041.75 | 125.15                       | 12,044.68         | 4,197.14                  | 667.03   |  | 20,192.23 |  |
| Additions                       | 0.52                          | 2,244.95 | -              | -         | -        | 26.61                        | 7,664.87          | 581.40                    | 283.68   |  | 10,802.03 |  |
| Deletions / write off           | -                             | -        | -              | -         | -        | -                            | 0.81              | -                         | -        |  | 0.81      |  |
| Balance as at March 31, 2023    | 49.82                         | 4,298.00 | 14.13          | -         | 1,041.75 | 151.76                       | 19,708.74         | 4,778.54                  | 950.71   |  | 30,993.45 |  |
| Additions                       | -                             | 314.53   | -              | 0.58      | -        | 10.04                        | 28.25             | 1,687.06                  | 141.74   |  | 2,182.20  |  |
| Deletions / write off           | 28.97                         | -        | 14.13          | -         | -        | -                            | -                 | 10.46                     | 84.46    |  | 138.02    |  |
| Balance as at March 31, 2024    | 20.85                         | 4,612.53 | -              | 0.58      | 1,041.75 | 161.80                       | 19,736.99         | 6,455.14                  | 1,007.99 |  | 33,037.63 |  |
| <b>Accumulated depreciation</b> |                               |          |                |           |          |                              |                   |                           |          |  |           |  |
| Balance as at April 01, 2022    | -                             | 566.21   | -              | -         | 1,040.50 | 59.26                        | 5,851.25          | 2.18                      | 223.01   |  | 7,742.41  |  |
| Additions                       | -                             | 108.03   | -              | -         | -        | 33.17                        | 1,057.71          | 274.90                    | 66.80    |  | 1,540.61  |  |
| Deletions / adjustments         | -                             | -        | -              | -         | -        | -                            | -                 | -                         | -        |  | -         |  |
| Balance as at March 31, 2023    | -                             | 674.24   | -              | -         | 1,040.50 | 92.43                        | 6,908.96          | 277.08                    | 289.81   |  | 9,283.02  |  |
| Additions                       | -                             | 147.30   | -              | -         | -        | 20.44                        | 730.71            | 302.98                    | 95.28    |  | 1,296.72  |  |
| Deletions / adjustments         | -                             | (9.94)   | -              | 0.58      | -        | (4.30)                       | 76.64             | 20.84                     | (28.34)  |  | 55.48     |  |
| Balance as at March 31, 2024    | -                             | 811.60   | -              | 0.58      | 1,040.50 | 108.56                       | 7,716.32          | 600.91                    | 356.75   |  | 10,635.22 |  |
| <b>Net Block</b>                |                               |          |                |           |          |                              |                   |                           |          |  |           |  |
| As at March 31, 2023            | 49.82                         | 3,623.76 | 14.13          | -         | 1.25     | 59.33                        | 12,799.78         | 4,501.46                  | 660.90   |  | 21,710.43 |  |
| As at March 31, 2024            | 20.85                         | 3,800.93 | -              | -         | 1.25     | 53.24                        | 12,020.67         | 5,854.23                  | 651.24   |  | 22,402.41 |  |

(i) The title deeds of all immovable properties are in the name of the Company.  
(ii) There has been no revaluation of any item of property, plant and equipment during the year.



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|  | As at           |                 |
|--|-----------------|-----------------|
|  | March 31, 2024  | March 31, 2023  |
| <b>12 Non-current Investments</b>          |                 |                 |
| Unquoted Investments in Equity Instruments |                 |                 |
| -in Associates                             | 1,004.76        | 965.66          |
| -in Others                                 | -               | 86.50           |
| <b>Total</b>                               | <b>1,004.76</b> | <b>1,052.16</b> |

|  | As at          |                 |               |               |
|--|----------------|-----------------|---------------|---------------|
|  | March 31, 2024 | March 31, 2023  |               |               |
|  | No. of shares  | Value           | No. of shares | Value         |
| <b>12.1 Details of Investments</b>   |                |                 |               |               |
| <i>Investment in Unquoted Equity Shares</i>                                    |                |                 |               |               |
| Saradhambika Paper and Board Mills Private Limited:                            |                |                 |               |               |
| Equity Shares of Rs.10/- each at a premium of Rs.500/- per share fully paid up | 47,250         | 534.30          | 47,250        | 510.60        |
| B.M.M Paper Board Private Limited:   |                |                 |               |               |
| Equity Shares of Rs.10/- each fully paid up                                    | 60,000         | 463.90          | 60,000        | 448.50        |
| NU Power Wind Farms Private Limited:   |                |                 |               |               |
| Equity Shares of Rs.10/- each fully paid up                                    | 13,607         | 1.36            | 13,607        | 1.36          |
| Echanda Ujra Private Limited:  |                |                 |               |               |
| Equity Shares of Rs.10/- each fully paid up                                    | 52,000         | 5.20            | 52,000        | 5.20          |
|  |                | <b>1,004.76</b> |               | <b>965.66</b> |

|                                       | As at          |                |
|---------------------------------------|----------------|----------------|
|                                       | March 31, 2024 | March 31, 2023 |
| <b>12.2 Details of Investments</b>    |                |                |
| Market value of Un-quoted investments | 1,004.76       | 1,052.16       |

|                                 | As at          |                |
|---------------------------------|----------------|----------------|
|                                 | March 31, 2024 | March 31, 2023 |
| <b>12.3 Investment Property</b> |                |                |
| Land                            | 28.97          | -              |
| Trees & Plants                  | 14.13          | -              |
|                                 | <b>43.10</b>   | <b>-</b>       |



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Consolidated Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | As at           |                 |
|---|-----------------|-----------------|
|   | March 31, 2024  | March 31, 2023  |
| <b>13 Long-term Loans and Advances</b>  |                 |                 |
| Capital Advances  | -               | 652.34          |
| Security Deposits   | 422.02          | 322.87          |
|   | <u>422.02</u>   | <u>975.21</u>   |
| <b>14 Inventories</b>   |                 |                 |
| Raw materials   | 2,665.55        | 1,268.03        |
| Work-in-progress  | 444.22          | 373.94          |
| Finished goods  | 1,095.75        | 1,349.94        |
| Consumables   | 16.85           | 23.52           |
| Stores and spare parts  | 1,510.93        | 1,205.77        |
|   | <u>5,733.30</u> | <u>4,221.20</u> |
| <b>15 Cash and cash equivalents</b>   |                 |                 |
| Cash on hand  | 28.42           | 15.51           |
| Balances with banks   |                 |                 |
| -in Current accounts  | 567.76          | 151.32          |
|   | <u>596.18</u>   | <u>166.83</u>   |
| Other Bank Balances   |                 |                 |
| -Deposits with original maturity for more than 3 months but less than 12 months | 496.88          | 595.18          |
|   | <u>1,093.06</u> | <u>762.01</u>   |
| <b>16 Short-term Loans and Advances</b>   |                 |                 |
| Loans and advances to employees   | 25.95           | 14.30           |
| Advances to suppliers   | 1,183.41        | 2,737.10        |
| Balances with Government Authorities  | 73.35           | 380.39          |
| Advance Income-tax [Net off Provision for taxation]                             | 5.21            | 1.82            |
| Prepaid expenses  | 72.55           | 67.15           |
|   | <u>1,360.47</u> | <u>3,200.76</u> |





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Consolidated Notes to financial statements for the period ended March 31, 2024  
(All amounts are in Indian Rupees lakhs, except share data or as stated)

| As at          |                |
|----------------|----------------|
| March 31, 2024 | March 31, 2023 |
| 2,073.17       | 9,685.01       |
| 9,115.08       | 9,685.01       |
| 11,188.25      | 9,685.01       |
| 83.26          | -              |
| 11,104.99      | 9,685.01       |

**17 Trade Receivables**

*Unsecured, considered good*

Receivables outstanding for a period exceeding six months from the date they became due for payment  
Other Receivables

Less: Allowance for doubtful debts

**Trade Receivables ageing schedule as on March 31, 2024**

| Particulars                           | Outstanding for the 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 |           |
| (i) Undisputed - Considered Good      | 9,115.09   | 1,169.65          | 713.00    | 110.32    | 80.19             | 11,188.25 |
| (ii) Undisputed - Considered Doubtful |  |                   |           |           |                   | -         |
| (iii) Disputed - Considered Good      |  |                   |           |           |                   | -         |
| (iv) Disputed - Considered Doubtful   |  |                   |           |           |                   | -         |
| <b>Total</b>                          | 9,115.09   | 1,169.65          | 713.00    | 110.32    | 80.19             | 11,188.25 |
| Less: Allowance for doubtful debts    |  |                   |           |           |                   | 83.26     |
| <b>Total</b>                          |  |                   |           |           |                   | 11,104.99 |

**Trade Receivables ageing schedule as on March 31, 2023**

| Particulars                           | Outstanding for the 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 |          |
| (i) Undisputed - Considered Good      | 8,319.40   | 711.89            | 282.76    | 192.98    | 177.99            | 9,685.02 |
| (ii) Undisputed - Considered Doubtful |  |                   |           |           |                   | -        |
| (iii) Disputed - Considered Good      |  |                   |           |           |                   | -        |
| (iv) Disputed - Considered Doubtful   |  |                   |           |           |                   | -        |
| <b>Total</b>                          | 8,319.40   | 711.89            | 282.76    | 192.98    | 177.99            | 9,685.02 |
| Less: Allowance for doubtful debts    |  |                   |           |           |                   | -        |
| <b>Total</b>                          |  |                   |           |           |                   | 9,685.02 |

**18 Other Current Assets**

Interest accrued on fixed deposits  
Duty Drawback Receivable  
Import Duty Refundable  
**Total**

|        |      |
|--------|------|
| 339.55 | 3.16 |
| 0.59   | 0.42 |
| 2.26   | 2.26 |
| 342.40 | 5.84 |



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Consolidated Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|                                       | For the period/year ended |                  |
|---------------------------------------|---------------------------|------------------|
|                                       | March 31, 2024            | March 31, 2023   |
| <b>19 Revenue from operations</b>     |                           |                  |
| Sale of products                      |                           |                  |
| -Export Sales                         | 3,040.10                  | 2,224.43         |
| -Domestic Sales                       | 48,722.76                 | 49,882.53        |
|                                       | <u>51,762.86</u>          | <u>52,106.96</u> |
| <br>                                  |                           |                  |
| Sale of Agricultural Produce          | 0.14                      | 3.92             |
| Other operating revenue               |                           |                  |
| -Sale of Scrap                        | 414.91                    | 297.30           |
| -MEIS Sales incentive                 | -                         | 58.14            |
| -Duty Drawback                        | 38.05                     | 28.88            |
| -RODTEP Licence Income                | 48.46                     | 10.91            |
| -Rental Income                        | 1.61                      | -                |
|                                       | <u>503.03</u>             | <u>395.23</u>    |
| <br>                                  |                           |                  |
| Less: Intercompany sales              | 2,879.57                  | 1,679.22         |
|                                       | <u>49,386.46</u>          | <u>50,826.89</u> |
| <br>                                  |                           |                  |
| <b>20 Other Income</b>                |                           |                  |
| Interest Income from fixed deposits   | 332.93                    | 555.53           |
| Bad debts recovered                   | -                         | 3.00             |
| Manpower Support Fees                 | 240.00                    | 120.00           |
| Discount Received                     | -                         | 1.40             |
| Miscellaneous balances written back   | 43.96                     | 10.00            |
| Miscellaneous income                  | 41.43                     | -                |
|                                       | <u>658.32</u>             | <u>689.93</u>    |
| <br>                                  |                           |                  |
| Less: Intercompany Income             | 316.64                    | 478.05           |
|                                       | <u>341.68</u>             | <u>211.88</u>    |
| <br>                                  |                           |                  |
| <b>21 Cost of Material Consumed</b>   |                           |                  |
| <i>Raw Materials</i>                  |                           |                  |
| Opening stock                         | 1,268.03                  | 3,206.45         |
| Add: Purchases during the year        | 28,167.31                 | 35,033.38        |
| Less: Intercompany purchases          | (2,879.57)                | (1,676.22)       |
| Less: Closing Stock                   | (2,665.55)                | (1,268.03)       |
| Consumption of stores and spare parts | 6,442.41                  | 2,140.88         |
| Add: Direct Expenses                  |                           |                  |
| Manufacturing Expenses                | 160.62                    | 69.07            |
| Power and fuel                        | 6,562.32                  | 5,620.84         |
| Freight Inward                        | 226.41                    | -                |
|                                       | <u>37,281.98</u>          | <u>43,126.37</u> |



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**Consolidated Notes to financial statements for the period ended March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | For the period/year ended |                   |
|--|---------------------------|-------------------|
|  | March 31, 2024            | March 31, 2023    |
| <b>22 Change in Inventories of work in progress and finished goods</b> |                           |                   |
| <i>Opening Stock</i>   |                           |                   |
| Finished Goods   | 1,349.94                  | 811.93            |
| Work-in-progress   | 373.94                    | 613.34            |
|  | <u>1,723.88</u>           | <u>1,425.27</u>   |
| Less: Closing Stock  |                           |                   |
| Finished Goods   | (1,095.75)                | (1,349.94)        |
| Work-in-progress   | (444.22)                  | (373.94)          |
|  | <u>(1,539.97)</u>         | <u>(1,723.88)</u> |
|  | <u>183.91</u>             | <u>(298.61)</u>   |
| <b>23 Employee Benefit Expenses</b>                                    |                           |                   |
| Salaries, Wages and Bonus  | 1,921.75                  | 1,845.63          |
| Contribution to provident and other funds                              | 46.21                     | 50.91             |
| Staff welfare expenses   | 90.73                     | 104.28            |
| Director Remuneration  | 22.00                     | 26.00             |
| Gratuity   | 39.91                     | 8.61              |
| Bonus  | -                         | 101.38            |
|  | <u>2,120.60</u>           | <u>2,136.81</u>   |
| <b>24 Finance Costs</b>  |                           |                   |
| Interest expense   |                           |                   |
| -On Term loans from banks  | 966.83                    | 766.28            |
| -On working capital demand loans                                       | 592.02                    | 408.87            |
| -On other borrowings   | 393.44                    | 479.81            |
|  | <u>1,952.29</u>           | <u>1,654.96</u>   |
| Bank Charges   | 41.21                     | 70.72             |
| Processing Charges   | 56.58                     | -                 |
| Loss on Forward Contracts  | -                         | -                 |
| Net loss on foreign currency transactions and translation              | 34.07                     | 166.90            |
|  | <u>2,084.15</u>           | <u>1,892.58</u>   |
| Less: Interest on intercompany borrowings                              | (316.64)                  | (478.05)          |
|  | <u>1,767.51</u>           | <u>1,414.53</u>   |



