MANUGRAPH INDIA LIMITED

48TH ANNUAL REPORT

2019-20

MANUGRAPH INDIA LIMITED

(CIN: L29290MH1972PLC015772)

Registered Office: 1st Floor, Sidhwa House, N.A. Sawant Marg, Colaba, Mumbai – 400 005, India
Phone: +91-22-2285 2256 / 57 / 58, Fax: +91-22-2284 0672
Website: www.manugraph.com

BOARD OF DIRECTORS

Mr. Sanat M. Shah — *Chairman, Non-Executive*

Executive Directors

Mr. Sanjay S. Shah — *Vice Chairman & Managing Director*
Mr. Pradeep S. Shah — *Managing Director*
Mr. Bhupal B. Nandgave — *Whole Time Director (Works)*

Non-Executive Directors, Independent

Mr. Hiten C. Timbadia
Mr. Perses M. Bilimoria
Mr. Abhay J. Mehrotra
Mrs. Basheera J. Indorewala
Mr. Amit N. Dalal *(upto 02/03/2020)*
Mr. Jai S. Diwanji *(upto 02/03/2020)*

Chief Financial Officer

Mr. Amit Jain, *w.e.f. 13/08/2019*

Company Secretary

Mr. Mihir Mehta

Statutory Auditors

M/s. Natvarlal Vepari & Co.
903-904, 9th Floor, Raheja Chambers, 213, Nariman Point,
Mumbai - 400 021

Bankers

State Bank of India
HDFC Bank Ltd.

Audit Committee

Mr. Hiten C. Timbadia, *Chairman*
Mr. Perses M. Bilimoria
Mr. Abhay J. Mehrotra

Nomination & Remuneration Committee

Mr. Hiten C. Timbadia, *Chairman*
Mr. Perses M. Bilimoria
Mr. Abhay J. Mehrotra

Stakeholders Relationship Committee

Mr. Perses M. Bilimoria, *Chairman*
Mr. Sanjay S. Shah
Mrs. Basheera J. Indorewala

CSR Committee

Mr. Pradeep S. Shah, *Chairman*
Mr. Bhupal B. Nandgave
Mr. Abhay J. Mehrotra

Registrar & Share Transfer Agents

Link Intime India Pvt. Ltd.
C-101, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083, Maharashtra, India.
Phone: +91-22-4918 6270
Fax: +91-22-4918 6060
Email: rnt.helpdesk@linkintime.co.in

Investor Grievance E-Mail Id : sharegrievances@manugraph.com

48th ANNUAL GENERAL MEETING

Date: September 22, 2020 **Day**: Tuesday **Time**: 3.00 p.m.

Through: Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"),

MANUGRAPH
Technology in Print

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NOTICE

NOTICE is hereby given that the Forty Eighth Annual General Meeting of the Members of the Company will be held on Friday, September 22, 2020 at 3.00 p.m. through video conferencing ("VC")/ other audio visual means ("OAVM") (hereinafter referred to as "electronic AGM"/ "e-AGM"), to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon and in this regard, pass the following resolution(s) as an **Ordinary Resolution(s):**

   (a) **"RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2020, the reports of the Board of Directors and Auditors thereon be and are hereby considered and adopted."

   (b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2020 and the reports of the Auditors thereon be and are hereby considered and adopted."

2. To appoint a Director in place of Mr. Bhupal B. Nandgave (DIN: 06447544), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT Mr. Bhupal B. Nandgave (DIN: 06447544) who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors, M/s. Desai Shah & Associates., Chartered Accountants, Mumbai (Firm Regn. No. 118174W), be and are hereby appointed as Statutory Auditors of the Company for a term of two consecutive years, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 50th Annual General Meeting to be held in the year 2022, on such terms and conditions, including remuneration, as may be fixed by Board of Directors of the Company upon recommendation of the Audit Committee."

SPECIAL BUSINESSES:

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

   "**RESOLVED THAT** Mr. Shailesh B. Shirguppi (DIN: 08770042) who was appointed as an Additional Director of the Company with effect from July 1, 2020 by the Board of Directors and who holds office upto the date of the forthcoming Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ('the Act'), but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company."

   "RESOLVED FURTHER THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions of the Companies Act, 2013 ('the Act'), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof] and such other approvals, permissions and sanctions as may be required, consent of the Company be and is hereby accorded to the appointment of Mr. Shailesh B. Shirguppi (DIN: 08770042) as a Whole Time Director (Works) of the Company for a period of 3 years commencing from July 1, 2020 on following terms of remuneration:

   1) Basic Salary per month: Rs. 67,925/- with such annual increment and/or revision from time to time, as the Nomination & Remuneration Committee of the Board may decide, subject to maximum annual revision upto 20%;

2) Perquisites & Allowances per month: Rs. 64,900/- with such annual increment and/or revision from time to time, as the Nomination & Remuneration Committee of the Board may decide, subject to maximum annual revision upto 20%;

3) Variable Pay: As the Nomination & Remuneration Committee of the Board may decide."

"**RESOLVED FURTHER THAT** Mr. Shailesh B. Shirguppi (DIN: 08770042), Whole time Director (Works) shall also be eligible for Provident Fund, Superannuation Fund, Gratuity Scheme, Annuity Scheme, Leave, Leave Travel Concessions, Leave Encashment in accordance with the Company's Schemes & Rules as may be applicable from time to time."

"**RESOLVED FURTHER THAT** in the event of no profits / inadequacy of profits, Mr. Shailesh B. Shirguppi (DIN: 08770042), Whole time Director (Works) shall be paid above remuneration as minimum remuneration."

"**RESOLVED FURTHER THAT** the Board (hereinafter referred to as 'the Board' which term shall be deemed to include the Committee of the Board) be and is hereby authorized to do all such acts, deeds, matters and things and to execute any agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said re-appointment as it may in its sole discretion deem fit and to delegate all or any of its powers conferred herein to any Director(s) and / or officer(s) of the Company to give effect to this Resolution."

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

   "RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, be paid the remuneration of Rs. 2,60,000/- (Rupees Two Lakh and Sixty Thousand only) per annum."

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

By Order of the Board of Directors

Mihir Mehta
Company Secretary

Registered Office:
1st Floor, Sidhwa House, N.A. Sawant Marg,
Colaba, Mumbai – 400 005, India.

Dated: June 29, 2020

NOTES:

1. In view of the ongoing Covid-19 pandemic and pursuant to the Circular No. 20/2020 dated May 5, 2020 read with Circular No. 14/ 2020 dated April 8, 2020 and Circular No. 17/ 2020 dated April 13, 2020 (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs ('MCA') and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India (SEBI) and in compliance with the provisions of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Company has decided to hold its 48th AGM through video conferencing ("VC") or other audio visual means ("OAVM") (hereinafter referred to as "electronic means") i.e. without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company.

2. Pursuant to provisions of the Companies Act, a member entitled to attend and vote at 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. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, the requirements of physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form is not annexed hereto.

3. As the AGM will be held through VC/OAVM, the route map of the venue of the Meeting and attendance slip is not annexed hereto.

4. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").

5. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Meeting is annexed hereto.

6. In terms of the provisions of Section 152 of the Act, Mr. Bhupal B. Nandgave (DIN: 06447544) retire by rotation at this AGM. Nomination & Remuneration Committee and Board of Directors of the Company commend his re-appointment. Mr. Bhupal B. Nandgave is interested in the ordinary resolution set out at item no. 2 of the notice with regard to his re-appointment. The other relatives of Mr. Bhupal B. Nandgave may be deemed to be interested in the resolution set out at Item Nos. 2 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item No. 2 of the Notice.

7. **In compliance with the regulatory provisions, the Annual Report of the Company for FY 2020 along with the AGM Notice has been sent electronically only to those shareholders who have registered their e-mail addresses with their DPs/ RTA/ the Company. The same is also hosted on the Company's website www.manugraph.com and also on the website of the Stock Exchanges viz., www.bseindia.com and www.nseindia.com. The relevant details are also hosted on the website of the remote e-voting service provider viz. www.evoting.nsdl.com.**

8. The Company is providing the e-voting facility to its Members holding shares in physical or dematerialized form, as on the **cut-off date, being September 15, 2020,** to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice (the "Remote e-voting"). The Remote e-voting commences on **Friday, September 18, 2020 (10:00 A.M.) and ends on Monday, September 21, 2020 (5:00 P.M.).** The remote e-voting module shall be disabled by National Securities Depository Limited (NSDL) for voting thereafter.

   The Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM will be provided by NSDL.

   Detail of the process and manner of Remote e-voting along with the User ID and Password is being sent to all the Members in the email. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by National Securities Depository Limited (NSDL) upon expiry of the aforesaid period.

   Further, the facility for voting through electronic voting system will also be made available at the Meeting and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through National Securities Depository Limited (NSDL) E Voting platform. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.

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

10. Corporate members intending to send their authorised representatives to attend the Meeting in person, if conducted, are requested to send to the Company scanned copies of the Board Resolution/Letter of Authorisation / Power of Attorney authorising their representative to attend and vote at this AGM through electronic means, through their registered email addresses to the e-voting service provider viz. evoting@nsdl.co.in and/or to the Scrutinizer viz. M/s. Aashish Bhatt & Associates, Practising Company Secretary (Firm Regn. No. 7023) on their email address i.e. mail@aashishbhatt.in.

11. Details of Directors retiring by rotation / seeking appointment at the ensuing Meeting are provided in the **Annexure to this Notice.**

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to sharegrievances@manugraph.com.

13. The Company has notified closure of Register of Members and Share Transfer Books from Wednesday, September 16, 2020 to Tuesday, September 22, 2020 (both days inclusive).

14. The Members, desiring any information relating to the accounts, are requested to write to the Company at an early date, so as to enable the management to keep the information ready.
15. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically. In case of members holding shares in physical mode are requested to register / update their email id by writing to the Company at sharegrievances@manugraph.com providing their folio no. and scanned self attested copy of PAN card and self attested copy of any document such as Aadhaar Card, Passport, Driving Licence, Election identity Card, etc. in support of the registered address of the member. In case of members holding shares in demat mode, members are requested to register / update their email id with the relevant depository participant.
16. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.
17. Members, who would like to express their views or ask questions / queries during the 48th AGM with regard to the Financial Statements or any other agenda item to be placed at the 48th AGM, need to register themselves as a speaker Shareholder by sending their written requests from their registered e-mail address mentioning their name, DP ID and Client ID number/ folio number and mobile number, at Company's investor desk at sharegrievances@manugraph.com. The speaker registration can be done between September 14, 2020 and September 17, 2020. The speaker registration will close by 2.00 p.m. (IST) on September 17, 2020.
18. Only those Members who have registered themselves as a speaker will be allowed to ask questions during the 48th AGM, depending upon the availability of time. The Company reserves the right to restrict the number of speakers and time allotted to speak, as appropriate for smooth conduct of the 48th AGM.
19. Members who need any technical or other assistance before or during the 48th AGM, can contact NSDL on e-mail at evoting@nsdl.co.in or call toll free no. 1800-222-990 or contact **Mr. Amit Vishal, Senior Manager,** NSDL at **amitv@nsdl.co.in** or at telephone no: 022-2499 4360 and/or Ms. Pallavi Mhatre, Manager, NSDL at pallavid@nsdl.co.in or at telephone no. 022-24994545. Kindly quote your name, DP ID-Client ID/Folio no. and E-voting Event Number in all your communications.
20. **PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:**

    The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

    Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

    Step 2: Cast your vote electronically on NSDL e-Voting system.

    Details on Step 1 is mentioned below:

    How to Log-in to NSDL e-Voting website?

    1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
    2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
    3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
    4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
(a)	For Members who hold shares in demat account with NSDL:	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
(b)	For Members who hold shares in demat account with CDSL:	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
(c)	For Members holding shares in Physical Form:	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

(i) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to mail@aashishbhatt.in with a copy marked to evoting@nsdl.co.in.

(ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

(iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Mr. Amit Vishal, Senior Manager, at evoting@nsdl.co.in or call on 022-24994360.

(iv) Members can participate in the AGM through their desktops / smartphones / laptops etc. However, for better experience and smooth participation, it is advisable to join the meeting through desktops / laptops with high-speed internet connectivity.

(v) Please note that participants connecting from mobile devices or tablets, or through laptops via mobile hotspot may experience audio / video loss due to fluctuation in their respective networks. It is therefore recommended to use a stable Wi-Fi or LAN connection to mitigate any of the aforementioned glitches.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to sharegrievances@manugraph.com.

In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to sharegrievances@manugraph.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at sharegrievances@manugraph.com. The same will be replied by the company suitably.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 SETTING OUT ALL MATERIAL FACTS RELATING TO SPECIAL BUSINESSES:

Item No. 3:

In terms of Section 139 of the Companies Act, 2013 ("the Act"), and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the present Statutory Auditors of the Company, M/s. Natvarlal Vepari & Co., Chartered Accountants, Mumbai (Firm Regn. No. 106971W) ('NVC'), will complete their term as Statutory Auditors upon conclusion of the ensuing Annual General Meeting. The present remuneration of NVC for conducting the audit for the financial year 2019-20 is Rs. 18.00 Lakhs (exclusive of applicable taxes thereon and out of pocket expenses) for conducting audit for the financial year 2019-20. Details of other fees/remuneration paid to NVC are provided in Corporate Governance Report.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of Messrs. Desai Shah & Associates, Chartered Accountants (Firm Regn. No. 118174W) ('DSA'), as the Auditors of the Company for a period of 2 years from the conclusion of the ensuing 48th AGM till the conclusion of the 50th AGM. On the recommendation of the Committee, the Board also recommended for the approval of the Members, the remuneration of Rs. 14.50 Lakhs (exclusive of applicable taxes thereon and out of pocket expenses) to DSA for conducting statutory audit the financial year 2020-21.

The Audit Committee considered various parameters like capability to serve audit requirements of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found DSA to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

DSA have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board of Directors recommends the ordinary resolution set out in Item no. 3 for your approval.

Item No. 4:

The Board of Directors of the Company ('the Board') at the meeting held on June 29, 2020, on the recommendation of the Nomination & Compensation Committee ('the Committee'), approved the appointment of Mr. Shailesh B. Shirguppi as an Additional Director and, subject to the approval of the Members, also as Wholetime Director (Works) of the Company with effect from July 1, 2020.

Broad particulars of the terms of reappointment of and remuneration payable to Mr. Shailesh B. Shirguppi are as under:

1) Basic Salary per month: Rs. 67,925/- with such annual increment and/or revision from time to time, as the Nomination & Remuneration Committee of the Board may decide, subject to maximum annual revision upto 20%;
2) Perquisites & Allowances per month: Rs. 64,900/- with such annual increment and/or revision from time to time, as the Nomination & Remuneration Committee of the Board may decide, subject to maximum annual revision upto 20%;
3) Variable Pay: As the Nomination & Remuneration Committee of the Board may decide;
4) The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company, shall be in addition to the remuneration as above;

Mr. Shailesh B. Shirguppi shall perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board / Managing Directors from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board / Managing Directors and the functions of the Wholetime Director will be under the overall authority of the Managing Directors/ Board of Directors.

Mr. Shailesh B. Shirguppi shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors. Mr. Shailesh B. Shirguppi shall adhere to the Company's Code of Conduct.

Mr. Shailesh B. Shirguppi satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for his reappointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Shailesh B. Shirguppi under Section 190 of the Act. Details of Mr. Shailesh B. Shirguppi are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Requisite Notice under Section 160 of the Act proposing the appointment of Mr. Shailesh B. Shirguppi has been received by the Company, and consent has been filed by Mr. Shailesh B. Shirguppi pursuant to Section 152 of the Act.

Save and except Mr. Shailesh B. Shirguppi and/or his relatives, to the extent of their shareholdings, if any, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution. This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board of Directors recommends the Special resolutions set out in Item no. 4 for your approval.

Item No. 5:

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company across various segments, for the financial year ending March 31, 2021.

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the members.

Details of the directors retire by rotation / seeking appointment/re-appointment in the 48th Annual General Meeting, as set out in item nos. 2 and 4 of this Notice, in terms of Regulations 26(4) and 36(3) of the Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 read with clause 1.2.5 of Secretarial Standard-2 on General Meetings (Details as on March 31, 2020).

BRIEF PROFILE OF THE DIRECTORS RETIRING BY ROTATION / SEEKING APPOINTMENT ARE GIVEN BELOW:

Mr. Bhupal B. Nandgave has Diploma in Mechanical Engineering and has extensive background and vast experience in manufacturing, material management and operations. Mr. Bhupal B. Nandgave is responsible for managing Operations of both the Units located at Kolhapur including various departments like Research & Development, Customer Support, Production, Human Resources, Supply chain management and such other duties as may be assigned by the Board from time to time.

Mr. Shailesh B. Shirguppi has completed 32 years with the Company. He has handled various functions / departments like research & development (R&D) customer service department (CSD), Technical Sales, Project Management, Machine Shop, Stores & Inventory, Costing and Engineering. He has participated in various international and domestic printing exhibitions and worked with Dauphin Graphic Machinery (DGM), USA and M/s C&C Carraro, Italy for product development & technology transfer. Mr. Shailesh Shirguppi has completed his Bachelor in Engineering from with Distinction from KIT's College of Engineering, Kolhapur. He also completed one month Management Development Program on 'Excellence in Manufacturing' from Indian Institute of Management (IIM), Ahmedabad.

Other information, directorship(s) and board committee membership(s) of the aforesaid Directors in Companies other than Manugraph India Limited are as follows:

Details	Mr. Bhupal B. Nandgave	Mr. Shailesh B. Shirguppi
DIN	06447544	08770042
Date of Birth/Age	25-12-1953	09-08-1967
Date of first appointment on the Board	10-12-2012	01-07-2020
Qualification	Diploma in Mechanical Engineering	Bachelor in Engineering
Experience (including expertise in specific functional area) / Brief Resume	Has vast experience in manufacturing, material management and operations	Has vast experience in manufacturing, material management and operations

Terms and Conditions of Re-appointment	As per terms of re-appointment as Whole Time Director (Works) at the Annual General Meeting held on July 30, 2018	As per the resolution at Item No. 4 of the Notice convening this Meeting read with explanatory statement thereto
Remuneration last drawn (including sitting fees, if any)	Rs. 23.79 Lakhs	Rs. 16.17 Lakhs for FY 2019-20, drawn as General Manager, Strategic Planning
Remuneration proposed to be paid	As per terms of re-appointment as Whole Time Director (Works) at the Annual General Meeting held on July 30, 2018	As per the resolution at Item No. 4 of the Notice convening this Meeting read with explanatory statement thereto
No. of Board Meetings attended during the year (out of 4 held)	04	NA
Directorships held in other Companies	Nil	Nil
Memberships/Chairman ships of committees across all companies	Corporate Social Responsibility Committee	Nil
Shareholding of the Director in the Company	1200 Equity Shares of Face Value of Rs. 2/- each (0.00%)	500 Equity Shares of Face Value of Rs. 2/- each (0.00%)
Relationship with other Directors / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel

Annexure forming part of the Explanatory Statement as required to be given pursuant to Part II of Schedule V of the Companies Act, 2013, for payment of Remuneration to Managing / Executive Director in excess of limits specified in case of inadequate profits.

The information required in terms of Schedule V of the Companies Act, 2013 is as under:

General Information					
1.	Nature of Industry	Manufacturing of Printing Machinery			
2.	Date or expected date of commencement of commercial production	The Company is an existing company and is in operation since 1973.			
3.	Financial performance based on given indicators (before exceptional items)				(Amt. in Rs. Crores)
		Particulars	**31.03.2020**	**31.03.2019**	**31.03.2018**
		Total Income	124.38	256.44	199.15
		Profit Before Exceptional Items & Tax	(30.44)	9.52	(3.51)
		Profit After Tax	(35.34)	(15.31)	(20.62)
4.	Export performance and net foreign exchange collaborations				(Amt. in Rs. Crores)
		Particulars	**31.03.2020**	**31.03.2019**	**31.03.2018**
		FOB value of Exports	46.69	32.19	16.29
		Income in Foreign Exchange	46.69	32.19	16.29
5.	Foreign investments or collaborators, if any	The total equity shares held by Foreign Companies, Foreign Nationals and Non Resident Indians are 311996 equity shares of face value of Rs. 2/- each. The Company does not have any foreign collaboration.			

1. For Mr. Shailesh B. Shirguppi, Whole Time Director (Works)

I. Information about the Appointee		
(1)	Background details	Mr. Shailesh Shirguppi has completed his Bachelor in Engineering from with Distinction from KIT's College of Engineering, Kolhapur. He also completed one month Management Development Program on 'Excellence in Manufacturing' from Indian Institute of Management (IIM), Ahmedabad

<table>
<tr><td rowspan="5">(2)</td><td rowspan="5">Past Remuneration details</td><td colspan="3">Mr. Shailesh B. Shirguppi</td></tr>
<tr><td>Sr. No.</td><td>Financial Year</td><td>Remuneration (Rs. In Lakhs)</td></tr>
<tr><td>1</td><td>2019-20</td><td>16.17</td></tr>
<tr><td>2</td><td>2018-19</td><td>18.81</td></tr>
<tr><td>3</td><td>2017-18</td><td>18.43</td></tr>
<tr><td>(3)</td><td>Recognition or awards</td><td colspan="3">N. A.</td></tr>
<tr><td>(4)</td><td>Job profile and his suitability</td><td colspan="3">Mr. Shailesh B. Shirguppi has completed 32 years with the Company. He has handled various functions / departments like research & development (R&D) customer service department (CSD), Technical Sales, Project Management, Machine Shop, Stores & Inventory, Costing and Engineering. He has participated in various international and domestic printing exhibitions and worked with Dauphin Graphic Machinery (DGM), USA and M/s C&C Carrarro, Italy for product development & technology transfer.</td></tr>
<tr><td>(5)</td><td>Remuneration proposed</td><td colspan="3">As per resolution no. 4 of this Notice</td></tr>
<tr><td>(6)</td><td>Comparative remuneration profile with respect to industry, size of the company, profile of the position and person</td><td colspan="3">The remuneration proposed is reasonable when compared to the exigencies of the global stature & complexity of business of the Company and commensurate with the similar industry (manufacturing), operating in India and the profile of the position.</td></tr>
<tr><td>(7)</td><td>Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any</td><td colspan="3">Mr. Shailesh B. Shirguppi is not related to any other Director, Promoter or Key Managerial Person.</td></tr>
<tr><td colspan="5">II. Other Information:</td></tr>
<tr><td>(1)</td><td>Reasons of loss or inadequate profits</td><td colspan="3">With economic slowdown, high interest rate and delay in setting up of new Printing Press by our customers, the demand for Company's products has decreased. This overall economic and Printing Press Machinery industry sentiment is likely to affect the Company's operation. Though the Company has made strategic plans to face the present economic situation, however, in view of uncertainty in economic scenario, profits may not be as per the planned projections.</td></tr>
<tr><td>(2)</td><td>Steps taken or proposed to be taken for improvement</td><td colspan="3">The Company's R & D Centre is pursuing opportunities for manufacturing other engineering products which large needs similar infrastructure and skill sets.</td></tr>
<tr><td>(3)</td><td>Expected increase in productivity and profits in measurable terms</td><td colspan="3">The Company's tight control on costs and higher asset productivity will help in reducing overall costs and increase profits.</td></tr>
<tr><td colspan="5">III. Disclosures</td></tr>
<tr><td colspan="5">Remuneration package of the managerial person: Fully described in the explanatory statement as stated above</td></tr>
<tr><td colspan="5">Disclosures in the Board of Directors' report under the heading "Corporate Governance" attached to the Annual report of the Company</td></tr>
<tr><td colspan="5">Information as required under Regulation 36(3) of the Listing Regulations:</td></tr>
<tr><td>a)</td><td>Brief Resume, Nature of his expertise, Disclosure of his relationship between Directors inter-se</td><td colspan="3">Please read 'information about the appointee' above</td></tr>
<tr><td>b)</td><td>No. of shares held:</td><td colspan="3">500</td></tr>
<tr><td>c)</td><td>Directorships in other listed companies:</td><td colspan="3">NIL</td></tr>
<tr><td>d)</td><td>Committee positions held:</td><td colspan="3">None</td></tr>
</table>

DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting this Forty Eighth Directors' Report together with the audited Annual Accounts of the Company for the financial year ended March 31, 2020.

FINANCIAL PERFORMANCE

The highlights of the financial position for the year under review as compared to the corresponding period in the previous year are given below:

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	2019-20	2018-19*	2019-20	2018-19*
Total Income	12437.78	25644.24	12437.78	25644.24
Total Expenses	15481.68	26596.73	15481.68	26596.73
Profit / (Loss) before Taxation	(3043.90)	(952.49)	(3043.90)	(952.49)
Exceptional Items	(401.94)	(632.52)	(331.94)	(232.52)
Tax Expense	88.14	54.26	88.14	54.26
Profit/(Loss) from Discontinued Operations after Tax	-	-	(66.93)	(502.99)
Profit / (Loss) after Taxation	(3533.98)	(1530.77)	(3530.91)	(1633.75)
Other Comprehensive Income	(103.38)	(10.60)	(104.92)	55.44
Total Comprehensive Income for the year, Net of Taxes	(3637.36)	(1541.37)	(3635.84)	(1578.31)
Earnings Per Share (in Rs.) (basic & considering exceptional items)	(11.62)	(5.03)	(11.39)	(3.72)

** based on re-stated accounts after considering Scheme of Merger by Absorption (refer note 12(g) of standalone accounts)*

DIVIDEND

In order to conserve resources, your Directors do not recommend any dividend for the financial year 2019-20.

TRANSFER TO RESERVES

The Directors do not propose to transfer any amount to reserve.

OPERATIONS AND FINANCE

Your directors have analyzed Company's operations and financials in detail in Management's Discussion and Analysis.

PRINTING INDUSTRY

Round the world the newspaper industry works daily to keep masses updated about the current events happening around. It is a way for the people to participate in national and international affairs. The newspaper industry have been facing headwinds around the world, it is globally moving from traditional print technology to digital technology as everyone seems to generally prefer a more convenient and real time information available on digital and mobile platforms, as a result, the newspaper printing industry has been facing strong challenges. Many newspapers are currently downsizing or going online since internet reading subscribers are rising globally.

Central Impression Flexo Printing (C.I. Flexo): The current generation of printers & converters are getting more inclined to Flexography over other printing processes. The recent survey shows a significant double-digit growth in sales of Flexo presses across the world. This will increase with the growing demand for short-run print jobs within the due frame of time because increasing competition is forcing brand owners to have small product lifecycle.

C.I. Flexo, is a replacement from offset and Gravure. It handles substrate handling process efficiently. C.I. Flexo presses take on the wide web gravures and offer eco-friendly advantages over Solvent based Gravure.

COMPANY

In India, Manugraph is the largest manufacturer of web offset presses. Excellent leadership, highly skilled workforce and a well focused approach has led Manugraph to achieving the goal of being the leader in the niche 4-page Newspaper Offset Printing Press market. Manugraph owes its strong position as a supplier of choice not only to its technical competence, but also to its clear orientation towards the customer needs.

With a whopping 60% market share and quality presses ranging in speeds from 25,000 - 85,000 copies per hour, Manugraph presses are present in nearly all major publication houses. Manugraph also has significant presence in the international market. Leading publishers from South America, Europe, Middle East, Asia & the CIS countries have all invested in Manugraph presses.

Over the years, Manugraph has emerged as a thriving, nimble, printing machinery manufacturing enterprise, because of its ability to adapt itself rapidly to meet the challenges of a competitive economy and its commitment to be a supplier of choice by delighting customers with its excellent services and cutting edge technology. Manugraph believes that the key to maintaining sustained success is choosing the right technologies and applying them to build cost-effective quality machines. Constant modernization and employment of state-of-the-art technology has enabled Manugraph to stay ahead in the industry, always.

Manugraph also expanded to manufacture Central Impression Flexo presses for the packaging industry. A first of its kind in India, where European technology is now manufactured in India. The collaboration with Carraro SRL, Italy, has given the world, MANUFLEX, a new generation, 8 colour gearless C.I. Flexo press. It comes with the home advantage of saving on foreign exchange, duty & shipping and best of all, after-sales service by a dedicated team of Indian engineers trained in Italy. This gives Indian customers the added advantage of prompt & timely local service support. In early 2019, a live demonstration was given at the INDIAPLAST exhibition, at the India Expo Centre, New Delhi.

Operations during the year 2019-20 were low, the main reasons being the contraction in the capex of the newspaper printing houses and increased competition. Rising raw material cost, high labour costs and increase in competition have resulted in lower realizations and losses during the year. The Company has two manufacturing units and looking at the demand scenario the existing and prospective orders can be catered from alone by Unit 1 located at Shiroli. Considering high labour cost, huge running expenses the Company is planning to close operations in Unit 2 at Kadoli, which has not undertaken any manufacturing activity since last 12 months. Your Company is taking all required initiatives to reduce costs in these striving times.

There is no change in the nature of object / business of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as 'SEBI Listing Regulations'), the management's discussion and analysis is set out in this Annual Report.

DEPOSITS

Your Company has not accepted any public deposits during the year. There were no over dues on account of principal or interest on public deposits other than the unclaimed deposits as at the end of financial year 2019-20.

SUBSIDIARIES

Manugraph Americas Inc.

Petition under Chapter 11 was filed at the US Bankruptcy court, middle district of Pennsylvania on June 1, 2017. Presently, the proceedings are managed as a debtor in possession under the supervision of the court. Financial Statements of the said subsidiary for the year ended March 2020 has been prepared on a discontinued operations basis. The assets and liabilities have been considered at their fair values.

Constrad Agencies (Bombay) Pvt. Ltd.

During the year, there was no business activity in the Company. Constrad was merged with the Company vide NCLT Order dated October 14, 2019.

The policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website viz. www.manugraph.com.

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended, the Consolidated Financial Statements forms part of this Annual Report. The financial position and performance of the subsidiary company is given in the statement containing the salient features of the financial statements of the said subsidiary company, which is annexed to this report.

In accordance with the third proviso to Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone financial statements and the consolidated financial statements and all other documents required to be attached thereto has been hosted on its website www.manugraph.com. Further, in accordance with the fourth proviso to the said section, the audited annual accounts of the said subsidiary company have been hosted on the Company's website www.manugraph.com.