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Consolidated Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|                                     | For the period/year ended |                 |
|-------------------------------------|---------------------------|-----------------|
|                                     | March 31, 2024            | March 31, 2023  |
| <b>25 Other Expenses</b>            |                           |                 |
| Payment to auditors (Refer note 29) | 14.50                     | 6.50            |
| Advertisement                       | 2.14                      | 3.67            |
| Commission                          | 168.09                    | 74.29           |
| Consultancy fees                    | 23.04                     | 13.20           |
| Discount                            | 7.55                      | -               |
| Freight Outward                     | 270.56                    | 121.29          |
| Insurance                           | 71.47                     | 50.07           |
| Legal and professional charges      | 44.81                     | 32.51           |
| Rent                                | 205.81                    | 198.91          |
| Repairs and Maintenance             |                           |                 |
| -Building                           | 71.28                     | 75.52           |
| -Machinery                          | 543.99                    | 686.00          |
| -Vehicles                           | 134.09                    | 389.09          |
| -Others                             | 63.75                     | -               |
| Rates and Taxes                     | 126.22                    | 54.31           |
| Selling and Distribution Expenses   | 528.68                    | 525.95          |
| Postage Expenses                    | 3.13                      | 2.71            |
| Printing and Stationery             | 9.25                      | 2.07            |
| Security Charges                    | 11.22                     | -               |
| Telephone expenses                  | 5.94                      | -               |
| Travelling Expenses                 | 121.22                    | 21.37           |
| CSR Expenses (Refer note 37)        | 61.23                     | 129.45          |
| Loss on sale of fixed assets        | 7.38                      | -               |
| Livestock Expenses                  | 0.29                      | -               |
| Interest on income-tax              | -                         | 51.82           |
| Miscellaneous expenses              | 463.37                    | 70.09           |
| Provision for bad debts             | 83.21                     |                 |
| Balances written off                | 43.42                     |                 |
|                                     | <u>3,085.65</u>           | <u>2,508.82</u> |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Notes to Consolidated financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | As at              |                 |
|--|--------------------|-----------------|
|  | March 31, 2024     | March 31, 2023  |
| <b>26 Contingent liabilities</b>   | 2,499.08           | -               |
| i. The company has received demand order under GST on 29th April 2024 and the demand created is for Rs. 740.15 lakhs. The company has filed an appeal against the same challenging the amount of Rs. 724.52 lakhs. The company has made a pre-deposit of Rs. 29.77 lakhs on 21st June 2024.          |                    |                 |
| ii. The Company has received GST Audit observation for the period 01.04.2020 to 31.03.2021 and 01.04.2021 to 31.03.2022 on 29th June 2024, which indicates the discrepancies of Rs. 1491.94 lakhs and 282.61 lakhs respectively. The company is in the process of responding to the GST observation. |                    |                 |
| <b>27 Dues to Micro, Small and Medium Enterprises</b>  |                    |                 |
| Amount Due to Supplier   | 123.79             | 179.40          |
| Principal amount paid beyond appointed date  | -                  | -               |
| Interest due and payable for the year  | -                  | -               |
| Interest accrued and remaining unpaid  | -                  | -               |
| * The above data includes Capital creditors and is given to the extent of information available with the Company   |                    |                 |
|  | For the year ended |                 |
|  | March 31, 2024     | March 31, 2023  |
| <b>28 Earnings per Share</b>   |                    |                 |
| Profit/(Loss) after tax for the year   | 2,864.92           | 140.04          |
| Weighted average number of Equity Shares   | 1,627,672          | 1,627,672       |
| Basic earnings per share (Actuals)   | 176.01             | 8.60            |
| Diluted earnings per share (Actuals)   | 176.01             | 8.60            |
| Face value per equity share (Rs)   | 10.00              | 10.00           |
| <b>29 Payments to Auditors</b>   |                    |                 |
| Statutory Audit  | 14.00              | 4.50            |
| Tax Audit  | 0.50               | 0.50            |
| Other matters  | -                  | 0.75            |
| Reimbursements   | -                  | 0.75            |
|  | <b>14.50</b>       | <b>6.50</b>     |
| <b>30 Earnings in foreign currency</b>   |                    |                 |
| Export of Goods on FOB basis   | 3,040.10           | 2,224.43        |
|  | <b>3,040.10</b>    | <b>2,224.43</b> |
| <b>31 Expenditure in Foreign Currency</b>  |                    |                 |
| Sales Commission   | 12.93              | 62.22           |
| Purchase of Machinery  | -                  | 1,473.13        |
| Advance for Machinery  | -                  | 13.17           |
|  | <b>12.93</b>       | <b>1,548.52</b> |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Notes to Consolidated financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | For the year ended |                  |
|--|--------------------|------------------|
|  | March 31, 2024     | March 31, 2023   |
| <b>32 Value of Imports on CIF basis</b>  |                    |                  |
| Raw Materials  | 11,934.09          | 10,242.45        |
| Components and Spares  | 29.52              | 110.08           |
| Capital Goods  | 1,687.06           | 1,857.89         |
|  | <u>13,650.68</u>   | <u>12,210.42</u> |
| <b>33 Value of Imported and indigenous raw materials, spare parts and capital goods consumed</b> |                    |                  |
| <b>Raw Materials</b>   |                    |                  |
| -Imported  | 11,934.09          | 10,242.45        |
| -Indigenous  | 16,575.52          | 26,729.35        |
|  | <u>28,509.61</u>   | <u>36,971.80</u> |
| <b>Components and Spares</b>   |                    |                  |
| -Imported  | 29.52              | 110.08           |
| -Indigenous  | 6,412.89           | 2,030.80         |
|  | <u>6,442.41</u>    | <u>2,140.88</u>  |
| <b>Capital Goods</b>   |                    |                  |
| -Imported  | 1,687.06           | 1,857.89         |
| -Indigenous  | 28.25              | 5,806.99         |
|  | <u>1,715.31</u>    | <u>7,664.88</u>  |
|  | <u>36,667.33</u>   | <u>46,777.56</u> |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Notes to Consolidated financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**34 Related Party Transactions**

(i) The company is jointly controlled by the following entities/individuals:

| Entities / Individuals                             |
|--|
| T Balakumar  |
| A Sudha  |
| BMM Paper Board Private Limited                    |
| K V Tirupathi                                      |
| S S Alagarsamy                                     |
| R Premavathy                                       |
| Saradhambika Paper and Board Mills Private Limited |
| R Venkatesh  |
| B Madhumitha                                       |

(ii) The list of related parties as defined in the standard is given below:

| Entities / Individuals                             | Nature of relationship        |
|--|-------------------------------|
| <b>Associate Companies</b>                         |                               |
| BMM Paper Board Private Limited                    |                               |
| Saradhambika Paper and Board Mills Private Limited |                               |
| <b>Key managerial personnel (KMP)</b>              |                               |
| T Balakumar  | Managing Director             |
| A Sudha  | Director                      |
| B Madhumitha (Director till February 03, 2024)     | Relative of KMP               |
| P Balagurunathan (till February 03, 2024)          | Director                      |
| R Venkatesh  | Director                      |
| <b>KMP's interested concern</b>                    |                               |
| Mayura Packaging Private Limited                   |                               |
| Unicone  | Proprietorship of T Balakumar |
| BMM Transport                                      |                               |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Notes to Consolidated financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**34 Related Party Transactions (Contd.)**

(iii) Disclosure of transactions with the related parties as defined in the standard is given below:

**A Transactions with key management personnel including directors****Key management personnel compensation**

| Particulars       | March 31, 2024 | March 31, 2023 |
|-------------------|----------------|----------------|
| Remuneration paid |                |                |
| A Sudha           | 10.00          | 13.00          |
| B Madhumitha      | 12.00          | 13.00          |
| Loans availed     |                |                |
| A Sudha           | 114.24         | -              |
| T Balakumar       | 33.29          | -              |
| Interest paid     |                |                |
| A Sudha           | 10.82          | -              |
| T Balakumar       | 10.21          | -              |
| Travel expense    |                |                |
| T Balakumar       | 1.00           | 0.16           |
| Retainer fees     |                |                |
| P Balagurunathan  | 5.60           | 8.28           |
| R Venkatesh       | 27.00          | 26.50          |

**B Transactions with associate companies**

| Particulars  | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Goods sold   |                |                |
| Saradhambika Paper and Board Mills Private Limited | 71.30          | 84.21          |
| BMM Paper Board Private Limited                    | 9.26           | 12.89          |
| Lease Rent   |                |                |
| BMM Paper Board Private Limited                    | -              | 2.40           |
| Asset purchase                                     |                |                |
| Saradhambika Paper and Board Mills Private Limited | 2.10           | -              |
| Asset sale   |                |                |
| Saradhambika Paper and Board Mills Private Limited | -              | 0.81           |
| Goods purchased                                    |                |                |
| Saradhambika Paper and Board Mills Private Limited | 361.72         | 873.33         |
| BMM Paper Board Private Limited                    | -              | 5.94           |
| Technical Fees received                            |                |                |
| Saradhambika Paper and Board Mills Private Limited | 240.00         | 120.00         |





**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Notes to Consolidated financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**34 Related Party Transactions (Contd.)****C Transactions with related parties other than subsidiaries, associate companies & KMP**

| Particulars                      | March 31, 2024 | March 31, 2023 |
|----------------------------------|----------------|----------------|
| Goods sold                       |                |                |
| Mayura Packaging Private Limited | 2,770.40       | 3,124.35       |
| Unicone                          | 107.65         | 5.60           |
| Goods purchased                  |                |                |
| Unicone                          | -              | 26.58          |
| Mayura Packaging Private Limited | 649.54         | 369.85         |
| Freight Charges                  |                |                |
| BMM Transport                    | 79.86          | 49.67          |
| Fuel charges received            |                |                |
| BMM Transport                    | -              | 37.89          |
| Interest received                |                |                |
| Mayura Packaging Private Limited | 16.79          | 67.18          |
| Asset purchase                   |                |                |
| Unicone                          | 1.50           | 5.26           |
| Interest paid                    |                |                |
| Mayura Packaging Private Limited | -              | 9.35           |
| Lease Rent paid                  |                |                |
| Unicone                          | 200.00         | 166.67         |
| Staff welfare expense            |                |                |
| Unicone                          | -              | 0.01           |
| Power charges paid               |                |                |
| Unicone                          | 334.15         | 216.59         |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Notes to Consolidated financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**34 Related Party Transactions (Contd.)****(iv) Related party balances as at year-end:**

| Particulars  | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Trade Payables                                     |                |                |
| Unicone  | 711.11         | 475.45         |
| BMM Paper Board Private Limited                    | 7.99           | 212.05         |
| BMM Transport                                      | 1.33           | (11.90)        |
| Saradhambika Paper and Board Mills Private Limited | 1,129.72       | 919.60         |
| Mayura Packaging Private Limited                   | (18.02)        | 123.71         |
| Advances given                                     |                |                |
| Unicone  | 26.23          | 26.23          |
| Advances received                                  |                |                |
| A Sudha  | 113.64         | (0.60)         |
| T Balakumar  | 32.09          | (0.12)         |
| Trade Receivables                                  |                |                |
| Mayura Packaging Private Limited                   | 1,669.09       | 2,333.29       |
| Saradhambika Paper and Board Mills Private Limited | 140.01         | -              |
| BMM Paper Board Private Limited                    | 12.01          | 0.20           |
| Unicone  | 49.06          | (25.24)        |
| Investment in shares                               |                |                |
| Saradhambika Paper and Board Mills Private Limited | 240.05         | 240.05         |
| BMM Paper Board Private Limited                    | 6.00           | 6.00           |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Notes to Consolidated financial statements for the year ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**35 Ratios**

| S.No | Ratio                            | Measured In | Formula  | Items Included                                  |  | Values for 2023-2024 |             | 2023-24 Ratio | Values For 2022-2023 |             | 2022-23 Ratio | % of Variance |
|------|----------------------------------|-------------|--|---|--|----------------------|-------------|---------------|----------------------|-------------|---------------|---------------|
|      |                                  |             |  | Numerator                                       | Denominator                                  | Numerator            | Denominator |               | Numerator            | Denominator |               |               |
| 1    | Current Ratio                    | Times       | Current Assets / Current Liabilities                 | Current Assets                                  | Current Liabilities                          | 19,634.22            | 16,052.39   | 1.22          | 17,874.82            | 14,210.77   | 1.26          | -3%           |
| 2    | Debt-Equity Ratio                | Times       | Total Debt / Shareholder's Funds                     | Total Debt                                      | Shareholder's Funds                          | 18,341.21            | 19,964.75   | 0.92          | 16,282.61            | 17,099.83   | 0.95          | -3%           |
| 3    | Debt Service Coverage Ratio      | Times       | Earnings available for Debt / Debt Service           | Profit After Tax + Depreciation + Finance Costs | Interest + Principal Repayments              | 5,929.15             | 3,790.72    | 1.56          | 3,095.18             | 2,614.41    | 1.18          | 32%           |
| 4    | Return on Equity                 | Percentage  | Net Profit After Taxes / Average Shareholder's Funds | Net Profit After Taxes                          | Average Shareholder's Funds                  | 2,864.92             | 18,532.29   | 15.00%        | 140.04               | 16,860.45   | 1.00%         | 1400%         |
| 5    | Inventory Turnover Ratio         | Times       | Total Sales / Average Inventory                      | Total Sales                                     | Average Inventory                            | 48,883.29            | 4,977.25    | 9.82          | 50,427.74            | 4,933.20    | 10.22         | -4%           |
| 6    | Trade Receivables Turnover Ratio | Times       | Total Sales / Average Trade Receivables              | Total Sales                                     | Average Trade Receivables                    | 48,883.29            | 10,395.00   | 4.70          | 50,427.74            | 9,133.89    | 5.52          | -15%          |
| 7    | Trade Payables Turnover Ratio    | Times       | Total Purchases / Average Trade Payables             | Total Purchases                                 | Average Trade Payables                       | 28,167.31            | 5,954.01    | 4.73          | 35,033.38            | 6,098.46    | 5.74          | -18%          |
| 8    | Net Capital Turnover Ratio       | Times       | Net Sales / Working Capital                          | Net Sales                                       | Current Assets - Current Liabilities         | 48,883.29            | 3,581.83    | 13.65         | 50,427.74            | 3,664.05    | 13.76         | -1%           |
| 9    | Net Profit Ratio                 | Percentage  | Net Profit / Net Sales                               | Net Profit After Taxes                          | Net Sales                                    | 2,864.92             | 48,883.29   | 6%            | 140.04               | 50,427.74   | 0%            | 2061%         |
| 10   | Return on Capital Employed       | Percentage  | EBIT / Capital Employed                              | Net Profit After Taxes + Interest + Taxes       | Total Assets - Current Liabilities           | 5,887.87             | 30,022.57   | 20%           | 2,310.10             | 27,786.18   | 8%            | 150%          |
| 11   | Return on Investment             | Percentage  | Net Profit / Cost of Investment                      | Net Profit after taxes                          | Paid up Share Capital + Loans from Directors | 2,864.92             | 162.77      | 1760%         | 140.04               | 162.77      | 86%           | 1947%         |