Considering the relaxations provided by Ministry of Corporate Affairs on account of COVID-19 and difficulties involved in dispatch of physical copies of financial statements, the Company has not printed Annual Report for the financial year 2019-20. The members are requested to take note of the same. Further, please note that the said financial statements alongwith other necessary documents/ registers will be available for inspection by the Members of the Company at the Registered Office of the Company during business hours from 11.00 a.m. to 1.00 p.m. on all working days except Saturdays, Sundays, Bank Holidays and National Holidays. However, the members are requested to provide prior intimation of the same.

Scheme of Merger by Absorption

The Scheme for Merger by Absorption, under section 230-232 of the Companies Act 2013, of Constrad Agencies (Bombay) Private Limited (wholly owned subsidiary company), Manu Enterprises Limited and Santsu Finance and Investment Private Limited (part of the Promoter/ Promoter Group) with the Company ('the Scheme') was approved by National Company Law Tribunal ('NCLT') vide order delivered on October 14, 2019 and filed with the Registrar of Companies on October 17, 2019. The appointed date for acquisition is April 1, 2018 and effective date is October 17, 2019. The impact of the said Scheme was provided in the Financial Statements for FY 2018-19.

Constrad Agencies (Bombay) Private Limited ceased to be the subsidiary of the Company on account of merger as aforesaid. There are no other joint ventures / associates of the Company.

CHANGES IN SHARE CAPITAL

Pursuant to Clause 8 of the Scheme (as aforesaid), the Authorised Capital of the Company was increased from Rs. 23,50,00,000/- divided into Rs. 19,70,00,000/- (9,85,00,000 Equity Shares of Rs. 2/- each), Rs. 10,00,000/- (10,000 Preference Shares of Rs. 100/- each), Rs. 20,00,000/- (20,000 Unclassified Shares of Rs. 100/- each) and Rs. 3,50,00,000/- (3,50,000 Redeemable Preference Shares of Rs. 100/- each) to Rs. 24,81,00,000/- divided into Rs. 21,00,90,000/- (10,50,45,000 Equity Shares of Rs. 2/- each), Rs. 10,10,000/- (10,100 Preference Shares of Rs. 100/- each), Rs. 20,00,000/- (20,000 Unclassified Shares of Rs. 100/- each) and Rs. 3,50,00,000/- (3,50,000 Redeemable Preference Shares of Rs. 100/- each).

Manu Enterprises Limited and Santsu Finance and Investment Private Limited were holding 23,16,500 and 25,37,000 equity shares of face value of Rs. 2/- each. Pursuant to Clause 6 of the Scheme (as aforesaid), the cross holding of Manu Enterprises Limited and Santsu Finance and Investment Private Limited in the Company was cancelled and accordingly the issued, subscribed and paid up capital of the Company was reduced by 48,53,500 equity shares of face value of Rs. 2/- each.

Pursuant to Clause 5 of the said Scheme (as aforesaid), the Company issued 23,16,500 equity shares and 25,37,000 equity shares of Rs. 2 each fully paid up to the shareholders of Manu Enterprises Limited and Santsu Finance and Investment Private Limited respectively. No consideration was payable on Amalgamation of the erstwhile wholly owned subsidiary Constrad Agencies (Bombay) Private Limited.

Your Company has not issued any shares with differential rights as to dividend, voting or otherwise.

Events occurring after the Balance Sheet date:

Impact of COVID-19:

The spread of Covid 19 has affected the business operations post the national lock down. The Company has taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities. The Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

BOARD OF DIRECTORS

During the year, the term of Mr. Amit N. Dalal and Mr. Jai S. Diwanji, Independent Directors, ended on March 2, 2020. Mr. Amit N. Dalal (DIN: 00297603) and Mr. Jai S. Diwanji had expressed their unwillingness to be reappointed for another term due to their personal pre-occupation. Accordingly, Mr. Amit N. Dalal and Mr. Jai S. Diwanji ceased to be Directors of the Company w.e.f. March 3, 2020. The Board placed on record its appreciation of the invaluable contribution and guidance rendered by Mr. Amit N. Dalal and Mr. Jai S. Diwanji as independent directors of the Company.

In accordance with the provisions of the Companies Act, 2013 and Company's Articles of Association, Mr. Bhupal B. Nandgave retires by rotation and is eligible for re-appointment. The Board recommends his re-appointment. None of the independent directors are due for retirement.

Brief profile of Mr. Bhupal B. Nandgave proposed to be re-appointed as Director of the Company is provided in the notice convening the ensuing AGM.

The members of the Company at the 47th Annual General Meeting held on Dec. 12, 2019 re-appointed Mr. Hiten C. Timbadia (DIN: 00210210), Mr. Amit N. Dalal (DIN: 00297603), Mr. Perses M. Bilimoria (DIN: 00781535), Mr. Abhay J. Mehrotra (DIN: 01673801) and Mr. Jai S. Diwanji (DIN: 00910410) as Independent Directors of the Company for the term of three years commencing from March 3, 2020.

The Company did not appoint any new Independent Director during the year. However, Mr. Hiten C. Timbadia, Mr. Perses M. Bilimoria and Mr. Abhay J. Mehrotra were re-appointed as Independent Directors for their second term of three years commencing from March 3, 2020. In the opinion of the Board, Mr. Hiten C. Timbadia, Mr. Perses M. Bilimoria and Mr. Abhay J. Mehrotra are persons of integrity, possess relevant expertise and experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as Independent Director and they are independent of the management.

Pursuant to the recommendations of the NRC, the Board of Directors, subject to approval of the Members at the ensuing Annual General Meeting, appointed Mr. Shailesh B. Shirguppi (DIN: 0008770042) as an Additional Whole Time Director (Works) for a period of three years with effect from July 1, 2020 in accordance with Article 135 of the Company's Articles of Association and Section 161(1) of the Act. He holds office upto the date of the forthcoming AGM and a Notice under Section 160(1) of the Act has been received from a Member signifying the intention to propose his appointment as Director. The Board recommends the appointment of Mr. Shailesh B. Shirguppi as Whole Time Director (Works).

Key Managerial Personnel

The Board of Directors, upon recommendation of the Nomination and Remuneration Committee appointed / designated Mr. Amit Jain as a Chief Financial Officer with effect from August 13, 2019.

Declaration of Independence

All the Independent Directors of the Company have given their respective declarations stating that they meet the criteria prescribed for independence under the applicable laws and in the opinion of the Board, all the Independent Directors of the Company meet the said criteria.

Board Evaluation

Evaluation of performance of all Directors is undertaken annually by the Board. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects. The Board of Directors has expressed their satisfaction with the evaluation process. The evaluation parameters and the process have been explained in the Corporate Governance Report.

In view of COVID-19 outbreak, the meeting of Independent Directors could not be held, which is usually held in the month of March. Ministry of Corporate Affairs vide its Circular No. 11/2020 dated 24th March, 2020 provided relaxation to this effect.

Appointment & Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Employees

The Vice Chairman and Managing Director, Managing Director and Whole Time Directors (Works) are paid remuneration by way of salary, benefits, perquisites and allowances. Annual compensation changes are decided by the Nomination and Remuneration Committee after considering overall business performance within the salary scale approved by the Board and Shareholders.

The Board of Directors had reviewed Policy for Appointment of Directors, Key Managerial Personnel and Senior Management and Evaluation of their Performance, copy of which is placed on the website of the Company viz. www.maugraph.com. The salient features of this Policy are outlined in the Corporate Governance Report.

Non Executive Directors

The Non Executive Directors ('NED') are paid remuneration by way of Sitting Fees. During the year, the Company paid sitting fees of Rs. 15,000/- per meeting to the NEDs for attending meetings of the Board & Audit Committee and Rs. 9,000/- per meeting to the NEDs for attending Nomination & Remuneration Committee meeting.

Executive Directors

Executive Directors are paid remuneration by way of salary, perquisites and allowances. Salary is paid within the range fixed by the members of the Company. The Managing Directors / Whole-time Directors of your Company have not received any remuneration or commission from the subsidiary.

Management Staff

Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him, his annual performance, etc.

DISCLOSURES

Meetings of the Board:

Four Board Meetings were held during the year, the details of which are given in the Corporate Governance Report forming part of the Annual Report. The gap between any two Board Meetings was not more than one hundred and twenty days, thereby complying with applicable statutory requirements.

Board Committees

With a view to have a more focused attention on business and for better governance and accountability, the Board has four mandatory committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and Corporate Social Responsibility (CSR) Committee. A detailed note on composition, functions and roles of each of the Committees are provided separately under Corporate Governance Report of this Annual Report.

RELATED PARTY TRANSACTIONS

All contracts or arrangements entered into by the Company with its related parties during the financial year were in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All such contracts or arrangements have been approved by the Audit Committee, as applicable.

The Company has not entered into any transaction of a material nature with the promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. All transactions with related parties are in ordinary course of business and at arms's length.

Attention of members is drawn to the disclosure of transactions with related parties set out in Note No. 31 of Standalone Financial Statements, forming part of the Annual Report.

The policy on Related Party Transactions as approved by the Board is available on website of the Company viz.: www.manugraph.com.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has been involved in social welfare activities from time to time and firmly believes in making lasting impact towards creating a just, equitable, humane and sustainable society. The Company lays special emphasis on education and vocational training of youth including females in the local community for their economic empowerment.

The CSR Committee has confirmed that the implementation and monitoring of CSR Policy is in conformity with CSR objectives and policy of the Company and in compliance with Section 135 of the Companies Act, 2013, as amended from time to time. The CSR policy may be accessed on the Company's website www.manugraph.com.

Since the Company has not earned profits in the previous three financial years, the Company is not mandatorily required to contribute towards CSR activities. The Annual Report on our CSR Activities is appended as 'Annexure A' to this report.

EXTRACTS OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT 9 is provided as 'Annexure E' to this report and also available on the website of the Company viz. www.manugraph.com.

STATUTORY AUDITORS

In terms of Section 139 of the Companies Act, 2013 ("the Act"), and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the present Statutory Auditors of the Company, M/s. Natvarlal Vepari & Co., Chartered Accountants, Mumbai (Firm Regn. No. 106971W) ('NVC'), will complete their term as Statutory Auditors upon conclusion of the ensuing Annual General Meeting.

The Board, on the recommendation of the Audit Committee, recommended for the approval of the Members, the appointment of Messrs. Desai Shah & Associates, Chartered Accountants (Firm Regn. No. 118174W), as the Auditors of the Company for a period of 2 years from the conclusion of the ensuing 48th AGM till the conclusion of the 50th AGM. On the recommendation of the Audit Committee, the Board also recommended for the approval of the Members, the remuneration for Statutory Audit of Rs. 14.50 Lakhs for the financial year 2020-21. Appropriate resolution seeking your approval to the appointment and remuneration of Messrs. Desai Shah & Associates, Chartered Accountants as the Statutory Auditors is appearing in the Notice convening the 48th AGM of the Company.

Messrs. Desai Shah & Associates, Chartered Accountants has confirmed their eligibility as Statutory Auditors. Messrs. Desai Shah & Associates, Chartered Accountants has also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The report of the auditors to the shareholders is a part of the Annual Report. The notes to the Accounts, that are a part of the financial statements, are self-explanatory and need no further clarifications or explanations. There were no qualifications, reservation or adverse remark or disclaimer in the Auditors report.

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors has reported to the Audit Committee any instances of fraud pursuant to section 143(12) of the Companies Act, 2013 committed against the Company by its officers or employees of the Company.

SECRETARIAL AUDITORS

The Board had appointed M/s. Aashish K. Bhatt & Associates, a Company Secretary in Practice to act as Secretarial Auditor of the Company for the financial year 2019-20. The Report of the Secretarial Audit is annexed herewith as 'Annexure C'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. The observations, if any, in the report are self explanatory.

COST AUDIT

As per Section 148 of the Companies Act, 2013 read with Notifications / Circulars issued by the Ministry of Corporate Affairs from time to time, the Company is required to have the audit of its cost records conducted by a Cost Accountant. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment of M/s. C.S. Adawadkar & Co., Cost Accountants, to conduct the audit of the cost records of the Company for the financial year 2020-21.

The Cost Audit Report is required to be filed within 180 days from the end of the financial year. The Cost Audit Report for the financial year ended March 31, 2020 will be filed within the due date.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(i) that in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

(ii) that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the loss of the Company for the year ended on that date;

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

(iv) that the annual financial statements have been prepared on a going concern basis;

(v) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

(vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

CORPORATE GOVERNANCE

Your board seeks to embed and sustain a culture that will enable us to achieve our objectives through effective corporate governance and enhance transparent engagement with key stakeholders. The Company believes in achieving business excellence and optimizing long-term value for its shareholders on a sustained basis through ethical business conduct.

We consider it our inherent responsibility to disclose timely and accurate information regarding our operations and performance, as well as the leadership and governance of the Company.

As required under the provisions of Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a separate report on Corporate Governance forms part of this Annual Report, together with a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance.

HUMAN RESOURCES

The relations with workers during the year were cordial. The Company is striving hard to negotiate with its workers union for settlement.

Your Company is committed to provide a healthy and safe work environment free from accidents, injuries and occupational health hazards.

The Company had a total of 702 permanent employees as on March 31, 2020.

Particulars of Employees

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act and Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Rules) have been appended as Annexure B to this report. Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Rules are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any shareholder on request. Such details are also available on your Company's website www.manugraph.com.

The Company states that there are no employees (other than Managing Directors) employed throughout the financial year 2019-20 and drawing a salary of Rs. 1.02 crore per annum or more or employed for part of the year and in receipt of remuneration of Rs. 8.50 Lakhs or more per month as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details of salary paid to Managing Directors are part of Corporate Governance Report, forming part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RISK MANAGEMENT

In a rapidly changing business environment, companies in printing industry face numerous risks that impact their businesses. It is therefore, imperative to identify and address these risks and at the same time leverage opportunities for achieving business objectives.

To establish and maintain a system of risk management and internal control, the Board periodically reviews the risk management system and maintenance of a risk profile (both financial and non-financial risks).

A brief report on risk evaluation and management is provided under Management's Discussion and Analysis Report forming part of this Annual Report.

INTERNAL FINANCIAL CONTROLS

Your Board has devised systems, policies and procedures/frameworks, which are currently operational within your Company for ensuring the orderly and efficient conduct of its business, which includes adherence to policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals.

The Internal Control Systems are being constantly updated with new / revised standard operating procedures.

Based on the information provided, nothing has come to the attention of the Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review. There have been no significant changes in the Company's internal financial controls during the year that have materially affected, or are reasonably likely to materially affect its internal financial controls.

The Company has appointed Internal Auditors who report to Audit Committee of the Board. The Audit Committee reviews internal audit reports periodically based on annual internal audit plan.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation. However, Members attention is drawn to the Statement on Contingent Liabilities and Commitments in the Notes forming part of the Financial Statement.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company's vigil mechanism /Whistle blower Policy aims to provide the appropriate platform and protection for Whistle blowers to report instances of any actual or suspected incidents of unethical practices, violation of applicable laws and regulations including the Integrity Code, Code of Conduct for Prevention of Insider Trading in Company's securities, Code of Fair Practices and Disclosure.

The Vigil Mechanism / Whistle Blower Policy have been posted on the website of the Company viz. www.manugraph.com.

DISCLOSURE IN TERMS OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place policy on Sexual Harassment at workplace. Internal Complaints Committees have been constituted, in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received, if any, regarding sexual harassment. All employees are covered under this policy. The Company is in compliance of the provisions of the said Act. The details of complaints are as under:

(a) number of complaints filed during the financial year - Nil

(b) number of complaints disposed of during the financial year - Nil

(c) number of complaints pending as on end of the financial year - Nil

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND 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 the Companies (Accounts) Rules, 2014 is annexed as 'Annexure D'.

CAUTIONARY STATEMENT

Statements in the Directors' Report & Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include cyclical demand, changes in government regulations, tax regimes, economic development and other ancillary factors.

APPRECIATIONS

The Directors take this opportunity to acknowledge the support and assistance extended to us by the Government, customers, bankers, stock exchanges, business associates, financial institutions, and investors.

For and on behalf of the Board

Sd/-
Sanat Shah
Chairman
(DIN: 00248499)

Place: Mumbai
Date: 29-06-2020

Annexure A

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2019-20

1. **A Brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs:**

   Recognising that the business enterprises are economic organs of the society and draw on societal resources, Manugraph India Limited ('the Company') believes in sustainability of environment replenishment, economic development and well-being of the communities and employees.

   The Company's CSR activities, amongst others, will focus on:

   - Hunger, Poverty, Malnutrition and Health / Health Care
   - Education
   - Rural Development
   - Gender Equality and empowerment of Women
   - Environmental sustainability including providing direct assistance or through Prime Minister's Relief Fund or Chief Minister's Relief Fund or any other national level or state level calamity relief fund to needy who have suffered due to natural disaster and calamities.

     The Company undertakes its CSR activities approved by the CSR Committee either by the Company's personnel or through such other institutions / organisations as approved by the CSR Committee from time to time. The CSR policy is placed on our website at the link: http://www.manugraph.com/frmFinancialReport.aspx?ID=4

2. **The Composition of CSR Committee:**
   Mr. Pradeep S. Shah, Chairman of the Committee
   Mr. Bhupal B. Nandgave, Member
   Mr. Abhay J. Mehrotra, Member
3. **Average Net profits of the Company for the last three financial years –** Rs. -750.49 Lakhs
4. **Prescribed CSR Expenditure (two per cent of the amount as above) –** Rs. -15.00 Lakhs
5. **Details of CSR spent during the financial year:**
   (a) Total amount spent for the financial year: Rs. 1.50 Lakhs;
   (b) Amount unspent, if any: N.A.
   (c) Manner in which amount spent during the financial year is detailed below:

(Rs.)

Sr. No.	CSR Project or activity identified	Sector in which project is covered	Projects or Programs (1) Local Area or other (2) Specify the state and District where project or program was undertaken	Amount Outlay (budget) project or program wise	Amount spent on the projects or programs sub heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent direct or through implementing agency
1.	Project Poshan: Fight Against Malnutrition	Eradicating hunger, poverty and malnutrition; Promoting health care including preventinve health care	- In Maharashtra, Panvel, Karjat and Mumbai	1,50,000	Direct Expenditure on programs: 1,50,000	150,000	Through implementing agency

6. In case the Company has failed to spent the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Boards report: N.A.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company :

'The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.'

Sd/-
Sanjay S. Shah
Vice Chairman & Managing Director

Sd/-
Pradeep S. Shah
Chairman of the CSR Committee

Date: 29-06-2020

Annexure B

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

<table>
<tr><th>Name of the Director</th><th>Title</th><th>Remuneration in FY 2019-20 (Rs. in Lakhs)</th><th>% Increase in Remuneration in FY 2019-20*</th><th>Ratio of remuneration of each Director to median remuneration of employees</th></tr>
<tr><td>Sanjay S. Shah</td><td>Vice Chairman & Managing Director</td><td>118.79</td><td>-</td><td>30.09</td></tr>
<tr><td>Pradeep S. Shah</td><td>Managing Director</td><td>118.79</td><td>-</td><td>30.10</td></tr>
<tr><td>Sanat M. Shah</td><td>Chairman</td><td>0.60</td><td colspan="2" rowspan="7">Non-Executive Directors are not paid any remuneration/commission save and except the sitting fees. The ratio of remuneration and percentage increase is therefore not considered.</td></tr>
<tr><td>Hiten C. Timbadia</td><td>Independent Director</td><td>1.47</td></tr>
<tr><td>Amit N. Dalal</td><td>Independent Director</td><td>0.45</td></tr>
<tr><td>Perses M. Bilimoria</td><td>Independent Director</td><td>1.47</td></tr>
<tr><td>Abhay J. Mehrotra</td><td>Independent Director</td><td>1.47</td></tr>
<tr><td>Jai S. Diwanji</td><td>Independent Director</td><td>0.60</td></tr>
<tr><td>Basheera J. Indorewala</td><td>Independent Director</td><td>0.60</td></tr>
<tr><td>Bhupal B. Nandgave</td><td>Whole Time Director (Works)</td><td>23.79</td><td>-</td><td>6.03</td></tr>
<tr><td>Amit Jain</td><td>Chief Financial Officer</td><td>25.73</td><td>-</td><td>NA</td></tr>
<tr><td>Mihir Mehta</td><td>Company Secretary</td><td>18.67</td><td>-</td><td>NA</td></tr>
</table>

* Due to reduced sales and heavy losses, there was no increase in remuneration. The changes in remuneration as compared to previous year is on account of eligible allowances either pertaining to previous periods claimed during the year and/or claimed within the approved limits based on re-imbursement limits as set in the resolution.

- The median remuneration of employees of the Company during the financial year was Rs. 3.95 Lakhs
- In the financial year, on account of mounting losses, there was an no actual increase in the median remuneration of employees
- There were 702 permanent employees on the rolls of Company as on March 31, 2020
- There was no increase in the salaries of employees including the managerial personnel in the last financial year on account of reduced sales and continued losses. Accordingly, the requirement of providing comparison of average percentage increase of employee salary to managerial personnel is not applicable.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the foresaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

(ii) Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

There are no employees (other than Managing Directors) drawing remuneration aggregating to Rs. 1.02 crores per annum employed during the year 2019-20 and no employees drawing remuneration to Rs. 8.5 lakhs per month employed for the part of financial year.

Annexure C

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,

The Members,
Manugraph India Limited
Sidhwa House, 1st Floor, N A, Sawant Marg,
Colaba Mumbai – 400005.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Manugraph India Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2020, according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment; There are no external commercial borrowings.

v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (the 'SEBI Act'), as amended from time to time, are applicable :-
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 except for one instance of delay in submission of disclosures under regulation 7(2)(b);
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable;
   d) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014 – Not Applicable;
   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable;
   f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable;
   g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not Applicable;
   h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client – Not Applicable;

vi. Taking into consideration, business activities of the Company and confirmation received from the Management, there are no specific regulator / law whose approval is required for undertaking business operations of the Company and hence no comment is invited in respect of the same. We have in-principally verified existing systems and mechanism which is followed by the Company to ensure compliance of other applicable laws and have relied on the representation made by the Company and its Officers in respect of aforesaid systems and mechanism for compliances of other applicable acts, laws and regulations and found the satisfactory operation of the same.

I have also examined compliances with applicable clauses of:

(i) Secretarial Standards issued by the Institute of the Company Secretaries of India;

(ii) The Securities and Exchange Board of India (Listing Obligations Disclosure Requirements) Regulations, 2015, wherein there has been delay in submissions of information to the stock exchanges, which in the opinion of the Company were due to technical disruptions and / or oversight, however same has been accepted by the Stock Exchanges without any action.

During the financial year under report, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards etc. as mentioned above. However, the Company is in the process of filing condonation for delay in filing Form MGT-14. Further, due to technical difficulties, the Company could not file Form IEPF-1A with Registrar of Companies. The Company is evaluating the methodology to provide necessary information required under Form IEPF-1A.

On account of pandemic "COVID 2019" and nationwide lockdown imposed by governments, the audit process has been modified, wherein certain documents /records etc. were verified in electronic mode, and have relied on the representations received from the Company for its accuracy and authenticity.

I further report that:

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

Adequate notice, agenda and detailed notes may have been given to all Directors to schedule the Board Meetings 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views were expressed.

I have relied on the representation made by the Company and its Officers for adequate systems and processes in the Company commensurate with its size & operation to monitor and ensure compliance with applicable laws.

I further report that during the audit period, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

(i) Declaration and Payment of Dividend on Equity Shares;

(ii) Application for extension of Annual General Meeting (AGM) to Registrar of Companies;

(iii) Appointment of Mr. Amit Jain as Chief Financial Officer;

(iv) Appointment of Mr. Mihir Mehta as Nodal Officer;

(v) Cessation of Mr. Amit Dalal and Mr. Jai Diwanji as Independent Director w.e.f. 3rd March, 2020;

(vi) Meeting of equity shareholders of the Company convened pursuant to the order of Hon'ble National Company Law Tribunal, Mumbai Bench for approval of Scheme of Merger by Absorption of Constrad Agencies (Bombay) Private Limited, Manu Enterprises Limited & Santsu Finance and Investment Private Limited ('the Transferor Companies') with Manugraph India Limited ('Transferee Company') with their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013;

(vii) Members at Annual General Meeting passed special resolution for re-appointment of Mr. Hiten Timbadia, Mr. Perses Bilimoria and Mr. Abhay Mehrotra as Independent Director of the Company for a period of 3 years commencing from 3rd March, 2020;

(viii) Pursuant to scheme of Merger by Absorption of Constrad Agencies (Bombay) Private Limited, Manu Enterprises Limited & Santsu Finance and Investment Private Limited ('the Transferor Companies') with Manugraph India Limited ('Transferee Company'), Board of Directors approved:

- Re-stated Audited Financial Statements (Standalone and Consolidated) for the year ended 31st March, 2019;
- Shares held by Transferor Companies were cancelled and an equivalent number of shares were issued to the shareholders of Transferor companies in the proportion of their shareholding. These shares were allotted by the Board of Directors at their meeting held on 08.11.2019 and the said shares were listed on respective stock exchange.

For **Aashish K. Bhatt & Associates**
Company Secretaries
(ICSI Unique Code S2008MH100200)

Place: Mumbai
Date: 29.06.2020

Aashish Bhatt
Proprietor
ACS No.: 19639, COP No.: 7023
UDIN: A019639B000394244

APPENDIX A

To,
The Members,
Manugraph India Limited

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

1. The responsibility of maintaining Secretarial record is of the management and based on our audit, we have expressed my opinion on these records.
2. I am of the opinion that the audit practices and process adopted to obtain assurance about the correctness of the Secretarial records were reasonable for verification.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The management is responsible for compliances with corporate and other applicable laws, rules, regulations, standards etc. Our examination was limited to the verification of procedure and wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations etc.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Aashish K. Bhatt & Associates**
Company Secretaries
(ICSI Unique Code S2008MH100200)

Place: Mumbai
Date: 29.06.2020

Aashish Bhatt
Proprietor
ACS No.: 19639, COP No.: 7023
UDIN: A019639B000394244

Annexure D

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY:

Apart from implementing systematically the energy conservation measures mentioned in the earlier report, conscious efforts were made to bring awareness among energy users for energy conservation. The additional efforts were also made.

1. Power factor of plant is maintained to unity resulting in optimum utilization of power.
2. Replacement of high power consuming conventional 250W Hi Bay luminaries with energy efficient 100W LED luminaries, qty.12 Nos.
3. Replacement of high power consuming conventional 400W metal halide Hi Bay luminaries with energy efficient 125W LED luminaries, qty.8 Nos.
4. Replacement of 150W Induction luminary with energy efficient 45W LED Rocket lamp luminary, qty.5 No.
5. Use of energy efficient 45W LED Rocket lamp luminary for new requirement, qty.5 No.
6. Replacement of high power consuming conventional 36/40W tube light luminaries with energy efficient 22W LED tube light, qty.18 Nos.
7. Replacement of high power consuming conventional 36W X 2 PLL luminary with energy efficient 36W X 1 LED Panel light luminary, qty.12 Nos.
8. Replacement of high power consuming conventional 36/40W tube light luminaries with energy efficient 5W LED bulb, qty.47 Nos.
9. Developed and used automatic water level controller system for water storage tanks to prevent wastage of water due to overflow.
10. We are using drip irrigation system for gardening which drastically reduced the use of fresh water.
11. Old A.C. roof sheets are replaced with aluminum sheets resulted in considerable temperature drop inside the buildings and hence removed the electrical exhaust fans. Also, it enhanced the day light at work place.

B. TECHNOLOGY ABSORPTION: -

i. Efforts made in technology absorption:

The focus on improvement in existing products and development of new products was maintained throughout the year. Thrust is given on strengthening of manpower infrastructure in application of Computer Aided Design and Engineering software to meet the diverse customer requirements for different types of Presslines. Efforts are taken to enhance ERP system to facilitate improving design cycle. Software Engineering Department is being strengthened for effective implementation of in-house developed software for Printing machines.

The new machines and main features under development / developed are:

1. Development of Flying Splicer AP4050 in Integrated version with Cityline Express Tower is completed and commercial production is started
2. Development of New Hiline Tower having 45000 CPH speed in 915mm web width is in progress
3. Development of Flying Splicer AP4550 in Integrated version with New Hiline Tower in 915mm web width is in progress
4. Flexo Printing Technology absorption in co-operation with Italian Partner is in process. Indigenization of Printing Unit of the C.I. Flexo printing machine is in progress.
5. MIL Product interfacing with other make presslines.

ii. Benefits derived as a result of the above R&D:

a. New products developed
b. New features introduced on existing products
c. More automation on existing products
d. Cost reduction and space saving on machines

e. Performance improvement

f. Shorter time to Market for new products

g. Expanding Domestic and Export market

h. Diversification in Product offering and Market Segment

i. Import substitution

iii. Details of imported technology: N.A.

iv. Expenditure on R&D:

		(Rs. in Lakhs)
a.	Capital	--
b.	Recurring	189.28
c.	Total	189.28
d.	Total R&D expenditure as a percentage of net sales	1.66%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Activities relating to exports; Initiatives taken to increase exports, development of new export markets for products and services; and export plans;

   During the year under review, the Company is continuously exploring the possibilities of exporting more of its products to countries mainly in Africa, South East Asia and Russia.

2. Total foreign exchange used and earned:

		(Rs. in Lakhs)
(i)	Earnings:	
	– Export Sales	4668.65
	– Service & Erection Charges	42.81
	Total	**4711.46**
(ii)	Expenditures:	
	– Technical Services	30.97
	– Advertisements	1.08
	– Travelling	28.33
	Total	**60.38**

Annexure E

Form MGT - 9

Extracts of Annual Return

As on the financial year ended March 31, 2020

(Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014)

I	**Registration and Other details**	
i)	CIN	L29290MH1972PLC015772
ii)	Registration date	25-04-1972
iii)	Name of the Company	Manugraph India Limited
iv)	Category / Sub Category of the Company	Public Company, limited by shares
v)	Address of the Registered Office and contact details	Sidhwa House, 1st Floor, N.A. Sawant Marg, Colaba, Mumbai - 400 005
vi)	Whether listed company	Yes
vii)	Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited, C101, 247 Park, L. B. S. Marg, Vikhroli (W), Mumbai – 400 083, India Phone : 91 22 49186270 Fax : 91 22 49186060 Email: rnt.helpdesk@linkintime.co.in. Website: www.linkintime.co.in
II	**Principal business activities of the Company**	Manufacturer of Printing Machinery

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of Web Offset Printing Machines	28923	94.03%

III Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name of the Company	Address	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1)	Manugraph Americas Inc.	P.O. Box 573, Elizabethville, PA 17023 USA	NA	Subsidiary	100%	2(87)(ii)

Constrad Agencies (Bombay) Pvt. Ltd., (wholly owned subsidiary company), CIN: U51100MH1986PTC039336 having its registered office at Sidhwa House, 1st Floor, N.A. Sawant Marg, Colaba, Mumbai - 400 005 was merged with the Company as Part of Scheme of Merger by Absorption approved by National Company Law Tribunal vide its Order delivered on October 14, 2019 and filed with Registrar of Companies on October 17, 2019. The appointed date is April 1, 2018 and the effective date is October 17, 2019.