**SUBAM PAPERS LIMITED**

**S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010**

**Notes to Consolidated financial statements for the year ended March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**36 Additional statutory information**

- a) 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.
- b) The Company has not revalued its property, plant and equipment (including the right of use assets) and intangible assets.
- c) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- d) The Company has borrowings from banks or financial institutions that are secured against current assets and has filed required information with the lender on regular basis.
- e) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.
- f) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the year under consideration.
- g) 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.
- h) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- i) 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.
- j) 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.
- k) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

**Notes to Consolidated financial statements for the year ended March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**37 Corporate Social Responsibility ("CSR")**

|                                  | <b>FY 21-22</b> | <b>FY 22-23</b> | <b>FY 23-24</b> |
|----------------------------------|-----------------|-----------------|-----------------|
| The company is required to spent | 6,599,551       | 7,189,305       | 5,562,708       |
| Spent during the Period          | 3,760,354       | 12,945,130      | 6,122,769       |
| Unspent Amount                   | 2,839,197       | -               | -               |
| Excess Spent Amount              | -               | 5,755,825       | 560,060         |

**38 Fire Accident Claim**

There was a major fire accident in the factory on August 19, 2018 in which substantial quantities of Waste Paper were totally destroyed. The loss on account of this fire accident is assessed at Rs.17.08 crores. The insurance company has repudiated the claim on highly unreasonable grounds. The Company has filed an appeal against the repudiation of claim by the Insurance Company. In the event of appeal coming in favour of the company, the claim money will be credited to Income in the year of receipt.

- 39 The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 40 Pursuant to amendment in Schedule III to the Companies Act, 2013 by Ministry of Corporate Affairs vide its notification dated March 24, 2021 the comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary, to make them comparable to current year figures.

As per our report of even date  
for **CNGSN & Associates LLP**  
Chartered Accountants  
Firm Registration No. 04915S/S200036

For and on behalf of the Board of Directors of Subam Papers  
Limited  
[CIN: U21012TN2004PLC054403]

*E.K. Srivatsan*

**E-K-Srivatsan**  
Partner  
Membership No. 225064

*T Balakumar*

**T Balakumar**  
Managing Director  
DIN: 00440500

*A Sudha*

**A Sudha**  
Director  
DIN: 01515113

Place: Chennai  
Date: *01/07/2024*

*M. Jahir Hussain*  
**M Jahir Hussain**  
Chief Financial Officer  
Place: Tirunelveli  
Date: *01/07/2024*

*P. Nagarajan P*  
**Nagarajan P**  
Company Secretary



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1. Company Background

M/s SUBAM PAPERS LIMITED (UIN: U21012TN2004PLC054403), M/s SUBAM PAPER AND BOARDS PRIVATE LIMITED it's a subsidiary (UIN: U21000TN2020PTC136504) and M/s SUBAM AGRO VENTURES PRIVATE LIMITED it's a subsidiary (UIN: U01111TN2004PTC054666) are collectively referred to as "The Company" or M/s. SP Ltd or "The Group"

SUBAM PAPERS LIMITED is a Company incorporated in India under The Companies Act, 1956; an existing Company under the Companies Act, 2013 and is domiciled in India. Its Registered Office is located at S.F.No.143-146 VADUGANPATTI VILLAGE NADUKALLUR TO TIRUNELVELI, Tirunelveli, TIRUNELVELI TALUK, Tamil Nadu, India, 627010

The Company is in the business of manufacture, sale and dealing in Kraft Paper Boards, Duplex Boards, Cones, Tubes and other allied goods and primarily caters to the Indian Market and also doing exports directly and through merchant exporters.

### 2. Significant Accounting Policies

#### Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### Change in Depreciation Method

During the year ended 31st March 2024, the company revised the estimated useful life of its machinery from the rates specified in Schedule II of the Companies Act, 2013, to management's estimated useful life. This change was based on a detailed review of the machinery's usage and technological advancements.

The impact of this change on the financial statements for the year is as follows:

- Increase in profit before tax by ₹553.74 Lacs due to lower depreciation expense.
- Decrease in depreciation expense by ₹553.74 Lacs.

The effect of the change on future periods is impracticable to determine at this time.



## 2.1 Fixed Assets

Tangible Fixed Assets 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.

## 2.2 Capital Work-in-Progress

All project / capital related expenditure viz., civil works, machinery under erection, construction and erection materials, pre-operating expenditure including interest net of revenue included / attributable to the contracts of the project / as of incurred up to the date when the asset is ready for its intended use are shown as Capital work-in-progress.

## 2.3 Borrowing Costs

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

## 2.4 Depreciation

Depreciation is calculated on cost of items of the Fixed Assets less their estimated useful values over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss account. Freehold land is not depreciated.

The estimated useful lives of the Fixed Assets are as follows:

| Assets                         | Management estimate of useful life |
|--------------------------------|------------------------------------|
| Building                       | 30 Years                           |
| Office Equipment and Furniture | 3 to 10 Years                      |
| Plant & Machinery              | 15 to 25 Years                     |
| Vehicles                       | 10 Years                           |

Depreciation method and useful lives and residual values are reviewed at each financial year end adjusted if appropriate. The management believes that its estimates of useful lives as given above best represent the period over which the management expects to use the assets.



## 2.5 Current / Non-current classification

For the purpose of Current / Non-Current classification, the Company has reckoned its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

## 2.6 Impairment

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.

## 2.7 Investments

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

## 2.8 Revenue recognition

Revenue is measured based on the transaction price, which is the fair value of the consideration received or receivable after netting trade discounts, volume discounts, sales returns and Goods and Services Tax. Revenue from sale of goods is recognized upon transfer of control of promised goods or services to customers.

Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest. In respect of other heads of income, the company follows the practice of accounting of such income on accrual basis.

## Earnings from Non-Conventional Energy sources

The company has installed Off-site Solar Plant and Windmills for captive consumption of power. The value of power so generated from the Off-site Solar Plant and Windmills are shown separately under "Other Operating Revenues".

## 2.9 Taxation

Current income tax expense comprises taxes on income from operations in India Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.





Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

**a) Foreign exchange transactions/translations:**

**i. Initial Recognition:** Foreign currency transactions are reported in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

**ii. Conversion:** Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

**iii. Exchange Differences:** Exchange difference arising on long term currency monetary items related to acquisition of a fixed asset a recapitalized and depreciated over the remaining useful life of the asset. The exchange differences on other foreign currency monetary items are accumulated in.

“Foreign currency monetary item translation difference account” and amortized over the remaining life of the concerned monetary item. All other exchange differences are recognised as income or as expense in the period in which they arise according to the accounting standard 11 “The effects of change in Foreign exchange rates”.

**2.10 Inventories**

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a FIFO basis Work-in-progress is carried at the cost. Stores and spare parts are carried at cost. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labor cost and a proportion of manufacturing overheads.

**2.11 Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) 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. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**2.12 Cash and Cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

**2.13 Events after reporting period**



Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, nature and consequent impact of the events of material size, occurring after the Balance Sheet date, are only disclosed.

#### **2.14 Employee benefits**

All employee benefits payable wholly within twelve months after the end of the annual reporting period of rendering the service are classified as Short-Term Employee Benefits and they are recognised in the period in which the employee renders the related service.

The Company recognizes the undiscounted amount of Short-Term Employee Benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

#### **Retirement Benefits**

1. Gratuity is provided for the eligible employees as per the Payment of Gratuity Act 1972 with actuarial valuation. The company does not have any approved super annulation fund to its employees.
2. The company contributes Provident Fund to the employees under the Employees Provident Fund Scheme run by the Government.
3. As per the rules and regulations of the company the leave encashment is drawn within the year itself and no amount need to be provided.

#### **2.15 Earnings per share**

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.

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.



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## **INDEPENDENT AUDITORS' REPORT**

**To the Members of Subam Papers Limited**

**Report on the audit of the Standalone Financial Statements**

### **Opinion**

1. We have audited the accompanying standalone financial statements of **Subam Papers Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, the Cash flow Statement for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards ("AS") prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit and its cash flows for the year then ended.

### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 opinion on the standalone financial statements.

### **Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have no key audit matters to be communicated in our report.



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

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the director's report but does not include the standalone financial statements and our auditor's report thereon.

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

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

**Management's Responsibility for the Standalone Financial Statements**

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditors' responsibilities for the audit of the standalone financial statements**

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



- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the Standalone Financial statements

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

10. 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.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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

**Report on other legal and regulatory requirements**

12. As required by Section 143(3) of the Act, based on our audit we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.
- (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, except that the reporting under Rule 11(g) is separately commented upon in paragraph (i)(vi) below.
- (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 maintained for the purpose of preparation of the aforesaid standalone financial statements.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g);
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (h) With respect to other matters to be included in Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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



- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 27 to the standalone financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
- (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) There is no dividend declared or paid during the year by the company. Hence, reporting of compliance with section 123 of the Companies Act, 2013 does not arise.
- (vi) Based on our examinations which include test checks performed by us on the Company, the company has accounting software's for maintaining their books of accounts for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of audit, we have not come across any instances of the audit trail feature being tampered.



13. As required by the Companies (Auditor's 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**For M/s CNGSN & Associates LLP**

Chartered Accountant  
FRN: 04915S/S200036

*E.K. Srivatsan*

**E.K.Srivatsan**  
Partner  
M. No.: 225064



Place: Chennai  
Date: 01.07.2024

UDIN: *24225064BKCSW96972*





**Meaning of Internal Financial Controls with reference to financial statements**

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

**Inherent Limitations of Internal Financial Controls with reference to standalone financial statements**

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

**Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2024, 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 CNGSN & Associates LLP**

Chartered Accountant  
FRN: 04915S/S200036

*E.K. Srivatsan*

**E.K.Srivatsan**  
Partner  
M. No.: 225064



Place: Chennai  
Date: 01.07.2024

UDIN: *24225064BKCSW06972*

**Annexure B to Independent Auditors' Report**

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the Members of Subam Papers Limited on the Standalone Financial Statements as of and for the year ended March 31, 2024

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (B) The Company has no intangible assets hence this clause is not applicable.
  - (b) Some of the Fixed assets were physically verified by the management during the year in accordance with the program of verification which in our opinion provides for the physical verification of all the fixed assets at reasonable intervals and no such material discrepancies were noticed on such verification.
  - (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of Land and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) Stock of stores, spares, consumables, raw materials, work-in-process and finished goods have been physically verified at reasonable intervals by the management. The discrepancies on such verification have been properly dealt with in the books of account.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. As per the information supplied to us, the periodic statements filed by the Company with such banks are generally in agreement with the books of accounts.
- (iii) (a) The Company has given any loans or advances in the nature of loans to any party during the year under review.

| <b>In Lakhs</b>                         |                   |                 |              |  |
|---|-------------------|-----------------|--------------|--|
| <b>Particulars</b>                      | <b>Guarantees</b> | <b>Security</b> | <b>Loans</b> | <b>Advances in the nature of loans</b> |
| <b>Aggregate Amount during the year</b> |                   |                 |              |  |
| Subsidiaries                            |                   |                 |              | 6451.14                                |
| T.Balakumar                             |                   |                 |              | 1.08                                   |



|   |  |  |  |          |
|---|--|--|--|----------|
| <b>Balance outstanding as on the balance sheet date</b> |  |  |  |          |
| Subsidiaries  |  |  |  | 3,227.27 |
| A.Sudha   |  |  |  | 0.60     |
| T.Balakumar   |  |  |  | 1.20     |
| Unicone-Prop.T.Balakumar                                |  |  |  | 26.23    |

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions on which the loans have been granted by the company during the year aggregating to Rs 6452.22 Lakhs and balance outstanding as at the balance sheet date Rs 3255.3 Lakhs are not prejudicial to the company's interest.
- (c) According to the information and explanations given to us, there is no stipulated schedule of repayment of loans for the loans given.
- (d) In absence of stipulated repayment schedule of principal and interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days and whether reasonable steps have been taken by the company for recovery of the principal amount and interest.
- (e) None of the loan or advance in the nature of loan, granted has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) Company has granted loans and advances in the nature of loans repayable on demand without specifying any terms to the following related parties as defined in clause (76) of section 2 of the Companies Act 2013:

| Particulars  | All Parties | Promoters | Related Parties |
|--|-------------|-----------|-----------------|
| <b>Aggregate of loans and advances in the nature of loan</b><br>-Repayable on demand<br>-Agreement does not specify any terms or period of repayment |             |           |                 |
| Percentage of loans/advances in the nature of loans to the total loans   |             |           |                 |

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by it.



- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- (vi) Pursuant to the rule made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not however made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and services tax, cess and other material statutory dues, as applicable, with the appropriate authorities. There are no undisputed statutory dues payable in respect to the above statutes, outstanding as at March 31, 2024, for a period of more than six months from the date they became payable, other than those disclosed below:

| Particulars      | Amount due (In lakhs) | For the period |
|------------------|-----------------------|----------------|
| Professional Tax | 1.57                  | FY 22-23       |

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, duty of excise, value added tax, cess which have not been deposited on account of any dispute other than as disclosed in the financial statements, other than those disclosed below:

| Name of the statute | Nature of Dues    | Amount (In lakhs) | Period to which the amount relates | Forum where dispute is pending        | Remarks, if any  |
|---------------------|-------------------|-------------------|------------------------------------|---------------------------------------|--|
| Goods & service tax | Demand order      | 724.52            | 18-19                              | Commercial Tax officer, Tirunelveli   | For Excess claimed ITC and Non reversal of ineligible ITC. |
| Goods & service tax | GST ADT-01 u/s 65 | 1491.94           | 20-21                              | Joint commissioner (ST), Tirunelveli. | GST Audit Remarks  |
| Goods & service tax | GST ADT-01 u/s 65 | 282.61            | 21-22                              | Joint commissioner (ST), Tirunelveli. | GST Audit Remarks  |

- (viii) There were no transactions relating to previously unrecorded income that 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) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purposes for which those were raised.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary company and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments).
- (b) The Company has not made preferential allotment of shares or debentures during the year under audit.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) Based on the information and explanations provided to us, we understand that there have been no whistle blower complaints received by the Company during the year under report.
- (xii) The Company is not a Nidhi Company and hence reporting under Para 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under Clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any non-banking financial or housing finance activities during the year under report.



- (c) The Company is not a Core Investment Company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, reporting under Clause 3(xvi)(c) of the Order is not applicable.
- (d) In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit or in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors of the Company in respect of the year under audit and we have taken into consideration the issues, objections and concerns raised by the outgoing auditors.
- (xix) On the basis of the Financial ratios, aging and expected dates of realization of Financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and Management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of the 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 facts upto the date of 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) (a) In respect of other than ongoing projects, there is no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 36 of the standalone financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 36 of the standalone financial statements.

**For M/s CNGSN & Associates LLP**  
Chartered Accountant  
FRN: 04915S/S200036

*E.K. Srivatsan*

**E.K.Srivatsan**  
Partner  
M. No.: 225064



Place: Chennai  
Date: 01.07.2024

UDIN: *24225064BKCSW06972*

**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

**Balance Sheet as at March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|---|-------|-------------------------|-------------------------|
| <b>EQUITY AND LIABILITIES</b>                       |       |                         |                         |
| <b>Shareholders' Funds</b>                          |       |                         |                         |
| Share Capital                                       | 3     | 162.77                  | 162.77                  |
| Reserves and Surplus                                | 4     | 19,116.53               | 16,236.49               |
| <b>Total</b>  |       | <b>19,279.30</b>        | <b>16,399.26</b>        |
| <b>Non-current liabilities</b>                      |       |                         |                         |
| Long-term Borrowings                                | 5     | 5,137.54                | 5,523.80                |
| Deferred Tax Liabilities (Net)                      | 6     | 877.34                  | 576.93                  |
| Long-term Provisions                                | 7     | 140.53                  | 101.98                  |
| <b>Total</b>  |       | <b>6,155.41</b>         | <b>6,202.71</b>         |
| <b>Current liabilities</b>                          |       |                         |                         |
| Short-term Borrowings                               | 8     | 7,121.98                | 4,821.84                |
| Trade Payables                                      | 9     |                         |                         |
| - Due to Micro and Small Enterprises                |       | 68.26                   | 111.26                  |
| - Due to Others                                     |       | 3,458.96                | 4,720.40                |
| Short-term Provisions                               | 7     | 89.17                   | 66.51                   |
| Other Current Liabilities                           | 10    | 781.84                  | 596.09                  |
| <b>Total</b>  |       | <b>11,520.21</b>        | <b>10,316.10</b>        |
| <b>Total Equity and Liabilities</b>                 |       | <b>36,954.92</b>        | <b>32,918.07</b>        |
| <b>ASSETS</b>                                       |       |                         |                         |
| <b>Non-current assets</b>                           |       |                         |                         |
| Property, Plant and Equipment and Intangible Assets | 11    |                         |                         |
| -Property, Plant and Equipment                      |       | 14,401.89               | 13,544.50               |
| -Intangible Assets                                  |       |                         |                         |
| -Capital Work-in-progress                           | 12    | 1,952.47                | -                       |
| -Intangible Assets under Development                |       |                         |                         |
| Non-current Investments                             | 13    | 1,526.61                | 1,613.11                |
| Long-term Loans and Advances                        | 14    | 3,227.27                | 3,499.79                |
| Other Non Current Assets                            |       | 392.06                  | 291.47                  |
| <b>Total</b>  |       | <b>21,500.30</b>        | <b>18,948.87</b>        |





**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

**Balance Sheet as at March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|                               | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|-------------------------------|-------|-------------------------|-------------------------|
| <b>Current assets</b>         |       |                         |                         |
| Inventories                   | 15    | 4,749.71                | 3,303.51                |
| Cash and cash equivalents     | 16    | 456.47                  | 496.53                  |
| Short-term Loans and Advances | 17    | 719.16                  | 2,860.92                |
| Trade Receivables             | 18    | 9,210.88                | 7,304.67                |
| Other Current Assets          | 19    | 318.40                  | 3.57                    |
|                               |       | <u>15,454.62</u>        | <u>13,969.20</u>        |
| <b>Total Assets</b>           |       | <u><u>36,954.92</u></u> | <u><u>32,918.07</u></u> |

Significant accounting policies & Notes to accounts 1 & 2

The notes referred to above form an integral part of the financial statements

As per our report of even date  
for **CNGSN & Associates LLP**  
Chartered Accountants  
Firm Registration No. 04915S/S200036

For and on behalf of the Board of Directors of  
**Subam Papers Limited**  
[CIN: U21012TN2004PLC054403]

*E.K. Srivatsan*

**E.K. Srivatsan**  
Partner  
Membership No. 225064



Place: Chennai  
Date: 01/07/2024

*T Balakumar*

**T Balakumar**  
Managing Director  
DIN: 00440500

*A Sudha*

**A Sudha**  
Director  
DIN: 01515113

*M. Jahir Hussain*

**M. Jahir Hussain**  
Chief Financial Officer  
Place: Tirunelveli  
Date: 01/07/2024

*Nagarajan P*

**Nagarajan P**  
Company Secretary



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

**Statement of Profit and Loss for the period ended March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | Notes | For the year ended<br>March 31, 2024 | For the year ended<br>March 31, 2023 |
|--|-------|--------------------------------------|--------------------------------------|
| <b>INCOME</b>  |       |                                      |                                      |
| Revenue from Operations                                      | 20    | 44,767.83                            | 44,525.86                            |
| Other Income   | 21    | 599.99                               | 677.47                               |
| <b>Total Income</b>  |       | <b>45,367.82</b>                     | <b>45,203.33</b>                     |
| <b>Expenses</b>  |       |                                      |                                      |
| Cost of Material Consumed                                    | 22    | 35,064.45                            | 38,907.03                            |
| Change in Inventories of work in progress and finished goods | 23    | 199.55                               | (82.11)                              |
| Employee Benefit Expenses                                    | 24    | 1,531.68                             | 1,451.06                             |
| Finance Costs  | 25    | 1,258.70                             | 1,021.68                             |
| Depreciation and Amortization Expenses                       | 11    | 964.72                               | 1,392.94                             |
| Other Expenses   | 26    | 2,429.22                             | 1,906.39                             |
| <b>Total expenses</b>  |       | <b>41,448.32</b>                     | <b>44,596.99</b>                     |
| <b>Prior Period Item</b>                                     |       | <b>(70.83)</b>                       |                                      |
| <b>Profit/(Loss) before Tax</b>                              |       | <b>3,848.67</b>                      | <b>606.34</b>                        |
| Tax Expenses   |       |                                      |                                      |
| -Current Tax   |       | 668.22                               | -                                    |
| -Deferred Tax  |       | 300.41                               | 354.86                               |
| <b>Profit/(Loss) for the period</b>                          |       | <b>2,880.04</b>                      | <b>251.48</b>                        |
| Earnings Per Share (Face Value per Share Rs.10 each)         | 29    |                                      |                                      |
| -Basic (In Rs)   |       | 176.94                               | 15.45                                |
| -Diluted (In Rs)   |       | 176.94                               | 15.45                                |

Significant accounting policies &amp; Notes to accounts 1 &amp; 2

The notes referred to above form an integral part of the financial statements

As per our report of even date

for **CNGSN & Associates LLP**

Chartered Accountants

Firm Registration No. 04915S/S200036

For and on behalf of the Board of Directors of  
**Subam Papers Limited**

[CIN: U21012TN2004PLC054403]

**E.K. Srivatsan**

Partner

Membership No. 225064

**T. Balakumar**

Managing Director

DIN: 00440500

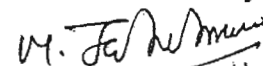
**A. Sudha**

Director

DIN: 01515113

Place: Chennai

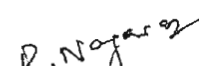
Date: 01/07/2024

**M. Jahir Hussain**

Chief Financial Officer

Place: Tirunelveli

Date: 01/07/2024

**P. Nagarajan P**

Company Secretary



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

**Statement of Cash Flows for the period ended March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | For the Year ended<br>March 31, 2024 | For the Year ended<br>March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| <b>Cash Flows from Operating Activities (A)</b>                           |                                      |                                      |
| <b>Net Profit before Taxation and Extraordinary Items</b>                 | <b>3,777.85</b>                      | <b>606.34</b>                        |
| Adjustment For Non-cash and Non-operating Items                           |                                      |                                      |
| Depreciation  | 964.72                               | 1,392.94                             |
| Finance Costs   | 1,258.70                             | 1,021.68                             |
| Interest Income   | (318.61)                             | (554.47)                             |
| Loss on sale of fixed asset   | 7.38                                 | -                                    |
| Asset Write-off   | 20.50                                | -                                    |
| <b>Operating Profit before working capital changes</b>                    | <b>5,710.54</b>                      | <b>2,466.49</b>                      |
| Working Capital Changes   |                                      |                                      |
| Increase/(decrease) in Trade Payables                                     | (1,304.44)                           | 406.76                               |
| Increase/(decrease) in Provisions   | 91.29                                | (661.20)                             |
| Increase/(decrease) in Other Current Liabilities                          | 185.75                               | 0.69                                 |
| (Increase)/decrease in Loans and Advances                                 | 2,417.06                             | 169.36                               |
| (Increase)/decrease in Trade Receivables                                  | (1,906.21)                           | (35.69)                              |
| (Increase)/decrease in Inventories  | (1,446.20)                           | 1,839.72                             |
| (Increase)/decrease in Other Assets                                       | (314.83)                             | 107.02                               |
| <b>Cash Generated from Operations</b>                                     | <b>3,432.97</b>                      | <b>4,293.15</b>                      |
| Direct Taxes Paid   | (698.30)                             | -                                    |
| Extraordinary item  | (70.83)                              | -                                    |
| <b>Net Cash Flow from/(used in) Operating Activities</b>                  | <b>2,805.50</b>                      | <b>4,293.15</b>                      |
| <b>Cash Flows from Investing Activities (B)</b>                           |                                      |                                      |
| Payment towards capital expenditure                                       | (3,849.41)                           | (2,646.55)                           |
| Sale of Property, Plant and Equipment                                     | 30.08                                | 0.81                                 |
| Sale of investment in equity shares                                       | -                                    | 3.53                                 |
| Interest Income   | 318.61                               | 554.47                               |
| <b>Net Cash Flow from/(used in) Investing Activities</b>                  | <b>(3,500.72)</b>                    | <b>(2,087.74)</b>                    |
| <b>Cash Flows from Financing Activities (C)</b>                           |                                      |                                      |
| Interest Cost   | (1,258.70)                           | (1,021.68)                           |
| Loans availed from/(repaid) to Bank                                       | 1,913.88                             | (1,176.06)                           |
| <b>Net Cash Flow from/(used in) Financing Activities</b>                  | <b>655.18</b>                        | <b>(2,197.74)</b>                    |
| <b>Net Increase/(Decrease) In Cash &amp; Cash<br/>Equivalents [A+B+C]</b> | <b>(40.04)</b>                       | <b>7.67</b>                          |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

**Statement of Cash Flows for the period ended March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | For the Year ended<br>March 31, 2024 | For the Year ended<br>March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Cash & Cash Equivalents at the beginning of the period | 496.53                               | 488.86                               |
| Cash & Cash Equivalents at the end of the period       | 456.47                               | 496.53                               |
| Cash-in-hand   | 0.08                                 | 2.34                                 |
| Bank balances  |                                      |                                      |
| - in Current Accounts                                  | 155.05                               | 93.55                                |
| - in Deposit Accounts                                  | 301.34                               | 400.64                               |
| Bank Overdraft   | -                                    | -                                    |
| <b>Total</b>   | <b>456.47</b>                        | <b>496.53</b>                        |

Significant accounting policies & Notes to accounts

I & 2

The notes referred to above form an integral part of the financial statements

As per our report of even date  
for CNGSN & Associates LLP  
Chartered Accountants

Firm Registration No. 04915S/S200036

For and on behalf of the Board of Directors of  
Subam Papers Limited  
[CIN: U21012TN2004PLC054403]

*E.K. Srivatsan*

**E.K. Srivatsan**  
Partner  
Membership No. 225064



Place: Chennai  
Date: 01/07/2024

*T Balakumar*

**T Balakumar**  
Managing Director  
DIN: 00440500

*A Sudha*

**A Sudha**  
Director  
DIN: 01515113

*M. Jahir Hussain*

**M Jahir Hussain**  
Chief Financial Officer  
Place: Tirunelveli  
Date: 01/07/2024

*P. Nagarajan P*

**Nagarajan P**  
Company Secretary



## NOTES TO THE STANDALONE FINANCIAL STATEMENTS

### 1. Company Background

SUBAM PAPERS LIMITED is a Company incorporated in India under The Companies Act, 1956; an existing Company under the Companies Act, 2013 and is domiciled in India. Its Registered Office is located at S.F.No.143-146 VADUGANPATTI VILLAGE NADUKALLUR TO TIRUNELVELI, Tirunelveli, TIRUNELVELI TALUK, Tamil Nadu, India, 627010.

The Company is in the business of manufacture, sale and dealing in Kraft Paper Boards, Duplex Boards, Cones, Tubes and other allied goods and primarily caters to the Indian Market and also doing exports directly and through merchant exporters.

### 2. Significant Accounting Policies

#### Basis of Preparation

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 as applicable. The financial statements have been prepared under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair value.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

#### Change in Depreciation Method

During the year ended 31st March 2024, the company revised the estimated useful life of its machinery from the rates specified in Schedule II of the Companies Act, 2013, to management's estimated useful life. This change was based on a detailed review of the machinery's usage and technological advancements.

The impact of this change on the financial statements for the year is as follows:

- Increase in profit before tax by ₹553.74 Lacs due to lower depreciation expense.
- Decrease in depreciation expense by ₹553.74 Lacs.

The effect of the change on future periods is impracticable to determine at this time.

#### 2.1 Fixed Assets

Tangible Fixed Assets 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.

## 2.2 Capital Work-in-Progress

All project / capital related expenditure viz., civil works, machinery under erection, construction and erection materials, pre-operating expenditure including interest net of revenue included / attributable to the contracts of the project / as of incurred up to the date when the asset is ready for its intended use are shown as Capital work-in-progress.

## 2.3 Borrowing Costs

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

## 2.4 Depreciation

Depreciation is calculated on cost of items of the Fixed Assets less their estimated useful values over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss account. Freehold land is not depreciated.

The estimated useful lives of the Fixed Assets are as follows:

| Assets                         | Management estimate of useful life |
|--------------------------------|------------------------------------|
| Building                       | 30 Years                           |
| Office Equipment and Furniture | 3 to 10 Years                      |
| Plant & Machinery              | 15 Years                           |
| Vehicles                       | 10 Years                           |

Depreciation method and useful lives and residual values are reviewed at each financial year end adjusted if appropriate. The management believes that its estimates of useful lives as given above best represent the period over which the management expects to use the assets.

## 2.5 Current / Non-current classification

For the purpose of Current / Non-Current classification, the Company has reckoned its normal operating cycle as twelve months based on the nature of products and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

## 2.6 Impairment

At each balance sheet date, the management reviews the carrying amounts of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any



such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the statement of profit and loss.

## 2.7 Investments

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds, government securities and bonds are stated at the lower of cost and fair value.

## 2.8 Revenue recognition

Revenue is measured based on the transaction price, which is the fair value of the consideration received or receivable after netting trade discounts, volume discounts, sales returns and Goods and Services Tax. Revenue from sale of goods is recognized upon transfer of control of promised goods or services to customers.

Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest. In respect of other heads of income, the company follows the practice of accounting of such income on accrual basis.

## Earnings from Non-Conventional Energy sources

The company has installed Off-site Solar Plant and Windmills for captive consumption of power. The value of power so generated from the Off-site Solar Plant and Windmills are shown separately under "Other Operating Revenues".

## 2.9 Taxation

Current income tax expense comprises taxes on income from operations in India Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.



**a) Foreign exchange transactions/translations:**

**i. Initial Recognition:** Foreign currency transactions are reported in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

**ii. Conversion:** Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

**iii. Exchange Differences:** Exchange difference arising on long term currency monetary items related to acquisition of a fixed asset a recapitalized and depreciated over the remaining useful life of the asset. The exchange differences on other foreign currency monetary items are accumulated in.

“Foreign currency monetary item translation difference account” and amortized over the remaining life of the concerned monetary item. All other exchange differences are recognised as income or as expense in the period in which they arise according to the accounting standard 11 “The effects of change in Foreign exchange rates”.

**2.10 Inventories**

Raw materials are carried at the lower of cost and net realisable value. Cost is determined on a FIFO basis Work-in-progress is carried at the cost. Stores and spare parts are carried at cost. Finished goods produced or purchased by the Company are carried at lower of cost and net realisable value. Cost includes direct material and labor cost and a proportion of manufacturing overheads.

**2.11 Provisions, Contingent liabilities and Contingent assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) 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. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**2.12 Cash and Cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

**2.13 Events after reporting period**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, nature and consequent impact of the events of material size, occurring after the Balance Sheet date, are only disclosed.

**2.14 Employee benefits**





All employee benefits payable wholly within twelve months after the end of the annual reporting period of rendering the service are classified as Short-Term Employee Benefits and they are recognised in the period in which the employee renders the related service.

The Company recognizes the undiscounted amount of Short-Term Employee Benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

### **Retirement Benefits**

1. Gratuity is provided for the eligible employees as per the Payment of Gratuity Act 1972 with actuarial valuation. The company does not have any approved super annulation fund to its employees.
2. The company contributes Provident Fund to the employees under the Employees Provident Fund Scheme run by the Government.
3. As per the rules and regulations of the company the leave encashment is drawn within the year itself and no amount need to be provided.

### **2.15 Earnings per share**

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.

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.



**SUBAM PAPERS LIMITED**  
S.F.No. 143-146, Vadugaupatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010  
Notes to financial statements for the period ended March 31, 2024  
(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | As at          |                |
|---|----------------|----------------|
|   | March 31, 2024 | March 31, 2023 |
| <b>3 Share capital</b>  |                |                |
| a) <b>Authorised</b>  |                |                |
| 20,00,000 (March 31, 2023: 20,00,000) equity shares of Rs.10 each | 200.00         | 200.00         |
| 50,000 Preference Shares of Rs.10/- each                          | 5.00           | 5.00           |
|   | <b>205.00</b>  | <b>205.00</b>  |
| <b>Issued, Subscribed and paid up</b>                             |                |                |
| 16,27,672 (March 31, 2023: 16,27,672) equity shares of Rs.10 each | 162.77         | 162.77         |

**b) Reconciliation of the number of shares outstanding at the beginning and at the end of reporting period**

| Particulars                           | As at            |                |                  |               |
|---------------------------------------|------------------|----------------|------------------|---------------|
|                                       | March 31, 2024   | March 31, 2023 |                  |               |
|                                       | Number           | Value          | Number           | Value         |
| Balance at the beginning of the year  | 1,627,672        | 162.77         | 1,627,672        | 162.77        |
| Add: Shares issued during the year    | -                | -              | -                | -             |
| <b>Balance at the end of the year</b> | <b>1,627,672</b> | <b>162.77</b>  | <b>1,627,672</b> | <b>162.77</b> |

**c) 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.

**d) Shares held by the Holding Company, its Subsidiaries and Associates**

|  | As at          |                |               |       |
|--|----------------|----------------|---------------|-------|
|  | March 31, 2024 | March 31, 2023 |               |       |
|  | No. of shares  | Value          | No. of shares | Value |
| BMM Paper Board Private Limited                    | 157,458        | 15.75          | 157,458       | 15.75 |
| Saradhambika Paper and Board Mills Private Limited | 27,503         | 2.75           | 27,503        | 2.75  |



**SUBAM PAPERS LIMITED**

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(All amounts are in Indian Rupees lakhs, except share data or as stated)

**e) Details of the shareholders holding more than 5% shares in the Company**

|   | As at            |                   |                  |                   |
|---|------------------|-------------------|------------------|-------------------|
|   | March 31, 2024   |                   | March 31, 2023   |                   |
|   | No. of shares    | % of shareholding | No. of shares    | % of shareholding |
| Equity shares of Rs.10 each fully paid up held by |                  |                   |                  |                   |
| T Balakumar                                       | 746,153          | 45.84%            | 739,756          | 45.45%            |
| A Sudha   | 286,645          | 17.61%            | 286,645          | 17.61%            |
| BMM Paper Board Private Limited                   | 157,458          | 9.67%             | 157,458          | 9.67%             |
| K V Tirupathi                                     | 100,000          | 6.14%             | 100,000          | 6.14%             |
| S S Alagarsamy                                    | 100,000          | 6.14%             | 100,000          | 6.14%             |
| R Premavathy                                      | 100,000          | 6.14%             | 100,000          | 6.14%             |
| T Rukkumaniammal                                  | 99,617           | 6.12%             | -                | 0.00%             |
|   | <b>1,589,873</b> | <b>97.68%</b>     | <b>1,483,859</b> | <b>91.16%</b>     |

**f) Details of the shareholding of the promoters in the Company**

| Promoter name | March 31, 2024   |                   | March 31, 2023   |                   | % change during the year |
|---------------|------------------|-------------------|------------------|-------------------|--------------------------|
|               | No. of shares    | % of total shares | No. of shares    | % of total shares |                          |
| T Balakumar   | 746,153          | 45.84%            | 739,756          | 45.45%            | 0.00%                    |
| A Sudha       | 286,645          | 17.61%            | 286,645          | 17.61%            | 0.00%                    |
|               | <b>1,032,798</b> | <b>63.45%</b>     | <b>1,026,401</b> | <b>63.06%</b>     |                          |



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|   | As at            |                  |
|---|------------------|------------------|
|   | March 31, 2024   | March 31, 2023   |
| <b>4 Reserves and surplus</b>                   |                  |                  |
| <i>Capital Redemption Reserve</i>               |                  |                  |
| Opening balance                                 | 3.95             | 3.95             |
| Add: Transfer from Statement of Profit and Loss | -                | -                |
|   | <b>3.95</b>      | <b>3.95</b>      |
| <i>Securities Premium</i>                       |                  |                  |
| Opening balance                                 | 1,983.48         | 1,983.48         |
| Add: Premium received during the period         | -                | -                |
|   | <b>1,983.48</b>  | <b>1,983.48</b>  |
| <i>General Reserve</i>                          |                  |                  |
| Opening balance                                 | 5,120.00         | 5,120.00         |
| Add: Transfer from Statement of Profit and Loss | -                | -                |
|   | <b>5,120.00</b>  | <b>5,120.00</b>  |
| <i>Statement of Profit and loss</i>             |                  |                  |
| Opening balance                                 | 9,129.06         | 8,877.58         |
| Add: Profit/(loss) during the year              | 2,880.04         | 251.48           |
| Less: Transfer to General Reserve               | -                | -                |
|   | <b>12,009.10</b> | <b>9,129.06</b>  |
| <b>Total</b>                                    | <b>19,116.53</b> | <b>16,236.49</b> |
| <b>5 Long-term Borrowings</b>                   |                  |                  |
| <i>From Other than related parties</i>          |                  |                  |
| Term Loan from Bank - Secured                   | 4,995.51         | 5,334.64         |
| Vehicle Loan from Bank - Secured                | 142.03           | 189.16           |
|   | <b>5,137.54</b>  | <b>5,523.80</b>  |



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(All amounts are in Indian Rupees lakhs, except share data or as stated)

**5.1 Summary of Borrowing Arrangements**

| Name of Lender/Type of Loan                             | Date of issue | Sanctioned Amount | Nature of Security  | Rate of Interest | Repayment periods |
|---|---------------|-------------------|---|------------------|-------------------|
| M/s HDFC Bank Limited - Duplex Loan                     | 8/4/2021      | 3,600.00          | <ol style="list-style-type: none"> <li>Residential Plot at Plot no 1, 2, 3 and 4 at Sankarankovil in the name of Mr. T. Balakumar.</li> <li>Residential Site of 8118 Sq ft at Palayankottai in the name of Mr T.Balakumar and Mrs A. Sudha.</li> <li>Industrial Land of 22.23 acres at Manur Panchayat, 56.54 acres at Vadukanpatti, 24 acres at Vadukanpatti, 21.60 acres at Kodaganallur village, 44.47 acres at Thulukkarkulam Panchayat in the name of Subam Papers Limited.</li> <li>2 acres of land in vallinathi village.</li> </ol> | MCLR + 2.71%     | 84                |
| M/s HDFC Bank Limited - Solar Term Loan                 | 2/22/2022     | 3,790.00          | <ol style="list-style-type: none"> <li>Hypothecation On Equipment's - Exclusive on Equipment's and machineries</li> <li>Immovable Securities - First Pari Passu Charge on Immovable Fixed Assets of the company</li> <li>Personal Guarantee: PG of Mr T Balakumar and Ms A Sudha Movable Fixed Assets - First Pari Passu Charge on all movable fixed assets</li> <li>Current Assets - First Pari Passu Charge on the entire current of the Company</li> </ol>   | MCLR + 2.99%     | 84                |
| STATE BANK OF INDIA TERM LOAN (SOLAR)                   | 12/28/2023    | 1,650.00          | <ol style="list-style-type: none"> <li>Property totally to the extent of 21.24 Acres located in Tirunelveli, Sankaranthiradu Village</li> <li>Hypothecation on Solar power plant of 4 MW AC</li> </ol>  | 6M MCLR + 4%     | 78                |
| M/s HDFC Bank Limited - VL 1 - Ashok Leyland Lorry Loan | 5/5/2022      | 203.50            | Ashok Leyland 1615 HE (10 Vehicles)   | 6.75%            | 48                |



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(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  |           |       |  |              |    |
|--|-----------|-------|--|--------------|----|
| M/s HDFC Bank Limited - VL 2 - Bull Loan | 6/29/2022 | 27.03 | Bull SD 76/BHL - Chasis No: BCECH10FVA2200163                    | 8.02%        | 48 |
| M/s HDFC Bank Limited - VL 3 - Bull Loan | 3/24/2023 | 19.26 | Bull CH 76 2WD2 - Chasis No: BCECH10FVB2300524                   | 8.75%        | 48 |
| M/s HDFC Bank Limited - VL 4 - Bull Loan | 3/24/2023 | 19.26 | Bull CH 76 2WD2 - Chasis No: BCECH10FJB2300522                   | 8.75%        | 48 |
| AXIS BANK LTD - VEHICLE LOAN BULL 1      | 3/31/2023 | 18.19 | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCC2300533 | MCLR+0.30%   | 36 |
| AXIS BANK LTD - VEHICLE LOAN BULL 2      | 3/30/2023 | 18.19 | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCC2300547 | MCLR+0.30%   | 36 |
| AXIS BANK LTD - VEHICLE LOAN BULL 3      | 6/19/2023 | 18.19 | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FTF2300598 | MCLR + 0.15% | 36 |
| AXIS BANK LTD - VEHICLE LOAN BULL 4      | 6/19/2023 | 18.19 | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FCE2300591 | MCLR + 0.15% | 36 |
| AXIS BANK LTD - VEHICLE LOAN BULL 5      | 6/20/2023 | 18.19 | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FEF2300616 | MCLR + 0.15% | 36 |
| AXIS BANK LTD - VEHICLE LOAN BULL 6      | 6/20/2023 | 18.19 | Bull Machine Model No: 49.5HP 2WD - Chasis No: BCECH10FTF2300621 | MCLR + 0.15% | 36 |