IV	**Shareholding pattern (Equity share capital breakup as percentage of Total Capital)**	
i)	Category wise share holding	Annexure 1
ii)	Shareholding of promoters	Annexure 2
iii)	Change in promoters' shareholding	Annexure 3
iv)	Shareholding pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	Annexure 4
v)	Shareholding of Directors and Key Managerial Personnel	Annexure 5
V	**Indebtedness**	
	Indebtedness of the Company including interest outstanding / accrued but not due for payment	Annexure 6
	Remuneration of Directors and Key Managerial Personnel	Annexure 7
	- Remuneration to Managing Director, Whole Time Director and/or Manager	
	- Remuneration to Other Directors	
	- Remuneration to Key Managerial Personnel other than MD / Manager / WTD	
	Penalties / Punishment / Compounding of Offences	Annexure 8

Annexure 1

Shareholding pattern (Equity share capital breakup as percentage of Total Capital)

i) Category wise share holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year – 01.04.2019				Shareholding at the end of the year – 31.03.2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	**Shareholding of Promoter and Promoter Group**									
[1]	**Indian**									
(a)	Individuals / Hindu Undivided Family	6,682,051	-	6,682,051	21.97	11,468,061	-	11,468,061	37.71	15.74
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
(d)	Any Other (Specify)									
	Bodies Corporate	10,788,527	-	10,788,527	35.47	6,002,517	-	6,002,517	19.74	(15.74)
	Sub Total (A)(1)	**17,470,578**	**-**	**17,470,578**	**57.44**	**17,470,578**	**-**	**17,470,578**	**57.44**	**-**
[2]	**Foreign**									
(a)	Individuals (Non-Resident Individuals	-	-	-	0.00%					0.00%
(b)	Other Individuals									
(c)	Bodies Corporate									
(d)	Banks / F.I.	-	-	-	0.00%					0.00%
(e)	Any Other (Specify)	-	-	-	0.00%					0.00%
	Sub Total (A)(2)	**-**	**-**	**-**	**0.00%**					**0.00%**
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	**17,470,578**	**-**	**17,470,578**	**57.44**	**17,470,578**	**-**	**17,470,578**	**57.44**	**-**
(B)	**Public Shareholding**									
[1]	**Institutions**									
(a)	Mutual Funds / UTI	250	-	250	0.00	250	-	250	0.00	-
(b)	Financial Institutions / Banks	450	-	450	0.00	450	-	450	0.00	-
(c)	Central Government									
(d)	State Government (s)									
(e)	Venture Capital Funds	-	-	-	0.00%					0.00%
(f)	Insurance Companies	702,636	-	702,636	2.31	663,923	-	663,923	2.18	(0.13)
(g)	Foreign Institutional Investors	-	-	-	0.00%					0.00%

Sr No	Category of Shareholders	Shareholding at the beginning of the year – 01.04.2019				Shareholding at the end of the year – 31.03.2020				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(h)	Foreign Venture Capital Funds	-	-	-	0.00%					0.00%
(i)	Any Other (Specify)									
	Sub Total (B)(1)	**703,336**	**-**	**703,336**	**2.31**	**664,623**	**-**	**664,623**	**2.19**	**(0.13)**
[2]	**Non-Institutions**									
(a)	Bodies Corporate									
(i)	Indian	3,082,084	36,925	3,119,009	10.25	3,107,929	36,925	3,144,854	10.34	0.09
(ii)	Overseas	-	250	250	0.00	-	-	-	-	(0.00)
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	4,964,215	566,306	5,530,521	18.18	4,977,251	505,566	5,482,817	18.0266	(0.18)
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	2,597,612	-	2,597,612	8.54	2,684,648	-	2,684,648	8.83	0.29
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
(c)	Any Other (Specify)									
	IEPF	292,608	-	292,608	0.96	313,260	-	313,260	1.03	0.07
	Trusts	295	-	295	0.00	295	-	295	0.00	-
	Independent Relatives Of Director	53,326	-	53,326	0.18	53,326	-	53,326	0.18	-
	Foreign Nationals	3,620	-	3,620	0.01	3,620	-	3,620	0.01	-
	Hindu Undivided Family	269,080	-	269,080	0.88	271,892	-	271,892	0.89	0.01
	Non Resident Indians (Non Repat)	115,763	-	115,763	0.38	116,416	-	116,416	0.38	0.00
	Other Directors	12,200	-	12,200	0.04	4,700	-	4,700	0.0155	-
	Non Resident Indians (Repat)	184,138	17,125	201,263	0.66	174,835	17,125	191,960	0.63	(0.03)
	Clearing Member	45,600	-	45,600	0.15	12,072	-	12,072	0.04	(0.11)
	Sub Total (B)(2)	**11,620,541**	**620,606**	**12,241,147**	**40.25**	**11,720,244**	**559,616**	**12,279,860**	**40.37**	**0.13**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**12,323,877**	**620,606**	**12,944,483**	**42.56**	**12,384,867**	**559,616**	**12,944,483**	**42.56**	**-**
(C)	Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%					
	Grand Total (A)+(B)+(C)	**29,794,455**	**620,606**	**30,415,061**	**100.00**	**29,855,445**	**559,616**	**30,415,061**	**100.00**	

Annexure 2

Shareholding pattern (Equity share capital breakup as percentage of Total Capital)

ii) Shareholding of Promoters

Sr. No.	Shareholders' Name	Shareholding at the beginning of the year (As on April 1, 2019 i.e. on the basis of shareholding pattern of March 31, 2019)			Shareholding at the end of the year (As on March 31, 2020 i.e. on the basis of shareholding pattern of March 31, 2020)			% change during the year
		No. of Shares	% of Total Shares of the Company	% of shares pledged / encumbered to total shares*	No. of Shares	% of Total Shares of the Company	% of shares pledged / encumbered to total shares*	
1	Multigraph Machinery Co Ltd	5,935,027	19.51	-	6,002,517	19.74	-	0.22
2	Santsu Finance And Investment Private Ltd	2,537,000	8.34	-	-	-	-	(8.34)
3	Manu Enterprises Limited	2,316,500	7.62	-	-	-	-	(7.62)
4	Pradeep S Shah	1,765,721	5.81	-	4,156,701	13.67	-	7.86
5	Sudha S Shah	1,491,570	4.90	-	1,491,570	4.90	-	-
6	Sanat Manilal Shah	1,484,709	4.88	-	1,484,709	4.88	-	-
7	Sanjay S Shah	1,373,461	4.52	-	3,764,441	12.38	-	7.86
8	Ameeta Shah	349,450	1.15	-	350,125	1.15	-	0.00
9	Aditya Sanjay Shah	116,475	0.38	-	117,150	0.39	-	0.00
10	Rupali P Shah	87,165	0.29	-	87,840	0.29	-	0.00
11	Kushal Sanjay Shah	13,500	0.04	-	14,175	0.05	-	0.00
12	Rashee Pradeep Shah	-	-	-	1,350	0.00	-	0.00
	Total	**17,470,578**	**57.44**	**-**	**17,470,578**	**57.44**	**-**	**-**

(*) The term encumbrance has the same meaning as assigned to it in Regulation 28(3) of SEBI (Substantial Acquisition of Shares and takeovers) Regulations, 2011

Annexure 3

Shareholding pattern (Equity share capital breakup as percentage of Total Capital)

iii) Change in Promoters' shareholding

Sr No.		Shareholding at the beginning of the year - 2019		Transactions during the year		Cumulative Shareholding at the end of the year - 2020	
	Name & Type of Transaction	No. Of Shares Held	% Of Total Shares Of The Company	Date Of Transaction	No. Of Shares	No Of Shares Held	% Of Total Shares Of The Company
1	Multigraph Machinery Co Ltd	5935027	19.5134			5935027	19.5134
	Merger			07Feb2020	67490	6002517	19.7353
2	Pradeep S Shah	1765721	5.8054			1765721	5.8054
	Merger			07Feb2020	2390980	4156701	13.6666
3	Sanjay S Shah	1373461	4.5157			1373461	4.5157
	Merger			07Feb2020	2390980	3764441	12.3769
4	Sudha S Shah	1491570	4.9041			1491570	4.9041
5	Sanat Manilal Shah	1484709	4.8815			1484709	4.8815
6	Ameeta Shah	349450	1.1489			349450	1.1489
	Merger			07Feb2020	675	350125	1.1512
7	Aditya Sanjay Shah	116475	0.383			116475	0.383
	Merger			07Feb2020	675	117150	0.3852
8	Rupali P Shah	87165	0.2866			87165	0.2866
	Merger			07Feb2020	675	87840	0.2888
9	Kushal Sanjay Shah	13500	0.0444			13500	0.0444
	Merger			07Feb2020	675	14175	0.0466
10	Rashee Pradeep Shah	0	0			0	0
	Merger			07Feb2020	1350	1350	0.0044
11	Santsu Finance And Investment Private Ltd	2537000	8.3413			2537000	8.3413
	Extinguishment			24Jan2020	-2537000	0	0
12	Manu Enterprises Limited	2316500	7.6163			2316500	7.6163
	Extinguishment			24Jan2020	-2316500	0	0

(*) The shares were issued by Board of Directors at their meeting held on 08-11-2019 pursuant to scheme of merger by absorption. These shares were credited in the shareholders account on 30-01-2020 and confirmation received from the depositories on the aforementioned date after completion of all formalities with depositories and stock exchanges.

Annexure 4

Shareholding pattern (Equity share capital breakup as percentage of Total Capital)

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

Sr. No.	Name	Shareholding at the beginning of the year		Increase / Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease	Reason	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	JM Financial Services Limited	1293878	4.25							
				12 Apr 2019	107000	Market Buy	1400878	4.61		
				26 Apr 2019	59633	Market Buy	1460511	4.80		
				03 May 2019	21867	Market Buy	1482378	4.87		
				10 May 2019	-11363	Market Sell	1471015	4.84		
				07 Jun 2019	11363	Market Buy	1482378	4.87		
				14 Jun 2019	12601	Market Buy	1494979	4.92		
				21 Jun 2019	-151585	Market Sell	1343394	4.42		
				29 Jun 2019	6000	Market Buy	1349394	4.44		
				05 Jul 2019	5206	Market Buy	1354600	4.45		
				12 Jul 2019	7600	Market Buy	1362200	4.48		
				26 Jul 2019	176591	Market Buy	1538791	5.06		
				09 Aug 2019	2393	Market Buy	1541184	5.07		
				23 Aug 2019	35	Market Buy	1541219	5.07		
				13 Sep 2019	1268	Market Buy	1542487	5.07		
				20 Sep 2019	4114	Market Buy	1546601	5.09		
				27 Sep 2019	-6314	Market Sell	1540287	5.06		
				30 Sep 2019	-191446	Market Sell	1348841	4.43		
				11 Oct 2019	22888	Market Buy	1371729	4.51		
				18 Oct 2019	10677	Market Buy	1382406	4.55		
				25 Oct 2019	-7940	Market Sell	1374466	4.52		
				01 Nov 2019	-55484	Market Sell	1318982	4.34		
				08 Nov 2019	17424	Market Buy	1336406	4.39		
				15 Nov 2019	3931	Market Buy	1340337	4.41		
				22 Nov 2019	-3931	Market Sell	1336406	4.39		
				29 Nov 2019	2206	Market Buy	1338612	4.40		
				06 Dec 2019	-2206	Market Sell	1336406	4.39		
				20 Dec 2019	3550	Market Buy	1339956	4.41		
				27 Dec 2019	23380	Market Buy	1363336	4.48		
				31 Dec 2019	-423	Market Sell	1362913	4.48		
				10 Jan 2020	1122	Market Buy	1364035	4.48		
				17 Jan 2020	-156469	Market Sell	1207566	3.97		
				24 Jan 2020	8383	Market Buy	1215949	4.00		
				14 Feb 2020	-8383	Market Sell	1207566	3.97		

Sr. No.	Name	Shareholding at the beginning of the year		Increase / Decrease in Shareholding			Cumulative Shareholding during the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease	Reason	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
				21 Feb 2020	8383	Market Buy	1215949	4.00	1215949	4.00
2	Vijaya S	856239	2.82							
				13 Sep 2019	-200	Market Sell	856039	2.81	856039	2.81
3	Life Insurance Corporation Of India	702636	2.31							
				17 Jan 2020	-10500	Market Sell	692136	2.28		
				24 Jan 2020	-12279	Market Sell	679857	2.24		
				31 Jan 2020	-6152	Market Sell	673705	2.22		
				07 Feb 2020	-4782	Market Sell	668923	2.20		
				14 Feb 2020	-5000	Market Sell	663923	2.18	663923	2.18
4	Minal Bharat Patel	320690	1.05							
				06 Mar 2020	185797	Market Buy	506487	1.67	506487	1.67
5	Valley Distributors LLP	0	-							
				31 Mar 2020	384665	Market Buy	384665	1.26	384665	1.26
6	East India Securities Ltd	737231	2.42							
				31 Mar 2020	-384665	Market Sell	352566	1.16	352566	1.16
7	Pat Financial Consultants Private Limited	328049	1.08	-	-	-	-	-	328049	1.08
8	Prithvi Vincom Private Limited	326458	1.07	-	-	-	-	-	326458	1.07
9	Investor Education and Protection Fund Authority Ministry of Corporate Affairs	292608	1.03	-	-	-	-	-		
				02 Aug 2019	-250	Transfer	292358	0.96		
				04 Oct 2019	20902	Addition	313260	1.03	313260	1.03
10	Dhruva Shumsher Rana	281115	0.92							
				10 May 2019	550	Market Buy	281665	0.93		
				26 Jul 2019	2000	Market Buy	283665	0.93		
				09 Aug 2019	2250	Market Buy	285915	0.94		
				23 Aug 2019	400	Market Buy	286315	0.94		
				30 Aug 2019	500	Market Buy	286815	0.94		
				13 Sep 2019	1287	Market Buy	288102	0.95		
				21 Feb 2020	500	Market Buy	288602	0.95		
				28 Feb 2020	2936	Market Buy	291538	0.96		
				06 Mar 2020	5496	Market Buy	297034	0.98		
				27 Mar 2020	2921	Market Buy	299955	0.99	299955	0.99
11	Ruchit Bharat Patel	214902	0.71	-	-	-	-	-	214902	0.71
12	Hardik B. Patel	62843	0.20	-	-	-	-	-	62843	0.20

Note: Top 10 shareholders as on April 1, 2019 and March 31, 2020 and any change in their shareholding

Annexure 5

Shareholding pattern (Equity share capital breakup as percentage of Total Capital)

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name	Shareholding at the beginning of the year		Increase / Decrease in Shareholding		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Increase	Decrease	No. of shares	% of total shares of the Company
1.	Sanat M. Shah, Chairman	1484709	4.88	-	-	1484709	4.88
2.	Sanjay S. Shah, Vice Chairman & Managing Director	1373461	4.52	2390980	-	3764441	12.38
3.	Pradeep S. Shah, Managing Director	1765721	5.81	2390980	-	4156701	13.67
4.	Hiten C. Timbadia, Independent Director	3500	0.01	-	-	3500	0.01
5.	Amit N. Dalal, Independent Director#	0	0.00	-	-	0	0.00
6.	Perses M. Bilimoria, Independent Director	0	0.00	-	-	0	0.00
7	Abhay J. Mehrotra, Independent Director	0	0.00	-	-	0	0.00
8.	Jai S. Diwanji, Independent Director#	7500	0.02	-	-	7500	0.02
9	Bhupal B. Nandgave, Whole Time Director (Works)	1200	0.00	-	-	1200	0.00
10	Basheera J. Indorewala	0	0.00	-	-	0	0.00
11	Amit Jain, Chief Financial Officer	0	0.00	-	-	0	0.00
12	Mihir Mehta, Company Secretary	50	0.00	-	-	50	0.00

ceased to be Directors w.e.f. March 3, 2020.

Annexure 6

Indebtedness

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

(Amount in Rs. Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (As on April 1, 2019)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**-**	**-**	**-**	**-**
Change in Indebtedness during the financial year				
Addition	911.36	-	-	911.36
Reduction	-	-	-	-
Exchange difference	-	-	-	-
Net Change	**911.36**	**-**	**-**	**911.36**
Indebtedness at the end of the financial year (As on March 31, 2020)				
i) Principal Amount	911.36	-	-	911.36
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	5.00	-	-	5.00
Total (i+ii+iii)	**916.36**	**-**	**-**	**916.36**

Annexure 7

Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Directors, Whole Time Directors and / or Manager (Amount in Rs. Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Sanjay S. Shah	Pradeep S. Shah	Bhupal B. Nandgave	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	107.73	109.47	23.40	**240.60**
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961	11.46	9.72	0.39	**21.57**
	(c) Profits in lieu of Salary u/s. 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock Options	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission	-	-	-	-
	- As % of Profits	-	-	-	-
	- Others, specify	-	-	-	-
5.	Others	-	-	-	-
	Total	**119.19**	**119.19**	**23.79**	**262.17**
	Ceiling as per the Act	**Rs. 240 Lakhs for each of the Managing / Whole Time Director**			

Annexure 7

B. Remuneration to other Directors (Amount in Rs. Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Hiten C. Timbadia	Amit N. Dalal#	Perses M. Bilimoria	Abhay J. Mehrotra	Jai S. Diwanji#	Sanat M. Shah	Basheera J. Indorewala	
1.	Independent Directors								
	(a) Fee for attending Board / Committee Meetings	1.47	0.45	1.47	1.47	0.60	-	0.60	**6.06**
	(b) Commission	--	--	--	--	--	--	--	--
	(c) Others	--	--	--	--	--	--	--	--
	Total – 1	**1.47**	**0.45**	**1.47**	**1.47**	**0.60**	**-**	**0.60**	**6.06**
2.	Other Non-Executive Directors								
	(a) Fee for attending Board / Committee Meetings	--	--	--	--	--	0.60	--	**0.60**
	(b) Commission	--	--	--	--	--	--	--	--
	(c) Others	--	--	--	--	--	--	--	--
	Total - 2	**-**	**-**	**-**	**-**	**-**	**0.60**	-	**0.60**
3.	**Total B (1 + 2)**								**6.66**
	Total Managerial Remuneration*								**268.83**
	Overall Ceiling as per the Act	**As per Section 197 read with Schedule V of the Companies Act for each of the Managing / Whole Time Director and Section 197 read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, sitting fees per non-executive director upto Rs. 1 Lakh per meeting of the Board of Directors or its Committee.**							

* Total remuneration to Managing Directors, Whole Time Director and Other Directors (being the total of A and B)

ceased to be Directors w.e.f. March 3, 2020.

Annexure 7

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

(Amount in Rs. Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CFO	Company Secretary	
			(Amit Jain)	(Mihir Mehta)	
1.	Gross Salary	Not Applicable			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961		25.73	18.67	**44.54**
	(b) Value of perquisites u/s. 17(2) of the Income Tax Act, 1961		-	-	-
	(c) Profits in lieu of Salary u/s. 17(3) of the Income Tax Act, 1961		-	-	-
2.	Stock Options		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission		-	-	-
	- As % of Profits		-	-	-
	- Others, specify		-	-	-
5.	Others		-	-	-
	Total		**25.73**	**18.67**	**44.54**

Annexure 8

Penalties / Punishment / Compounding of Offences

Type	Section of the Companies Act	Brief description	Details of penalties / punishment / compounding fees impound	Authority (RD / NCLT / COURT)	Appeal made, if any (give details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

REPORT ON CORPORATE GOVERNANCE

As required under the Regulation 34(3) and Schedule V(C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the SEBI Listing Regulations') with the Stock Exchanges, the Company reports on various corporate governance compliances as under:

1. Company's philosophy on code of governance

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders. The Company's philosophy of corporate governance is aimed at maximizing shareholder value legally, ethically and sustainably.

The Company respects the inalienable rights of the shareholders to information on the performance of the Company. The Company believes that good Corporate Governance is a continuous process and strive to improve the Corporate Governance practices to meet the shareholders expectations.

The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understood manner, and by being fair to all stakeholders, by ensuring that the Company's activities are managed by a professionally competent and independent Board of Directors.

Compliance with Corporate Governance Guidelines

The Company is fully compliant with the requirements of the prevailing and applicable Corporate Governance norms. Your Company's compliance with these requirements is presented in the subsequent sections of this report.

2. Board of Directors

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive, Non Executive and Independent Directors. The strength of the Board is accentuated by diversity in terms of varied skills and experiences. The Board has been enriched with the advices and skills of the Independent Directors.

The Board operates within a well-defined framework which enables it to discharge its fiduciary duties of safeguarding the interest of your Company; ensuring fairness in the decision making process, integrity and transparency in your Company's dealing with its members and other stakeholders.

An effective Board of Directors is the key to success in growing businesses. The Board is responsible for ensuring that it has represented on it the skills, knowledge, experience, expertise and competencies needed to effectively steer the Company forward.

The Board of Directors have, based on the recommendations of the Nomination & Remuneration Committee, identified the core skills / expertise / competencies of Directors as required in the context of the businesses and sectors of the Company for its effective functioning and the same is mapped against each of the Directors, as tabled below:

a) Strategy & business planning and execution: Ability to understand, review and guide Strategy by analyzing the Company's competitive position and benchmarking taking into account market and industry trends;

b) Industry and market expertise: Has expertise with respect to the sector the organization operates in, the nuances of the business. Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and a broad perspective on global market opportunities;

c) Technology prospective: Has expertise with respect to business specific technologies such as in the field of R&D, Manufacturing etc.;

d) Management and leadership: Has experience in human resource management such that they bring in a considered approach to the effective management of people in an organization;

e) Governance, finance and risk management: Has an understanding of the law and application of corporate governance principles in a commercial enterprise. Capability to provide inputs for strategic financial planning, assess financial statements and oversee budgets for the efficient use of resources. Ability to identify key risks for the business in a wide range of areas including legal and regulatory.

Name of the Director	Mapping	Name of the Director	Mapping
Mr. Sanat M. Shah	a, b, c, d, e	Mr. Hiten C. Timbadia	b, c, d, e
Mr. Sanjay S. Shah	a, b, c, d, e	Mr. Perses M. Bilimoria	b, c, e
Mr. Pradeep S. Shah	a, b, c, d, e	Mr. Abhay J. Mehrotra	b, c, d, e
Mr. Bhupal B. Nandgave	a, b, c, d	Ms. Basheera J. Indorewala	b, c, e
Mr. Shailesh B. Shirguppi	a, b, c, d		

The current composition of the Board meets the requirements of skills, expertise and competencies as identified above

A. Composition of the Board of Directors

The Company has a judicious combination of Executive and Non-Executive Directors. As on March 31, 2020, the Board comprised of eight Directors out of which three are Executive Directors, four are Independent Directors and one is Non-Executive Director. The Chairman of the Board is a Non-Executive Director.

The Composition of Board and category of Directors are as follows:

Name of the Director	Other Directorships as on March 31, 2020	Membership of other Board Committees as on March 31, 2020*		Directorships in Listed Companies and Category of Directorship as on March 31, 2020
		As Chairman	As Member	
Executive Directors – Promoter Group				
Mr. Sanjay S. Shah, Vice Chairman & Managing Director	06	-	-	-
Mr. Pradeep S. Shah, Managing Director	09	-	-	-
Non Executive, Non Independent Director – Promoter Group				
Mr. Sanat M. Shah, Chairman	02	-	-	-
Executive Director – Non Promoter Group				
Mr. Bhupal B. Nandgave	-	-	-	-
Non Executive, Independent Directors				
Mr. Hiten C. Timbadia	01	01	01	-
Mr. Perses M. Bilimoria	01	01	02	-
Mr. Abhay J. Mehrotra	04	-	01	-
Mrs. Basheera J. Indorewala	01	-	01	-

* Committees considered are Audit Committee and Stakeholders' Relationship Committee

\# Mr. Amit N. Dalal and Mr. Jai S. Diwanji, Independent Directors ceased to be Directors w.e.f. March 3, 2020. Due to pre-occupation, they did not seek re-appointment for the second term.

Mr. Hiten C. Timbadia, Mr. Perses M. Bilimoria and Mr. Abhay J. Mehrotra, Independent Directors of the Company were re-appointed as such for the period of three years commencing from March 3, 2020.

Mr. Sanat M. Shah, Chairman, Mr. Sanjay S. Shah, Vice Chairman & Managing Director and Mr. Pradeep S. Shah, Managing Director are related to each other. Mr. Sanjay S. Shah and Mr. Pradeep S. Shah are sons of Mr. Sanat M. Shah. No other Directors are related to each other.

B. Board Independence

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

None of the Independent Directors has any pecuniary or business relationship except receiving sitting fees.

Independent Directors are paid sitting fees for attending Board / Committee meetings. No other payment is made to Independent Directors.

Details of familiarisation program imparted to Independent Directors are available on the Company's website viz. http://www.manugraph.com/investor_relations.html

C. Board Meetings

The Board meets at regular intervals to discuss and decide on Company / business policy. All statutory and other significant & material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders.

All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated at least seven days prior to the Board meeting.

Further, the Board also periodically reviews the compliance reports of applicable laws to the Company as well as steps taken to rectify instances of non compliances, if any.

The Board is updated on the discussions at the Committee meetings and the recommendations through the Chairman of the various Committees.

During the financial year 2019-20, the Board met four times. The meetings were held on May 28, 2019, August 13, 2019, November 8, 2019, and February 5, 2020.

The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

D. Independent Directors' Meetings

The meeting of Independent Director is normally held in the last week of March. Due to COVID-19, the said meeting couldn't be held.

E. Directors' attendance and details of Directorships/Committee Positions held

The following table provides the attendance record at the Board Meeting and Annual General Meeting of the Company during the financial year 2019-20 and directorships, memberships and chairmanships in other companies:

Sr. No.	Name of the Director	Category	No. of Board Meetings of MIL attended	Attendance at the last AGM (Yes/No)
1.	Mr. Sanat M. Shah (DIN: 00248499)	Non-Executive Chairman (Promoter)	4	Yes
2.	Mr. Sanjay S. Shah (DIN: 00248592)	Vice Chairman & Managing Director (Promoter)	4	Yes
3.	Mr. Pradeep S. Shah (DIN: 00248692)	Managing Director (Promoter)	4	Yes
4.	Mr. Bhupal B. Nandgave (DIN: 06447544)	Whole-time Director (Works) Executive - Non Independent	3	Yes
5.	Mr. Hiten C. Timbadia (DIN: 00210210)	Independent Non-Executive Director	4	No
6.	Mr. Amit N. Dalal# (DIN: 00297603)	Independent Non-Executive Director	3	No
7.	Mr. Perses M. Bilimoria (DIN: 00781535)	Independent Non-Executive Director	4	No
8.	Mr. Abhay J. Mehrotra (DIN: 01673801)	Independent Non-Executive Director	4	Yes
9.	Mr. Jai S. Diwanji # (DIN: 00910410)	Independent Non-Executive Director	4	Yes
10.	Mrs. Basheera J. Indorewala (DIN:0729454515)	Independent Non-Executive Director	4	Yes

Mr. Amit N. Dalal and Mr. Jai S. Diwanji, Independent Directors ceased to be Directors w.e.f. March 3, 2020. Due to pre-occupation, they did not seek re-appointment for the second term.

Mr. Hiten C. Timbadia, Chairman of Audit Committee and Nomination and Remuneration Committee and Mr. Perses M. Bilimoria, Chairman of Stakeholders' Redressal Committee could not attend the AGM due to personal commitments. Mr. Jai S. Diwanji, Independent Director, represented Mr. Hiten C. Timbadia and Mr. Perses M. Bilimoria in the AGM.

Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he / she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

3. Audit Committee

Audit Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Companies Act. The Audit Committee acts in accordance with the terms of reference specified by the Board, gists of which are as under:

- Review of quarterly and annual financial statements;
- evaluation of internal financial controls and risk management systems;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company, review and monitor the auditor's independence and performance and effectiveness of the audit process;
- approval of transactions of the Company with related parties,

The Audit Committee comprises three Independent Directors and is headed by Mr. Hiten C. Timbadia and has Mr. P.M. Bilimoria and Mr. Abhay J. Mehrotra as its members. All the members of the Committee have relevant experience in financial matters.

Committee Meetings are attended by Chief Financial Officer, General Manager – Finance and/or such other executives as it considers appropriate, representatives of the statutory auditors and internal auditors / cost auditors at regular intervals.

The Audit Committee also meets the internal and external auditors separately, without the presence of Management representatives.

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee met four times during the year on May 28, 2019, August 13, 2019, November 8, 2019, and February 5, 2020.

The details of attendance at the Audit committee are as follows:

Sr. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Mr. Hiten C. Timbadia	4	4
2	Mr. Perses M. Bilimoria	4	4
3	Mr. Abhay J. Mehrotra	4	4

Mr. Hiten C. Timbadia, Chairman of the Audit Committee on account of personal commitment could not attend the Annual General Meeting. However, Mr. Hiten Timbadia nominated Mr. Jai S. Diwanji, Independent Director to represent himself at the Annual General Meeting (AGM) to answer to queries raised by the members on financial statements.

4. Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Companies Act.

The Company adopted the following criteria to carry out the evaluation of Independent Directors, in terms of the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations.

Salient features of Policy for appointment of Directors, Key Managerial Personnel and Senior Management and evaluation of their performance are as under:

NRC shall carry out evaluation of every Director's Performance. In addition, the evaluation of the Independent Directors shall be done by the entire Board, excluding the director being evaluated, which shall include performance of the directors and fulfillment of the independence criteria as specified in 16(1) (b) of SEBI (LODR) Regulations and their independence from the management. This is to be done on an annual basis for determining whether to extend or continue the term of appointment of the independent director.