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(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | As at          |                | As at          |                |
|---|----------------|----------------|----------------|----------------|
|   | March 31, 2024 | March 31, 2023 | Long-term      | Short-term     |
|   | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| <b>6 Deferred Tax Liabilities (Net)</b>                   |                |                |                |                |
| <i>Deferred Tax Liabilities</i>                           | 877.34         | 576.93         |                |                |
| Difference between book depreciation and tax depreciation | 877.34         | 576.93         |                |                |
| <b>Gross Deferred Tax Liability (A)</b>                   | 877.34         | 576.93         |                |                |
| <b>Total</b>  |                |                |                |                |
|   | 140.53         | 101.98         | 36.51          | -              |
| <b>7 Provisions</b>                                       |                |                |                |                |
| Provision for Gratuity                                    | -              | -              | -              | -              |
| Provision for leave encashment                            | -              | -              | 82.74          | 66.51          |
| Provision for Bonus                                       | -              | -              | (30.08)        | -              |
| Provision for Tax [Net of advance tax]                    | -              | -              | 89.17          | -              |
| <b>Total</b>  | 140.53         | 101.98         | 89.17          | 66.51          |
|   |                |                |                |                |
| <b>8 Short-term Borrowings</b>                            |                |                |                |                |
| Current maturities of long-term debts                     | 1,465.77       | 1,164.19       |                |                |
| Loans repayable on demand - Secured                       | 4,018.00       | 1,400.00       |                |                |
| Cash Credit   | 1,638.21       | 1,867.06       |                |                |
| Buyer's credit  | -              | 390.59         |                |                |
| <b>Total</b>  | 7,121.98       | 4,821.84       |                |                |

| Name of Lender/Type of Loan                   | Rate of Interest | Nature of Security |
|---|------------------|--------------------|
| HDFC Bank Limited-Cash Credit Account         | Repo Rate+2%     | Vide details below |
| HDFC Bank Limited-Working Capital Demand Loan | Repo Rate+1.75%  | Vide details below |
| ICICI Bank Limited-Cash Credit Account        | Repo Rate+2.50%  | Vide details below |
| ICICI Bank Limited-Buyers Credit Limit        | LIBOR +1.05%     | Vide details below |

- Working Capital limits availed from the above banks are secured by hypothecation of on entire current assets, i.e. stock of raw materials, SIP, finished goods and receivables (present & future) of the company and receivables with a cover period not exceeding 120 days ranking paripassu with one another. Further secured by joint and equitable mortgage of all immovable properties and by hypothecation of machineries ranking paripassu with one another.
- The directors of the company namely Mr.T.Balakumar and Mrs. A.Sudha have personally guaranteed the above credit facilities and have given landed properties situate in various locations as collateral securities towards the credit facilities availed from Banks.
- The Company has not defaulted in repayment of loans and interest.



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Notes to financial statements for the period ended March 31, 2024  
(All amounts are in Indian Rupees lakhs, except share data or as stated)

| As at           |                 |
|-----------------|-----------------|
| March 31, 2024  | March 31, 2023  |
| 68.26           | 111.26          |
| 3,458.96        | 4,720.40        |
| <b>3,527.22</b> | <b>4,831.66</b> |

9 Trade Payables  
Dues to Micro and Small Enterprises  
Dues to Others

Trade Payables ageing schedule as on March 31, 2024

| Particulars               | Outstanding for the 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 |                 |
| (i) MSMSE                 | 68.26  | -                 | -             | -             | -                 | 68.26           |
| (ii) Others               | 2,612.14   | 326.30            | 301.31        | 174.86        | 44.35             | 3,458.96        |
| (iii) Disputed Dues-MSMSE | -  | -                 | -             | -             | -                 | -               |
| (iv) Disputed Dues-Others | -  | -                 | -             | -             | -                 | -               |
| <b>Total</b>              | <b>2,680.40</b>  | <b>326.30</b>     | <b>301.31</b> | <b>174.86</b> | <b>44.35</b>      | <b>3,527.22</b> |

Trade Payables ageing schedule as on March 31, 2023

| Particulars               | Outstanding for the 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 |                 |
| (i) MSMSE                 | 111.26   | -                 | -         | -         | -                 | 111.26          |
| (ii) Others               | 4,720.40   | -                 | -         | -         | -                 | 4,720.40        |
| (iii) Disputed Dues-MSMSE | -  | -                 | -         | -         | -                 | -               |
| (iv) Disputed Dues-Others | -  | -                 | -         | -         | -                 | -               |
| <b>Total</b>              | <b>4,831.66</b>  | <b>-</b>          | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>4,831.66</b> |

10 Other Current Liabilities  
Interest accrued and due on borrowings  
Statutory dues payable  
Advances from customers  
Liability for expenses  
Total

| As at          |                |
|----------------|----------------|
| March 31, 2024 | March 31, 2023 |
| 74.08          | 76.51          |
| 28.79          | 27.09          |
| 155.14         | 151.44         |
| 523.83         | 341.05         |
| <b>781.84</b>  | <b>596.09</b>  |





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(All amounts are in Indian Rupees lakhs, except share data or as stated)

**11 Property, Plant and Equipment and Intangible Assets**

| Particulars                     | Property, Plant and Equipment |          |          |                              |                   |                           |          |  | Total     |  |
|---------------------------------|-------------------------------|----------|----------|------------------------------|-------------------|---------------------------|----------|--|-----------|--|
|                                 | Land                          | Building | Windmill | Office Equipment & Furniture | Plant & Machinery | Groundmounted Solar Plant | Vehicles |  |           |  |
| <b>Gross Block</b>              |                               |          |          |                              |                   |                           |          |  |           |  |
| Balance as at April 01, 2022    | 11.92                         | 2,003.70 | 1,041.75 | 125.15                       | 11,986.49         | 4,197.14                  | 666.33   |  | 20,032.48 |  |
| Additions                       | -                             | 145.55   | -        | 22.58                        | 1,615.82          | 581.40                    | 281.20   |  | 2,646.55  |  |
| Deletions / write off           | -                             | -        | -        | -                            | 0.81              | -                         | -        |  | 0.81      |  |
| Balance as at March 31, 2023    | 11.92                         | 2,149.25 | 1,041.75 | 147.73                       | 13,601.50         | 4,778.54                  | 947.53   |  | 22,678.22 |  |
| Additions                       | -                             | 61.66    | -        | 10.03                        | 6.50              | 1,687.06                  | 141.74   |  | 1,906.99  |  |
| Deletions / write off           | -                             | -        | -        | -                            | -                 | 10.46                     | 84.46    |  | 94.92     |  |
| Balance as at March 31, 2024    | 11.92                         | 2,210.91 | 1,041.75 | 157.76                       | 13,608.00         | 6,455.14                  | 1,004.81 |  | 24,490.29 |  |
| <b>Accumulated depreciation</b> |                               |          |          |                              |                   |                           |          |  |           |  |
| Balance as at April 01, 2022    | -                             | 566.21   | 1,040.50 | 59.26                        | 5,849.62          | 2.18                      | 223.01   |  | 7,740.78  |  |
| Additions                       | -                             | 75.73    | 0        | 32.71                        | 942.90            | 274.90                    | 66.70    |  | 1,392.94  |  |
| Deletions / adjustments         | -                             | -        | -        | -                            | -                 | -                         | -        |  | -         |  |
| Balance as at March 31, 2023    | -                             | 641.94   | 1,040.50 | 91.97                        | 6,792.52          | 277.08                    | 289.71   |  | 9,133.72  |  |
| Additions                       | -                             | 66.54    | -        | 19.51                        | 480.64            | 302.98                    | 95.04    |  | 964.72    |  |
| Deletions / adjustments         | -                             | 23.41    | -        | 6.66                         | (28.23)           | (20.84)                   | 29.04    |  | 10.04     |  |
| Balance as at March 31, 2024    | -                             | 685.07   | 1,040.50 | 104.81                       | 7,301.40          | 600.91                    | 355.71   |  | 10,088.40 |  |
| <b>Net Block</b>                |                               |          |          |                              |                   |                           |          |  |           |  |
| As at March 31, 2023            | 11.92                         | 1,507.31 | 1.25     | 55.76                        | 6,808.98          | 4,501.46                  | 657.82   |  | 13,544.50 |  |
| As at March 31, 2024            | 11.92                         | 1,525.84 | 1.25     | 52.95                        | 6,306.60          | 5,854.23                  | 649.10   |  | 14,401.89 |  |

1. 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.
2. 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, Plant and Equipment.
3. The Company has no intangible assets as at the balance sheet date.



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**12 Capital Work-in-progress ("CWIP")**

| Particulars                                   | CWIP            |
|---|-----------------|
| <b>Gross Block</b>                            | -               |
| Balance as at March 31, 2022                  | -               |
| Additions                                     | -               |
| Capitalization to Property, plant & equipment | -               |
| <b>Balance as at March 31, 2023</b>           | -               |
| Additions                                     | 1,952.47        |
| Capitalization to Property, plant & equipment | -               |
| <b>Balance as at March 31, 2024</b>           | <b>1,952.47</b> |

**12.1 Capital Work-in-progress ageing schedule as on March 31, 2024**

| Particulars                         | Outstanding for the following periods from Due Date of Payment |           |           |                   | Total           |
|-------------------------------------|--|-----------|-----------|-------------------|-----------------|
|                                     | Less than 1 Year   | 1-2 Years | 2-3 Years | More than 3 Years |                 |
| (i) Projects in progress            | 1,952.47   | -         | -         | -                 | 1,952.47        |
| (ii) Projects temporarily suspended | -  | -         | -         | -                 | -               |
| <b>Total</b>                        | <b>1,952.47</b>  | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>1,952.47</b> |

**Capital Work-in-progress ageing schedule as on March 31, 2023**

| Particulars                         | Outstanding for the following periods from Due Date of Payment |           |           |                   | Total    |
|-------------------------------------|--|-----------|-----------|-------------------|----------|
|                                     | Less than 1 Year   | 1-2 Years | 2-3 Years | More than 3 Years |          |
| (i) Projects in progress            | -  | -         | -         | -                 | -        |
| (ii) Projects temporarily suspended | -  | -         | -         | -                 | -        |
| <b>Total</b>                        | <b>-</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>-</b> |



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(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | As at           |                 | As at          |                 |
|---|-----------------|-----------------|----------------|-----------------|
|   | March 31, 2024  | March 31, 2023  | March 31, 2024 | March 31, 2023  |
| <b>13 Non-current Investments</b>   |                 |                 |                |                 |
| Unquoted Investments in Equity Instruments  | 1,526.61        | 1,613.11        |                |                 |
| <b>Total</b>  | <b>1,526.61</b> | <b>1,613.11</b> |                |                 |
| <b>13.1 Details of Investments</b>  |                 |                 |                |                 |
| <i>Investment in Unquoted Equity Shares</i>   |                 |                 |                |                 |
| Subam Paper and Boards Private Limited:<br>Equity Shares of Rs.10/- each fully paid up  | 8,190,000       | 819.00          | 819.00         | 819.00          |
| Subam Agro Ventures Private Limited:<br>Equity Shares of Rs.10/- each at a premium of Rs.900/- per share fully paid up                | 50,000          | 455.00          | 455.00         | 455.00          |
| Saradhambika Paper and Board Mills Private Limited:<br>Equity Shares of Rs.10/- each at a premium of Rs.500/- per share fully paid up | 23,250          | 117.65          | 117.65         | 117.65          |
| Saradhambika Paper and Board Mills Private Limited:<br>Equity Shares of Rs.10/- each at a premium of Rs.496/- per share fully paid up | 24,000          | 122.40          | 122.40         | 122.40          |
| B.M.M Paper Board Private Limited:<br>Equity Shares of Rs.10/- each fully paid up   | 60,000          | 6.00            | 6.00           | 6.00            |
| Bhatia Coke & Energy Private Limited, Unquoted Equity Shares of Rs.100/- each fully paid up   | -               | -               | 82,502         | 82.50           |
| Raghurama Renewable Energy Limited, Unquoted Equity Shares of Rs.10/ each fully paid up   | -               | -               | 40,000         | 4.00            |
| NU Power Wind Farms Private Limited:<br>Equity Shares of Rs.10/- each fully paid up   | 13,607          | 1.36            | 13,607         | 1.36            |
| Echanda Urja Private Limited:<br>Equity Shares of Rs.10/- each fully paid up  | 52,000          | 5.20            | 52,000         | 5.20            |
|   |                 | <b>1,526.61</b> |                | <b>1,613.11</b> |
| <b>13.2 Details of Investments</b>  |                 |                 |                |                 |
| Aggregate book value of unquoted non-current investments  | 1,526.61        | 1,613.11        |                |                 |



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(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | As at           |                 |
|--|-----------------|-----------------|
|  | March 31, 2024  | March 31, 2023  |
| <b>14 Long-term Loans and Advances</b>                         |                 |                 |
| <i>To related parties - Unsecured</i>                          |                 |                 |
| Advances to subsidiary companies                               | 3,227.27        | 3,499.79        |
|  | <b>3,227.27</b> | <b>3,499.79</b> |
| <b>Other Non Current Assets</b>                                |                 |                 |
| Security Deposits  | 392.06          | 291.47          |
|  | <b>392.06</b>   | <b>291.47</b>   |
| <b>15 Inventories</b>  |                 |                 |
| Raw materials  | 2,406.41        | 1,032.00        |
| Work-in-progress   | 144.19          | 373.94          |
| Finished goods   | 932.02          | 901.82          |
| Stores and spare parts   | 1,267.09        | 995.75          |
|  | <b>4,749.71</b> | <b>3,303.51</b> |
| <b>16 Cash and cash equivalents</b>                            |                 |                 |
| Cash on hand   | 0.08            | 2.34            |
| Balances with banks  |                 |                 |
| -in Current accounts   | 155.05          | 93.55           |
|  | <b>155.13</b>   | <b>95.89</b>    |
| Other Bank Balances  |                 |                 |
| -Deposits due to mature within 12 months of the reporting date | 301.34          | 400.64          |
|  | <b>456.47</b>   | <b>496.53</b>   |
| <b>17 Short-term Loans and Advances</b>                        |                 |                 |
| Loans and advances to employees                                | 20.06           | 12.85           |
| Advances to suppliers  | 579.78          | 2,668.06        |
| Balances with Government Authorities                           | 56.17           | 121.19          |
| Prepaid expenses   | 63.15           | 58.82           |
|  | <b>719.16</b>   | <b>2,860.92</b> |