The Evaluation process of Independent Directors and the Board consists of two parts:

- Board Member Self Evaluation ; and
- Overall Board and Committee Evaluation.

In the Board Member Self Evaluation, each Board member is encouraged to be introspective about his/ her personal contribution, performance, conduct as director with reference to a questionnaire provided to them. Copies of the evaluation forms as applicable will be distributed to each Board Member. Board members shall complete the forms and return them to the Company Secretary. The Company Secretary will tabulate the Forms. The Tabulated Report would be sent to all Board Members for evaluation and if any director disagrees with the self-evaluated results, he/she will suitably intimate the Chairman of the Board, else the same will be deemed to have been accepted. The individually completed forms will be preserved by the Company Secretary and the Tabulated Report would be presented to the Board and NRC for evaluation.

Apart from the above, the NRC will carry out an evaluation of every director's performance. For this purpose, the NRC would review the Tabulated Report. The NRC would provide feedback to the Board on its evaluation of every director's performance and based on such feedback, the Board will recommend appointments, re-appointments and removal of the non-performing Directors of the Company.

The terms of reference of the Nomination & Remuneration Committee are:

(i) formulation of 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;

(ii) formulation of criteria for evaluation of performance of Independent Directors and the Board;

(iii) devising a policy on Board diversity;

(iv) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;

(v) 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; and

(vi) recommend to the Board, all remuneration, in whatever form, payable to senior management.

The Committee also formulates criteria and specifies the manner for effective evaluation of performance of Board, its Committees and individual Directors. It also conducts the evaluation process as per the Board Evaluation policy. The policy is available on http://www.manugraph.com/frmFinancialReport.aspx?ID=4.

NRC comprises of Mr. Hiten C. Timbadia, Mr. Perses M. Bilimoria and Mr. Abhay J. Mehrotra. Mr. Hiten C. Timbadia is the Chairman of the Committee. All the members of the Committee are non-executive independent directors.

The role of Nomination and Remuneration Committee is as follows:

- ✓ determining / recommending the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- ✓ determining / recommending the criteria for qualifications, positive attributes and independence of Directors;
- ✓ reviewing and determining all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonus, stock options, pension, etc.;
- ✓ evaluating performance of each Director and performance of the Board as a whole;

NRC met thrice during the year on May 28, 2019, August 13, 2019 and November 8, 2019.

Attendance at the Nomination and Remuneration committee meetings:

Sr. No.	Name of the Director	No. of meeting(s) held	No. of meeting(s) attended
1	Mr. Hiten C. Timbadia	3	3
2	Mr. Perses M. Bilimoria	3	3
3	Mr. Abhay J. Mehrotra	3	3

Mr. Hiten C. Timbadia, Chairman of NRC on account of personal commitment could not attend the Annual General Meeting. However, Mr. Hiten Timbadia nominated Mr. Jai S. Diwanji, Independent Director to represent himself at the Annual General Meeting (AGM).

The details of remuneration paid to the Directors of the Company during the financial year 2019-20 are given below:

(Amount in Rs. Lacs)

Sr. No.	Name of the Director	Salary and perquisites*	Commission / Bonus / Pensions, etc.	Sitting fee for Board and Committee meetings	Total
1	Mr. Sanjay S. Shah	118.79	-	-	118.79
2	Mr. Pradeep S. Shah	118.79	-	-	118.79
3	Mr. Bhupal B. Nandgave	23.79	-	-	23.79
4	Mr. Sanat M. Shah	-	-	0.60	0.60
5	Mr. Hiten C. Timbadia	-	-	1.47	1.47
6	Mr. Amit N. Dalal#	-	-	0.45	0.45
7	Mr. Perses M. Bilimoria	-	-	1.47	1.47
8	Mr. Abhay J. Mehrotra	-	-	1.47	1.47
9	Mr. Jai S. Diwanji#	-	-	0.60	0.60
10	Mrs. Basheera J. Indorewala	-	-	0.60	0.60

**Excluding Provident & Other Funds*

 #   Ceased to be Directors of the Company w.e.f. March 3, 2020

The Non Executive Directors are paid sitting fees for attending Board / Committee meetings and dividends to the extend of their shareholding in the Company. Details of shareholding of all Directors are provided as an Annexure in Directors' Report.

The Executive / Managing Directors are paid remuneration by way of salary, perquisites and allowances. Salary is paid within the range fixed by the members of the Company.

Your Company presently does not have a scheme for grant of stock options or performance-linked incentives for its directors. The terms of service contracts and notice period are based on HR policies applicable from time to time. There is no separate provision for payment of severance fees.

5. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee looks into the shareholders' and investors' grievances, cases of transfers, transmissions, issue of duplicate share certificates, etc.

The Stakeholders' Relationship Committee met four times during the year on May 28, 2019, August 13, 2019, November 8, 2019, and February 5, 2020.

Name of the Director	Category	Position	No. of meetings	
			held	attended
Mr. Perses M. Bilimoria	Independent Director	Chairman	4	4
Mr. Sanjay S. Shah	Vice Chairman & Managing Director	Member	4	4
Mrs. Basheera J. Indorewala	Independent Director	Member	4	4

During the year under review, the Company received 128 requests from shareholders relating to non-receipt of dividend/non receipt of duplicate certificate, change of address, etc. which were duly redressed within time.

The name and contact details of compliance officer is provided in the section "General Shareholders Information" forming part of this report.

Status of receipt and redressal of Investors' Grievances during the financial year is as under:

Investors' Grievances pending as on April 1, 2019	Nil
Add : Investors' Grievances received during the year	1
Less : Investors' Grievances redressed during the year	1
Investors' Grievances pending as on March 31, 2020	Nil

6. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises Mr. Pradeep S. Shah as the Chairman and Mr. B.B. Nandgave and Mr. Abhay J. Mehrotra as members of the Committee.

The role of Corporate Social Responsibility Committee is as follows:

- ✓ formulating and recommending to the Board Corporate Social Responsibility Policy and the activities to be undertaken by the Company;
- ✓ recommending the amount of expenditure to be incurred on the activities undertaken;
- ✓ reviewing the performance of the Company in the area of Corporate Social Responsibility;
- ✓ providing external and independent oversight and guidance on the environmental and social impact of how the Company conducts its business;
- ✓ monitoring Corporate Social Responsibility Policy of the Company from time to time.

The CSR Committee met once during the financial year 2019-20 on May 28, 2019 attended by all the members of the Committee.

7. General Body Meetings

A. *Details of the AGMs held during the preceding 3 years and Special Resolutions passed thereat are given below*:

Financial year	2018-19 47th AGM	2017-18 46th AGM	2016-17 45th AGM
Venue	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001	M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai – 400 001
Day	Thursday	Monday	Thursday
Date	December 12, 2019	July 30, 2018	July 27, 2017
Time	12.00 noon	4.00 p.m.	12.00 noon
No. of Special Resolution(s) passed	Three	Four	Nil

All resolutions as set out in the respective notices were duly passed by the shareholders.

C. *Postal Ballot:*

During the financial year 2019-20, no matter was transacted through Postal Ballot. At present, there is no proposal to pass any Special resolution through Postal Ballot.

D. *National Company Law Tribunal Convened Meeting:*

As per the directions of Mumbai Bench of the National Company Law Tribunal ('NCLT'), by its Order dated February 15, 2019, a meeting of the Equity Shareholders of the Company was convened on April 16, 2019 ('NCLT Meeting'), to consider and approve, if thought fit, with or without modification(s), the arrangement embodied in the Scheme of Merger by Absorption between Constrad Agencies (Bombay) Private Limited, Manu Enterprises Limited and Santsu Finance and Investment Private Limited with Manugraph India Limited (Transferee Company) and their respective Shareholders ('the Scheme').

8. Disclosures

CEO and CFO Certification:

The Managing Director and Chief Financial Officer have given a certificate to the Board as contemplated in Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Related Parties Transactions:

The Company has not entered into any transaction of a material nature with the promoters, directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. All transactions with related parties are in ordinary course of business and at arms's length. The register of contracts containing transactions, in which directors are interested, is placed before the board regularly.

Code of Conduct:

The Board of Directors has laid down a "Code of Conduct" (Code) for all the Board Members and the senior management of the Company and this Code is posted on the Website of the Company. Annual compliance affirmation is obtained from every person covered under the Code.

Risk Management:

The Audit Committee and the Board periodically discuss the significant business risks identified by the Management and review the measures taken for their mitigation.

Statutory Compliance, Penalties and Strictures:

The Company has complied with all the requirements of regulatory authorities on matters relating to capital markets during the last three years and no penalties / strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority.

Payments to Statutory Auditors:

Total fees for all services paid by the Company and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Sr. No.	Particulars (Heads)	Rs. In Lakhs
1.	Statutory Audit Fees incl. Tax Audit	19.50
2.	Other assurance services	5.26
3.	Tax matters	3.40
	Total	**28.16**

Sexual Harassment of Women at Workplace:

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is provided in the Directors' Report.

Compliance with mandatory requirements

Your Company has complied with all the mandatory requirements of the SEBI Listing Regulations including Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations and paras (2) to (10) mentioned in Part C of Schedule V of the SEBI Listing Regulations during the financial year under review.

9. Whistleblower Policy/Vigil Mechanism

Your Company encourages an open and transparent system of working and dealing amongst its stakeholders. In accordance with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, your Company is required to establish a Vigil Mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Codes and Policies, instances of leak/suspected leak of UPSI, accounting or auditing irregularities or misrepresentations, fraud, theft, bribery and other corrupt business practices, etc.

The said mechanism also provides for adequate safeguards against victimisation of persons who use such mechanism and makes a provision to provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.

Information on whistle blower complaints, if any, is provided to the Audit Committee of the Company on a periodical basis. During the financial year under review, no personnel were denied access to the Chairperson of Audit Committee of the Board. No whistle blower complaints were received during the financial year under review. During the financial year under review, there were no amendments in the Whistle Blower Policy of the Company.

10. Means of Communication

The Company publishes its quarterly, half-yearly and yearly financial results in leading English and Marathi newspapers. The financial results are generally published in Business Standard and Sakal, Mumbai edition. The results are also posted on Company's website viz. www.manugraph.com and websites of the stock exchange. Information relating to shareholding pattern, compliance on corporate governance norms and all other statutory filings under the Listing Regulations are also posted on Company's website.

Any price sensitive information is immediately informed to Stock Exchange before the same is communicated to general public through press releases, if any.

11. Certifications / Confirmations:

Compliance Certificate by Auditors:

The Company has obtained a certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated under Schedule V (E) of the SEBI (LODR) Regulations which is annexed as Annexure A.

Compliance Certificate by Practicing Company Secretary

A certificate under Regulation 34(3) read with Schedule V Part C, Clause 10(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been obtained from Company Secretary in practice Mr. Aashish K. Bhatt & Associates which is annexed as Annexure B.

Confirmations

- ✓ No funds were raised by the Company through Preferential allotment or by way of a Qualified Institutions Placement during the financial year 2019-20.
- ✓ There were no materially significant related party transactions that may have potential conflict with the interests of Company at large.
- ✓ Your Company has complied with all the requirements of the regulatory/statutory authorities, the stock exchange(s) or the Securities and Exchange Board of India on Capital markets. There were no instances of any non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India or any statutory/regulatory authority, on any matter related to capital markets during the last three years. All returns/reports were filed within stipulated time with stock exchange(s)/ other authorities; save and except as may be disclosed in the Secretarial Audit Report / Secretarial Compliance Report, as provided from time to time.
- ✓ There are no cases where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required during the Financial Year 2019-20.
- ✓ **Disclosures with respect to demat suspense account/ unclaimed suspense account:** Pursuant to Reg. 39(4) read with Schedule VI, the Company hereby confirms that there were no shares which are required to be transferred to demat suspense account or unclaimed suspense account.
- ✓ Disclosure of commodity price risks and commodity hedging activities and details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) are not applicable to the Company for the year under review.

12. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

a) Office of the Chairman of the Board and reimbursement of expenses by the Company.

The Company is presently reimbursing the expenses incurred in performance of duties.

b) Shareholders' rights – furnishing of half-yearly results.

The Company's half-yearly results are published in English and Marathi newspapers having wide circulation.

c) Postal Ballot

As and when the occasion arises, the Company will seek shareholders' approval through postal ballot in respect of such resolutions required under the Listing Regulations and provisions of the Companies Act, 2013 and Rules, Regulations made thereunder.

General Shareholder Information

(i) 48th Annual General Meeting

Day & date	Tuesday, September 22, 2020
Time	3.00 p.m.
Venue	In accordance with the General Circular issued by the MCA on May 5, 2020, the AGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') only.

(ii) Financial Year : April to March

(iii) Dates of book closure : Wednesday, September 16, 2020 to Tuesday, September 22, 2020 (both days inclusive)

(iv) Dividend payment date : N.A.

(v) Last date for receipt of Proxy Forms : In terms of the relaxations granted by MCA and SEBI, the facility for appointment of proxies by Members will not be available at the ensuing AGM

(vi) Listing of Equity shares on Stock Exchanges

Name and address of Stock Exchanges	Stock Code/Symbol
Bombay Stock Exchange Limited *P. J. Towers, Dalal Street, Mumbai 400 001*	505324
National Stock Exchange of India Limited *Exchange Plaza, C-1, Block G, Bandra Kurla Complex* *Bandra (East), Mumbai 400 051*	MANUGRAPH Security Series: EQ
Demat ISIN in NSDL & CDSL	INE867A 01022

The listing fees as applicable have been paid to the above stock exchanges where the securities of the Company are listed. The annual custodian fees to NSDL & CDSL for have also been paid.

(vii) Financial Calendar:

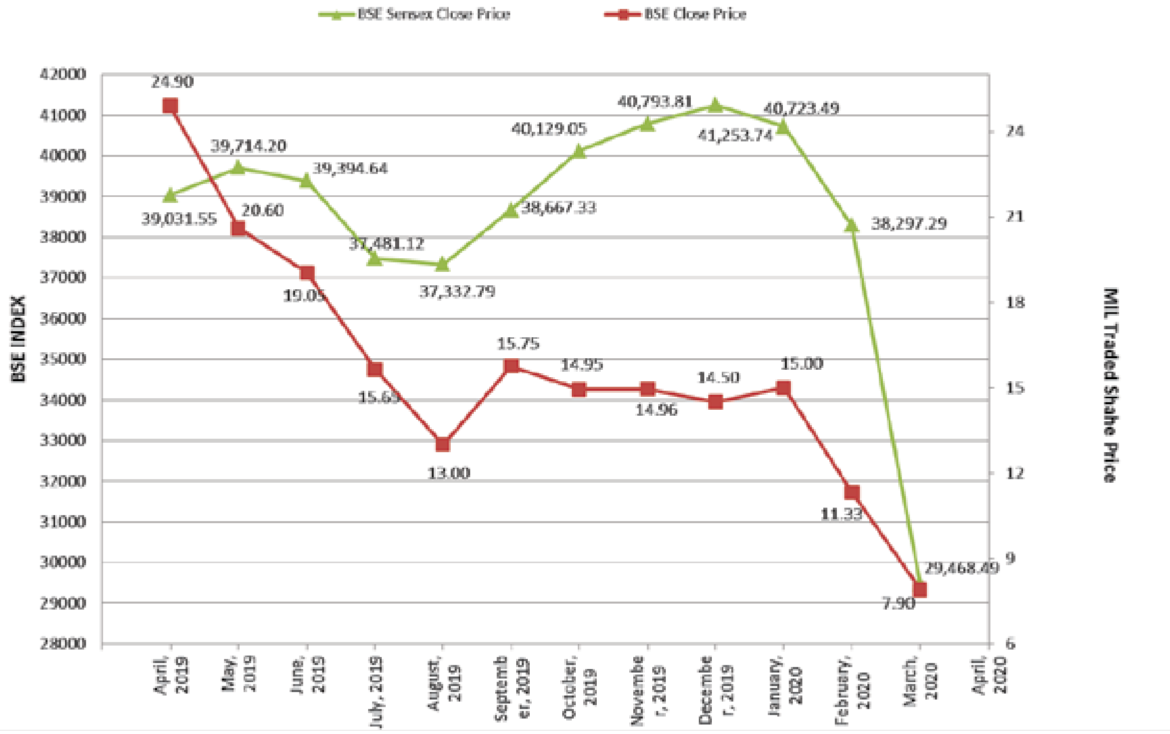
The Board of Director of the Company approves unaudited results for each quarter within such number of days as may be prescribed under SEBI Regulation from time to time.