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(All amounts are in Indian Rupees lakhs, except share data or as stated)

| As at          |                |
|----------------|----------------|
| March 31, 2024 | March 31, 2023 |
| 1,217.55       | 791.58         |
| 8,086.37       | 6,513.09       |
| 9,303.92       | 7,304.67       |
| 93.04          | -              |
| 9,210.88       | 7,304.67       |

**18 Trade Receivables**  
*Unsecured, considered good*  
Receivables outstanding for a period exceeding six months from the date they became due for payment  
Other Receivables

Less: Allowance for doubtful debts

**Trade Receivables ageing schedule as on March 31, 2024**

| Particulars                           | Outstanding for the 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 |                 |
| (i) Undisputed - Considered Good      | 8,086.37   | 646.17            | 430.40        | 60.79        | 80.19             | 9,303.92        |
| (ii) Undisputed - Considered Doubtful | -  | -                 | -             | -            | -                 | -               |
| (iii) Disputed - Considered Good      | -  | -                 | -             | -            | -                 | -               |
| (iv) Disputed - Considered Doubtful   | -  | -                 | -             | -            | -                 | -               |
| <b>Total</b>                          | <b>8,086.37</b>  | <b>646.17</b>     | <b>430.40</b> | <b>60.79</b> | <b>80.19</b>      | <b>9,303.92</b> |
| Less: Allowance for doubtful debts    |  |                   |               |              |                   | 93.04           |
| <b>Total</b>                          |  |                   |               |              |                   | <b>9,210.88</b> |

**Trade Receivables ageing schedule as on March 31, 2023**

| Particulars                           | Outstanding for the 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 |                 |
| (i) Undisputed - Considered Good      | 6,513.09   | 405.42            | 183.50        | 192.98        | 9.68              | 7,304.67        |
| (ii) Undisputed - Considered Doubtful | -  | -                 | -             | -             | -                 | -               |
| (iii) Disputed - Considered Good      | -  | -                 | -             | -             | -                 | -               |
| (iv) Disputed - Considered Doubtful   | -  | -                 | -             | -             | -                 | -               |
| <b>Total</b>                          | <b>6,513.09</b>  | <b>405.42</b>     | <b>183.50</b> | <b>192.98</b> | <b>9.68</b>       | <b>7,304.67</b> |
| Less: Allowance for doubtful debts    |  |                   |               |               |                   | -               |
| <b>Total</b>                          |  |                   |               |               |                   | <b>7,304.67</b> |

**19 Other Current Assets**  
Interest accrued on fixed deposits  
Duty Drawback Receivable  
Import Duty Refundable  
**Total**

|        |      |
|--------|------|
| 315.55 | 0.89 |
| 0.59   | 0.42 |
| 2.26   | 2.26 |
| 318.40 | 3.57 |



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Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | For the period/year ended |                         |
|--|---------------------------|-------------------------|
|  | March 31, 2024            | March 31, 2023          |
| <b>20 Revenue from operations</b>                                      |                           |                         |
| Sale of products   |                           |                         |
| -Export Sales  | 3,040.10                  | 2,224.43                |
| -Domestic Sales  | 41,454.69                 | 41,841.93               |
|  | <u>44,494.79</u>          | <u>44,066.36</u>        |
| Other operating revenue  |                           |                         |
| -Freight collection on sales   | -                         | 185.32                  |
| -Sale of Scrap   | 186.53                    | 176.25                  |
| -MEIS Sales incentive  | -                         | 58.14                   |
| -Duty Drawback   | 38.05                     | 28.88                   |
| -RODTEP Licence Income   | 48.46                     | 10.91                   |
|  | <u>273.04</u>             | <u>459.50</u>           |
|  | <u><u>44,767.83</u></u>   | <u><u>44,525.86</u></u> |
| <b>21 Other Income</b>   |                           |                         |
| Interest Income from fixed deposits                                    | 318.61                    | 554.47                  |
| Manpower Support Fees  | 240.00                    | 120.00                  |
| Bad debts recovered  | 10.60                     | 3.00                    |
| Liabilities no longer required written back                            | 0.42                      | -                       |
| Provisions no longer required written back                             | -                         | -                       |
| Miscellaneous Income   | 30.36                     | -                       |
|  | <u>599.99</u>             | <u>677.47</u>           |
| <b>22 Cost of Material Consumed</b>                                    |                           |                         |
| <i>Raw Materials</i>   |                           |                         |
| Opening stock  | 1,032.00                  | 2,981.12                |
| Add: Purchases during the year   | 24,750.74                 | 30,675.07               |
| Less: Closing Stock  | (2,406.41)                | (1,032.00)              |
| Consumption of stores and spare parts                                  | 5,725.15                  | 1,486.12                |
| Add: Direct expenses   |                           |                         |
| Power and fuel   | 5,619.20                  | 4,708.61                |
| Freight Inward   | 226.41                    | 19.47                   |
| Manufacturing Expenses   | 117.36                    | 68.64                   |
|  | <u>35,064.45</u>          | <u>38,907.03</u>        |
| <b>23 Change in Inventories of work in progress and finished goods</b> |                           |                         |
| <i>Opening Stock</i>   |                           |                         |
| Finished Goods   | 901.82                    | 580.31                  |
| Work-in-progress   | 373.94                    | 613.34                  |
|  | <u>1,275.76</u>           | <u>1,193.65</u>         |
| Less: Closing Stock  |                           |                         |
| Finished Goods   | (932.02)                  | (901.82)                |
| Work-in-progress   | (144.19)                  | (373.94)                |
|  | <u>(1,076.21)</u>         | <u>(1,275.76)</u>       |
|  | <u><u>199.55</u></u>      | <u><u>(82.11)</u></u>   |



**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | For the period/year ended |                 |
|---|---------------------------|-----------------|
|   | March 31, 2024            | March 31, 2023  |
| <b>24 Employee Benefit Expenses</b>                       |                           |                 |
| Salaries, Wages and Bonus                                 | 1,360.95                  | 1,283.19        |
| Contribution to provident and other funds                 | 34.13                     | 38.54           |
| Staff welfare expenses                                    | 81.56                     | 94.93           |
| Remuneration to Directors                                 | 22.00                     | 26.00           |
| Gratuity Expenses   | 33.04                     | 8.40            |
|   | <b>1,531.68</b>           | <b>1,451.06</b> |
| <b>25 Finance Costs</b>                                   |                           |                 |
| Interest expense  |                           |                 |
| -On Term loans from banks                                 | 569.57                    | 573.20          |
| -On working capital demand loans                          | 493.51                    | 371.74          |
| -On other borrowings                                      | 90.66                     | 1.62            |
|   | <b>1,153.74</b>           | <b>946.56</b>   |
| Bank Charges  | 35.94                     | 69.97           |
| Processing Charges  | 56.58                     | -               |
| Net loss on foreign currency transactions and translation | 12.44                     | 5.15            |
|   | <b>1,258.70</b>           | <b>1,021.68</b> |
| <b>26 Other Expenses</b>                                  |                           |                 |
| Payment to auditors (Refer note 30)                       | 11.50                     | 3.50            |
| Advertisement   | 1.00                      | 3.25            |
| Commission  | 168.09                    | 73.57           |
| Consultancy fees  | 23.04                     | 13.00           |
| Insurance   | 60.81                     | 43.14           |
| Legal and professional charges                            | 41.33                     | 25.25           |
| Rent  | 118.27                    | 60.38           |
| Repairs and Maintenance                                   |                           |                 |
| -Building   | 62.43                     | 60.13           |
| -Machinery  | 499.77                    | 535.84          |
| -Vehicles   | 76.32                     | -               |
| -Others   | 52.91                     | 301.55          |
| Rates and Taxes   | 115.14                    | 26.05           |
| Selling and Distribution Expenses                         | 528.68                    | 521.24          |
| Postage Expenses  | 1.18                      | 1.94            |
| Printing and Stationery                                   | 8.61                      | 6.89            |
| Security Charges  | 11.22                     | 13.37           |
| Telephone expenses  | 5.94                      | 5.54            |
| Travelling Expenses                                       | 24.57                     | 29.38           |
| Corporate Social Responsibility Expenses (Refer note 39)  | 61.23                     | 129.45          |
| Loss on sale of fixed assets                              | 7.38                      | -               |
| Provision for bad debts                                   | 93.00                     | -               |
| Interest on income-tax                                    | -                         | 48.68           |
| Bad debts written off                                     | -                         | -               |
| Advances written off                                      | -                         | -               |
| Miscellaneous expenses                                    | 456.80                    | 6.17            |
|   | <b>2,429.22</b>           | <b>1,908.32</b> |



**SUBAM PAPERS LIMITED**

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Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|   | As at              |                 |
|---|--------------------|-----------------|
|   | March 31, 2024     | March 31, 2023  |
| <b>27 Contingent liabilities</b>  | 2,499.08           | -               |
| i. The company has received demand order under GST on 29th April 2024 and the demand created is for Rs. 740.15 lakhs. The company has filed an appeal against the same challenging the amount of Rs. 724.52 lakhs. The company has made a pre-deposit of Rs. 29.77 lakhs on 21st June 2024.         |                    |                 |
| ii. The Company has received GST Audit observation for the period 01.04.2020 to 31.03.2021 and 01.04.2021 to 31.03.2022 on 29th June 2024, which indicates the descriptions of Rs. 1491.94 lakhs and 282.61 lakhs respectively. The company is in the process of responding to the GST observation. |                    |                 |
| <b>28 Dues to Micro, Small and Medium Enterprises</b>   |                    |                 |
| Amount Due to Supplier  | 68.26              | 111.26          |
| Principal amount paid beyond appointed date   | -                  | -               |
| Interest due and payable for the year   | -                  | -               |
| Interest accrued and remaining unpaid   | -                  | -               |
| * The above data includes Capital creditors and is given to the extent of information available with the Company  |                    |                 |
|   | For the year ended |                 |
|   | March 31, 2024     | March 31, 2023  |
| <b>29 Earnings per Share</b>  |                    |                 |
| Profit/(Loss) after tax for the year  | 2,880.04           | 251.48          |
| Weighted average number of Equity Shares  | 1,627,672          | 1,627,672       |
| Basic earnings per share (Actuals)  | 176.94             | 15.45           |
| Diluted earnings per share (Actuals)  | 176.94             | 15.45           |
| Face value per equity share (Rs)  | 10.00              | 10.00           |
| <b>30 Payments to Auditors</b>  |                    |                 |
| Statutory Audit   | 11.50              | 2.50            |
| Other matters   | -                  | 0.75            |
| Reimbursements  | -                  | 0.25            |
|   | <u>11.50</u>       | <u>3.50</u>     |
| <b>31 Earnings in foreign currency</b>  |                    |                 |
| Export of Goods on FOB basis  | 3,040.10           | 2,224.43        |
|   | <u>3,040.10</u>    | <u>2,224.43</u> |
| <b>32 Expenditure in Foreign Currency</b>   |                    |                 |
| Sales Commission  | 12.93              | 62.22           |
|   | <u>12.93</u>       | <u>62.22</u>    |





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Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | For the year ended |                  |
|--|--------------------|------------------|
|  | March 31, 2024     | March 31, 2023   |
| <b>33 Value of Imports on CIF basis</b>  |                    |                  |
| Raw Materials  | 11,711.84          | 10,242.45        |
| Components and Spares  | 18.19              | 110.08           |
| Capital Goods  | 184.08             | 384.76           |
|  | <u>11,914.12</u>   | <u>10,737.29</u> |
| <b>34 Value of Imported and indigenous raw materials, spare parts and capital goods consumed</b> |                    |                  |
| <b>Raw Materials</b>   |                    |                  |
| -Imported  | 11,711.84          | 10,242.45        |
| -Indigenous  | 11,664.49          | 22,381.75        |
|  | <u>23,376.33</u>   | <u>32,624.20</u> |
| <b>Components and Spares</b>   |                    |                  |
| -Imported  | 18.19              | 110.08           |
| -Indigenous  | 5,706.96           | 1,376.04         |
|  | <u>5,725.15</u>    | <u>1,486.12</u>  |
| <b>Capital Goods</b>   |                    |                  |
| -Imported  | 184.08             | 384.76           |
| -Indigenous  | 1,566.33           | 1,231.06         |
|  | <u>1,750.42</u>    | <u>1,615.82</u>  |
|  | <u>30,851.90</u>   | <u>35,726.14</u> |



**SUBAM PAPERS LIMITED**

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**Notes to financial statements for the period ended March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**35 Related Party Transactions**

**(i) The company is jointly controlled by the following entities/individuals:**

| <b>Entities / Individuals</b>                      |
|--|
| T Balakumar  |
| A Sudha  |
| BMM Paper Board Private Limited                    |
| K V Tirupathi                                      |
| S S Alagarsamy                                     |
| R Premavathy                                       |
| Saradhambika Paper and Board Mills Private Limited |
| R Venkatesh  |
| B Madhumitha                                       |

**(ii) The list of related parties as defined in the standard is given below:**

| <b>Entities / Individuals</b>   | <b>Nature of relationship</b>  |
|---|--|
| <b>Subsidiary Companies</b><br>Subam Paper and Boards Private Limited<br>Subam Agro Ventures Private Limited  |  |
| <b>Associate Companies</b><br>BMM Paper Board Private Limited<br>Saradhambika Paper and Board Mills Private Limited   |  |
| <b>Key managerial personnel (KMP)</b><br>T Balakumar<br>A Sudha<br>B Madhumitha (Director till February 03, 2024)<br>P Balagurunathan (till February 03, 2024)<br>R Venkatesh | Managing Director<br>Director<br>Relative of KMP<br>Director<br>Director |
| <b>KMP's interested concern</b><br>Mayura Packaging Private Limited<br>Unicone<br>BMM Transport   | Proprietorship of T Balakumar  |



**SUBAM PAPERS LIMITED**

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Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**35 Related Party Transactions (Contd.)**

(iii) Disclosure of transactions with the related parties as defined in the standard is given below:

**A Transactions with key management personnel including directors****Key management personnel compensation**

| Particulars       | March 31, 2024 | March 31, 2023 |
|-------------------|----------------|----------------|
| Remuneration paid |                |                |
| A Sudha           | 10.00          | 13.00          |
| B Madhumitha      | 12.00          | 13.00          |
| Travel expense    |                |                |
| T Balakumar       | 1.00           | 0.16           |
| Retainer fees     |                |                |
| P Balagurunathan  | 5.60           | 8.28           |
| R Venkatesh       | 27.00          | 26.50          |

**B Transactions with subsidiary companies**

| Particulars                            | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Goods sold                             |                |                |
| Subam Paper and Boards Private Limited | 2,272.17       | 1,262.62       |
| Goods purchased                        |                |                |
| Subam Paper and Boards Private Limited | 605.79         | 413.60         |
| Interest received                      |                |                |
| Subam Paper and Boards Private Limited | 316.64         | 478.05         |
| Rent paid                              |                |                |
| Subam Agro Ventures Private Limited    | 1.61           | 1.61           |
| Guarantee provided                     |                |                |
| Subam Paper and Boards Private Limited | -              | 7,700.00       |
| Shares subscribed                      |                |                |
| Subam Agro Ventures Private Limited    |                | 455.00         |

**C Transactions with associate companies**

| Particulars  | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| Goods sold   |                |                |
| Saradhambika Paper and Board Mills Private Limited | 53.08          | 77.76          |
| Sale of Asset                                      |                |                |
| Saradhambika Paper and Board Mills Private Limited | -              | 0.81           |
| Goods purchased                                    |                |                |
| Saradhambika Paper and Board Mills Private Limited | 135.03         | 417.17         |
| Technical Fees received                            |                |                |
| Saradhambika Paper and Board Mills Private Limited | 240.00         | 120.00         |



**SUBAM PAPERS LIMITED**

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Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**35 Related Party Transactions (Contd.)****D Transactions with related parties other than subsidiaries, associate companies & KMP**

| Particulars                         | March 31, 2024 | March 31, 2023 |
|-------------------------------------|----------------|----------------|
| Goods sold                          |                |                |
| Mayura Packaging Private Limited    | 2,770.40       | 3,124.35       |
| Goods purchased                     |                |                |
| Unicone                             | -              | 26.58          |
| Mayura Packaging Private Limited    | 649.54         | 369.85         |
| Freight Charges                     |                |                |
| BMM Transport                       | 73.49          | 49.67          |
| Fuel charges received               |                |                |
| BMM Transport                       | -              | 37.89          |
| Interest received                   |                |                |
| Mayura Packaging Private Limited    | 16.79          | 67.18          |
| Asset purchase                      |                |                |
| Unicone                             | 1.50           | 5.26           |
| Interest paid                       |                |                |
| Mayura Packaging Private Limited    | -              | 9.35           |
| Lease Rent paid                     |                |                |
| Unicone                             | 116.67         | 33.33          |
| Staff welfare expense               |                |                |
| Unicone                             | -              | 0.01           |
| Reimbursement of Expenses           |                |                |
| Subam Agro Ventures Private Limited | 9.26           | 2.51           |
| Power charges paid                  |                |                |
| Unicone                             | 207.94         | -              |



**SUBAM PAPERS LIMITED**

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Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**35 Related Party Transactions (Contd.)****(iv) Related party balances as at year-end:**

| Particulars  | March 31, 2024 | March 31, 2023 |
|--|----------------|----------------|
| <b>Trade Payables</b>                              |                |                |
| Unicone  | 134.35         | (57.40)        |
| BMM Paper Board Private Limited                    | (0.35)         | 205.40         |
| BMM Transport                                      | 0.83           | (11.90)        |
| Saradhambika Paper and Board Mills Private Limited | -              | 27.07          |
| Subam Paper and Boards Private Limited             | (579.90)       | 272.05         |
| Mayura Packaging Private Limited                   | (18.02)        | 123.71         |
| <b>Advances given</b>                              |                |                |
| Subam Paper and Boards Private Limited             | 3,140.43       | 4,110.82       |
| Subam Agro Ventures Private Limited                | 45.00          | 45.00          |
| A Sudha  | 0.60           | 0.60           |
| T Balakumar  | 1.20           | 0.12           |
| Unicone  | 26.23          | 26.23          |
| <b>Rent Payable</b>                                |                |                |
| Subam Agro Ventures Private Limited                | (3.22)         | (1.61)         |
| <b>Reimbursement of Expenses</b>                   |                |                |
| Subam Agro Ventures Private Limited                | 11.77          | 2.51           |
| <b>Trade Receivables</b>                           |                |                |
| Mayura Packaging Private Limited                   | 1,669.09       | 2,333.29       |
| Saradhambika Paper and Board Mills Private Limited | 140.01         | -              |
| Subam Paper and Boards Private Limited             | (398.98)       | (386.49)       |
| Unicone  | (25.24)        | (25.24)        |
| <b>Investment in shares</b>                        |                |                |
| Subam Paper and Boards Private Limited             | 819.00         | 819.00         |
| Subam Agro Ventures Private Limited                | 5.00           | 455.00         |
| Saradhambika Paper and Board Mills Private Limited | 240.05         | 240.05         |
| BMM Paper Board Private Limited                    | 6.00           | 6.00           |



**SUBAM PAPERS LIMITED**  
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(All amounts are in Indian Rupees lakhs, except share data or as stated)

**36 Ratios**

| S.No | Ratio                            | Measured In | Formula  | Items Included                                  |   | Values For 2023-2024 |             | 2023-24 Ratio | Values For 2022-2023 |             | 2022-23 Ratio | % of Variance |
|------|----------------------------------|-------------|--|---|---|----------------------|-------------|---------------|----------------------|-------------|---------------|---------------|
|      |                                  |             |  | Numerator                                       | Denominator                                   | Numerator            | Denominator |               | Numerator            | Denominator |               |               |
| 1    | Current Ratio                    | Times       | Current Assets / Current Liabilities                 | Current Assets                                  | Current Liabilities                           | 15,454.62            | 11,520.21   | 1.34          | 13,969.20            | 10,316.10   | 1.35          | -1%           |
| 2    | Debt-Equity Ratio                | Times       | Total Debt / Shareholder's Funds                     | Total Debt                                      | Shareholder's Funds                           | 12,259.52            | 19,279.30   | 0.64          | 10,345.64            | 16,399.26   | 0.63          | 2%            |
| 3    | Debt Service Coverage Ratio      | Times       | Earnings available for Debt / Debt Service           | Profit After Tax + Depreciation + Finance Costs | Interest + Principal Repayments               | 5,103.46             | 2,317.93    | 2.20          | 2,666.10             | 1,834.76    | 1.45          | 52%           |
| 4    | Return on Equity                 | Percentage  | Net Profit After Taxes / Average Shareholder's Funds | Net Profit After Taxes                          | Average Shareholder's Funds                   | 2,880.04             | 17,839.28   | 16.00%        | 251.48               | 16,296.07   | 2.00%         | 700%          |
| 5    | Inventory Turnover Ratio         | Times       | Total Sales / Average Inventory                      | Total Sales                                     | Average Inventory                             | 44,494.79            | 4,026.61    | 11.05         | 44,066.36            | 4,223.37    | 10.43         | 6%            |
| 6    | Trade Receivables Turnover Ratio | Times       | Total Sales / Average Trade Receivables              | Total Sales                                     | Average Trade Receivables                     | 44,494.79            | 8,257.78    | 5.39          | 44,066.36            | 7,077.35    | 6.23          | -13%          |
| 7    | Trade Payables Turnover Ratio    | Times       | Total Purchases / Average Trade Payables             | Total Purchases                                 | Average Trade Payables                        | 24,750.74            | 4,179.44    | 5.92          | 30,675.07            | 4,602.69    | 6.66          | -11%          |
| 8    | Net Capital Turnover Ratio       | Times       | Net Sales / Working Capital                          | Net Sales                                       | Current Assets - Current Liabilities          | 44,494.79            | 3,934.42    | 11.31         | 44,066.36            | 3,653.10    | 12.06         | -6%           |
| 9    | Net Profit Ratio                 | Percentage  | Net Profit / Net Sales                               | Net Profit After Taxes                          | Net Sales                                     | 2,880.04             | 44,494.79   | 6%            | 251.48               | 44,066.36   | 1%            | 500%          |
| 10   | Return on Capital Employed       | Percentage  | EBIT / Capital Employed                              | Net Profit After Taxes + Interest + Taxes       | Total Assets - Current Liabilities            | 5,002.41             | 25,434.71   | 20%           | 1,552.90             | 22,601.97   | 7%            | 186%          |
| 11   | Return on Investment             | Percentage  | Net Profit / Cost of Investment                      | Net Profit after taxes                          | Paid up Share Capital + Loans from Directors. | 2,880.04             | 162.77      | 1769%         | 251.48               | 162.77      | 155%          | 1041%         |



**SUBAM PAPERS LIMITED**

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Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

|  | For the year ended |                 |
|--|--------------------|-----------------|
|  | March 31, 2024     | March 31, 2023  |
| <b>37 Employee Benefits - as per AS-15</b>   |                    |                 |
| <b>A Defined Contribution Plan</b>   |                    |                 |
| Employers Contribution to Provident Fund   | 22.40              | 25.81           |
| <b>B Defined Benefit Plan</b>  |                    |                 |
| <b>Gratuity</b>  |                    |                 |
| <b>Change in defined benefit obligation</b>  |                    |                 |
| Obligation at the beginning of the year  | 145.08             | 137.79          |
| Service Cost   | 25.04              | 22.68           |
| Interest Cost  | 9.47               | 7.97            |
| Benefit Paid   | (1.07)             | (1.31)          |
| Actuarial (gain) or loss   | (1.48)             | (22.05)         |
| <b>Obligation at the end of the year</b>   | <b>177.04</b>      | <b>145.08</b>   |
| <b>Change in Plan Assets</b>   |                    |                 |
| Plan assets at the beginning of the year, at fair value  | -                  | -               |
| Expected return on plan assets   | -                  | -               |
| Contributions  | -                  | -               |
| Benefits settled (estimated)   | -                  | -               |
| Amount not recognised as an asset (limit in Para 59(b))  | -                  | -               |
| Actuarial gain/(loss)  | -                  | -               |
| <b>Plan assets at the end of the year, at fair value</b>                                       | <b>-</b>           | <b>-</b>        |
| <b>Reconciliation of present value of the obligation and the fair value of the plan assets</b> |                    |                 |
| Fair value of plan assets at the end of the year   | -                  | -               |
| Present value of the defined benefit obligations at the end of the year                        | 177.04             | 145.08          |
| (Liability)/ assets recognized in the balance sheet  | <b>(177.04)</b>    | <b>(145.08)</b> |
| <b>Gratuity Cost for the year</b>  |                    |                 |
| Service Cost   | 25.04              | 22.68           |
| Interest Cost  | 9.47               | 7.97            |
| Expected return on plan assets   | -                  | -               |
| Past service cost  | -                  | -               |
| Actuarial (gain)/loss to be recognised   | (1.48)             | (22.05)         |
| Amount not recognised as an asset (limit in Para 59(b))  | -                  | -               |
| <b>Net gratuity cost</b>   | <b>33.03</b>       | <b>8.60</b>     |
| <b>Assumptions</b>   |                    |                 |
| Discount factor  | 7.15%              | 7.30%           |
| Salary Escalation  | 7.00%              | 7.00%           |



**SUBAM PAPERS LIMITED**

**S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010**

**Notes to financial statements for the period ended March 31, 2024**

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**38 Additional statutory information**

- a) 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.
- b) The Company has not revalued its property, plant and equipment (including the right of use assets) and intangible assets.
- c) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- d) The Company has borrowings from banks or financial institutions that are secured against current assets and has filed required information with the lender on regular basis.
- e) The Company has not been declared as a wilful defaulter by any bank or financial institution or other lenders.
- f) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the year under consideration.
- g) 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.
- h) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.  
  
The company has also not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- i) 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.
- j) 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.
- k) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.





**SUBAM PAPERS LIMITED**

S.F.No. 143-146, Vaduganpatti Village, Nadukallur to Tirunelveli, Tirunelveli - 627010

Notes to financial statements for the period ended March 31, 2024

(All amounts are in Indian Rupees lakhs, except share data or as stated)

**39 Corporate Social Responsibility ("CSR")**

|                                  | <b>FY 21-22</b> | <b>FY 22-23</b> | <b>FY 23-24</b> |
|----------------------------------|-----------------|-----------------|-----------------|
| The company is required to spent | 6,599,551       | 7,189,305       | 5,562,708       |
| Spent during the Period          | 3,760,354       | 12,945,130      | 6,122,769       |
| Unspent Amount                   | 2,839,197       | -               | -               |
| Excess Spent Amount              | -               | 5,755,825       | 560,060         |

**40 Fire Accident Claim**

There was a major fire accident in the factory on August 19, 2018 in which substantial quantities of Waste Paper were totally destroyed. The loss on account of this fire accident is assessed at Rs.17.08 crores. The insurance company has repudiated the claim on highly unreasonable grounds. The Company has filed an appeal against the repudiation of claim by the Insurance Company. In the event of appeal coming in favour of the company, the claim money will be credited to Income in the year of receipt.

**41 The Code on Social Security, 2020 ("Code")** relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

**42 Pursuant to amendment in Schedule III to the Companies Act, 2013** by Ministry of Corporate Affairs vide its notification dated March 24, 2021 the comparative figures as disclosed in these results have been regrouped/reclassified, wherever necessary, to make them comparable to current year figures.

As per our report of even date  
for **CNGSN & Associates LLP**  
Chartered Accountants  
Firm Registration No. 04915S/S200036

For and on behalf of the Board of Directors of Subam Papers  
Limited  
[CIN: U21012TN2004PLC054403]

*E.K.Srivatsan*

**E.K.Srivatsan**  
Partner  
Membership No. 225064

Place: Chennai  
Date: *01/07/2024*



*T Balakumar*

**T Balakumar**  
Managing Director  
DIN: 00440500

*M. Jahir Hussain*

**M Jahir Hussain**  
Chief Financial Officer  
Place: Tirunelveli  
Date: *01/07/2024*

*A Sudha*

**A Sudha**  
Director  
DIN: 01515113

*Nagarajan P*  
**Nagarajan P**  
Company Secretary