(viii) Market price data:

Monthly high and low quotations of shares traded on Bombay Stock Exchange Limited and National Stock Exchange of India Limited for the financial year 2019-20:

Months	BSE Ltd. (BSE)		National Stock Exchange of India Ltd.(NSE)	
	Month's High price	Month's Low price	Month's High price	Month's Low price
April, 2019	28.30	24.50	28.90	24.55
May, 2019	25.95	18.50	25.80	18.60
June, 2019	22.20	16.40	22.30	16.40
July, 2019	20.20	15.45	20.85	14.35
August, 2019	20.00	12.30	16.90	12.65
September, 2019	20.97	12.65	21.00	12.50
October, 2019	15.00	12.60	15.50	12.50
November, 2019	16.31	13.00	16.30	12.65
December, 2019	15.50	13.07	15.65	13.00
January, 2020	19.11	13.50	18.65	13.70
February, 2020	14.80	10.92	15.20	10.95
March, 2020	11.08	7.90	11.05	6.80

(ix) Performance in comparison to broad-based indices BSE Sensex.



(x) Registrar and share transfer agents

Link Intime India Pvt. Ltd.
C101, 247 Park,
L. B. S. Marg, Vikhroli (W),
Mumbai – 400 083, India
Phone : 91 22 49186270
Fax : 91 22 49186060
Email: rnt.helpdesk@linkintime.co.in.
Website: www.linkintime.co.in

(xi) Share transfer system

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Shareholders are requested to communicate with Link Intime India Private Limited, Company's Registrar and Share Transfer Agents for matters related to dividend, share certificates, change of address.

The Company ensures that the Registrar process all the requests received from shareholders within maximum three weeks from the date of receipt provided the documents are in order. The Registrar also updates the Company on action status.

The shares held in dematerialized form are electronically traded in the depository and the Registrar & Share Transfer Agents receives from Depositories, periodical details of beneficiary holdings to update their records and registers.

The Stakeholders' Relationship Committee of Board of Directors of the Company take note of status of investor's grievances / correspondences received during the quarter and also ratifies transfers effected during the quarter.

(xii) Distribution of shareholdings as on 31st March, 2020:

No. of Equity Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 – 500	7892	76.37	1325553	4.36
501 – 1000	1169	11.31	951020	3.13
1001 – 2000	705	6.82	1069524	3.52
2001 – 3000	192	1.86	486270	1.60
3001 – 4000	98	0.95	345304	1.13
4001 – 5000	74	0.72	344634	1.13
5001 – 10000	106	1.02	737029	2.42
10001 and above	98	0.95	25155727	82.71
Total	**10334**	**100.00**	**30415061**	**100.00**

(xiii) Shareholding pattern as on 31st March, 2020:

	Category	No. of shares held	% of shareholding
A	**Promoter's Holding**	17470578	57.44
	Sub-Total (A):-	**17470578**	**57.44**
B	**Non-promoter's holding**		
	1. Institutional Investors		
	a. Mutual Funds / UTI	250	0.00
	b. Banks	450	0.00
	c. Insurance Companies	663923	2.19
	Sub-Total (B1):-	**664623**	**2.19**
	2. Others		
	a. Corporate Bodies	3144854	10.34
	b. Indian Public	8167465	26.85
	c. Directors and their relatives	58026	0.19
	d. Non-Resident Individuals	308376	1.01
	e. Foreign Companies	0	0
	f. Foreign Nationals	3620	0.01
	g. Hindu Undivided Family	271892	0.89
	h. Investor Education & Protection Fund (IEPF)	313260	1.03
	i. Trusts	295	0.00
	j. Any other (Clearing Members)	12072	0.04
	Sub-Total (B2):-	12279860	40.37
	Grand Total [A+B1+B2]:-	**30415061**	**100.00**

(xiv) Top 10 Shareholders as on 31st March, 2020 (other than Promoters):

Sr. No	Shareholder's Name	Shares	Percentage
1.	JM Financial Services Limited	1215949	4.00
2.	Vijaya S	856039	2.81
3.	Life Insurance Corporation Of India	663923	2.18
4.	Minal Bharat Patel	506487	1.67
5.	Valley Distributors LLP	384665	1.26
6.	East India Securities Ltd	352566	1.16
7.	PAT Financial Consultants Private Limited	328049	1.08
8.	Prithvi Vincom Private Limited	326458	1.07
9.	Investor Education and Protection Fund Authority	313260	1.03
10.	Dhruva Shumsher Rana	299955	0.99

(xv) Bifurcation of shares held in physical and demat form as on March 31, 2020:

Particulars	No. of Shares	%
Physical Segment	559616	1.84
Demat Segment:		
NSDL	24784611	81.49
CDSL	5070834	16.67
Total	**30415061**	**100.00**

(xvi) Outstanding GDR/Warrants or convertible bonds, conversion dates and likely impact on equity

Not applicable

(xvii) Plant Locations:

Plant 1: Plot No. D -1, MIDC Shiroli Industrial Area, Pune - Bangalore Road, Shiroli, Kolhapur, Maharashtra.

Plant 2: Warananagar, Kodoli, Tal. Panhala, Dist. Kolhapur, Maharashtra,

(xviii) Address for correspondence:

The members are requested to write to Link Intime India Private Limited for any query related to share transfers, dematerialization, transmissions, change of address, non receipt of divided or any other related queries.

The address of Link Intime India Private Limited is Unit: Manugraph India Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083.

The members can also send their grievances, if any, to the Company Secretary, Manugraph India Limited, Sidhwa House, 1st Floor, N. A. Sawant Marg, Colaba, Mumbai - 400 005 or email at sharegrievances@manugraph.com.

(xix) Other useful information for shareholders:

Dividend: Electronic Clearing Services (ECS)/ National Electronic Clearing Services (NECS) facility. The divided remittances to shareholders will happen through ECS/NECS as per the locations approved by RBI from time to time. If you are located at any of the ECS/ NECS centers and have not registered your ECS/NECS, please arrange to forward your ECS/NECS mandate to your depository participant if the shares are held in demat form, or to the Company/Registrars, if the shares are held in physical form, immediately.

Dividend which remains unpaid/unclaimed for a period of Seven years from the date of transfer to the unpaid dividend account are required to be transferred by the Company to the Investor Education and Protection Fund (IEPF). The Company regularly sends reminder letters to all those shareholders whose dividend are lying unpaid/unclaimed for any year/(s) during the last seven years indicating that the unclaimed amount will be transferred to the IEPF, if not claimed by the shareholders before the due date of transfer to the said Fund. Further, the details of dividend unclaimed by the Members as on date of last Annual General Meeting, for the past years which have not yet been transferred to IEPF are readily available for view by the Members on the website of the Company www.manugraph.com. The Company has also uploaded these details on the website of the IEPF Authority, www.iepf.gov.in.

Due dates for Transfer of Unclaimed Dividend / Shares to Investor Education and Protection Fund (IEPF) are as under:

Financial Year	Date of declaration of Dividend	Due date of transfer to IEPF
2012-13	01-08-2013	07-09-2020
2013-14	27-08-2014	03-10-2021
2014-15	13-08-2015	19-09-2022
2015-16	26-07-2016	02-09-2023
2016-17	27-07-2017	02-09-2024
2017-18	30-07-2018	05-09-2025
2018-19	12-12-2019	18-01-2027

Pursuant to IEPF Rules, during the financial year 2019-20, the Company transferred Rs. 11,22,822.50 as unclaimed dividends and 20902 number of shares in respect of unclaimed/unpaid dividends which have remained unclaimed for the last seven consecutive years to the IEPF.

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in web Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. Please note that Demat account number is mandatory for the applicant claiming shares from the IEPF Authority, failing which the form may be rejected by the Authority.

No claims shall lie against the Company in respect of the dividend/shares so transferred.

Details of the Nodal Officer / Compliance Officer:

Name: Mihir Mehta

Designation: Company Secretary

Postal Address: Manugraph India Limited, 1st Floor, Sidhwa House, N.A. Sawant Marg, Colaba, Mumbai – 400 005

Telephone No. +91-22-22874815

Email Id.: mihir.mehta@manugraph.com

As per SEBI directive, securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

Members are requested to submit their Permanent Account Number (PAN) and bank account details, to register the nomination in respect of their shareholding in the Company and to register / update their e-mail address for receiving all communications from the Company electronically. Members holding shares in physical mode are requested to update the above through the Company or the Registrar. Members holding shares in demat are requested to update their details through their Depository Participant.

Declaration by the Vice Chairman and Managing Director under Regulation 34(3) and Schedule V(D) of the SEBI LISTING Regulations regarding adherence to the Code of Conduct.

In accordance with Regulation 34(3) and Schedule V(D) of the SEBI LISTING Regulations, I hereby confirm that all the directors and the senior management personnel of the Company have affirmed compliance with the code of conduct, as applicable to them for the financial year ended March 31, 2020.

For Manugraph India Limited

Sd/-
Sanjay S. Shah
Vice Chairman & Managing Director

Mumbai

Annexure A

INDEPENDENT AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
Manugraph India Limited

1. We, Natvarlal Vepari & Co. Chartered Accountants, the Statutory Auditor of Manugraph India Limited ("the Company"), have examined the Compliance of condition of Corporate Governance by the Company, for the year ended March 31, 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock exchanges.

2. **Management's Responsibility for Compliance with the conditions of SEBI Listing Regulations**

   The compliance with the conditions of Corporate Governance is the responsibility of the management of the Company, including the preparation and maintenance of all relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

3. **Auditor's Responsibility**

   Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

   We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirement by the Company.

   We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

   We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

4. **Opinion**

   In our opinion, and to the best of our information and according to explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations during the year ended March 31, 2020.

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

5. **Restriction on Use**

   The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose.

   Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
Partner
M. No. 124960
UDIN: 20124960AAAAFU6597

Mumbai,
Dated: June 29, 2020

Annexure B

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Manugraph India Limited,
Sidhwa House, 1st Floor,
N. A. Sawant Marg, Colaba,
Mumbai – 400005.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Manugraph India Limited having CIN L29290MH1972PLC015772 and having registered office at Sidhwa House, 1st Floor, N.A. Sawant Marg, Colaba, Mumbai - 400005 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company	Date of Cessation
1.	Sanat M. Shah	00248499	25.04.1972	-
2.	Sanjay S. Shah	00248592	11.08.1989	-
3.	Pradeep S. Shah	00248692	11.08.1989	-
4.	Hiten C. Timbadia	00210210	30.03.2001	-
5.	Perses M. Bilimoria	00781535	13.05.2010	-
6.	Abhay J. Mehrotra	01673801	29.10.2010	-
7.	Bhupal B. Nandgave	06447544	10.12.2012	-
8.	Basheera J. Indorewala	07294515	07.02.2018	-

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

For Aashish K. Bhatt & Associates
Practicing Company Secretaries

Sd/-
Aashish K. Bhatt
Proprietor
Membership No.: 19639,
CP No.: 7023
UDIN: A019639B000394310

Place: Mumbai
Date: 29.06.2020

MANAGEMENT'S DISCUSSION & ANALYSIS

Economic Overview FY 2019-20

The Indian economy grew at 4.2% in the year 2019-20, lower than the 6.1% figure registered in the year 2018-19. This is the slowest pace in the last 11 years. Growth in private final consumption expenditure decelerated to 5.3 per cent from 7.2 per cent a year ago, while government final consumption expenditure grew at 11.8 per cent as against 10.1 per cent the previous year. Gross fixed capital formation — a key measure of investment demand in the economy — contracted by 2.8 per cent in 2019-20. Exports and imports also contracted by 3.6 per cent and 6.8 per cent respectively. The slowdown was on account of the negative effects of trade war concerns and the liquidity crisis faced by the NBFC (Non-Banking Financial Company) crisis. Prolonged financial stress among rural households, weak job creation and the credit crunch among nonbank financial institutions have increased the probability of a more entrenched weakening in the coming year.

On the other hand one key positive is the political stability in the country after a clear mandate in the elections. The government announced stimulus measures that are amounting to 10 per cent of GDP is expected to be give a boost to the economy.

PRINTING INDUSTRY

India's newspaper printing industry is facing headwinds. Shrinking readership and lower advertisement revenues, higher operational costs, and rise of digital media have lead to financial stress on printing companies. Moreover, the imposition of 10 percent import duty on newsprint in last year's budget, presented in July 2019, (subsequently reduced to 5 percent) dealt a big blow to the already struggling newspapers.

COMPANY

In India, Manugraph ranks as Numero Uno in the manufacture of web offset presses. With a whopping 60% market share and quality presses ranging in speeds from 35,000 - 70,000 copies per hour, Manugraph presses are present in nearly all major publication houses. Manugraph has significant presence in the international market too. Leading publishers from South America, Europe, Middle East, Asia & the CIS countries have all invested in Manugraph presses.

Manugraph believes that the key to maintaining a sustained success is choosing the right technologies and applying them to build cost-effective quality machines. Constant modernization and employment of state-of-the-art technology has enabled Manugraph to stay ahead in the industry, always.

Manugraph also expanded to manufacture Central Impression Flexo presses for the packaging industry. A first of its kind in India, where European technology is now manufactured in India. The collaboration with Carraro SRL, Italy, has given the world, MANUFLEX, a new generation, 8 colour gearless C.I. Flexo press. It comes with the home advantage of saving on foreign exchange, duty & shipping and best of all, after-sales service by a dedicated team of Indian engineers trained in Italy. This gives Indian customers the added advantage of prompt & timely local service support. In early 2019, a live demonstration was given at the INDIAPLAST exhibition, at the India Expo Centre, New Delhi.

Operations during the year 2019-20 were are far below previous year's figures due to high competition and lower realisation. The rising raw material cost and high ERE (labour cost) lead to higher running costs.

On a Standalone basis, the Company recorded Net Sales of Rs. 11380.10 Lakhs as compared to Rs. 23935.82 Lakhs in the previous financial year. The EBIDTA for the financial year ended March 31, 2020 is Rs. (2643.67) Lakhs as compared to Rs. (370.02) Lakhs in the previous financial year ended March 31, 2019. During the year, the Company incurred net loss of Rs. 3637.36 Lakhs (after exceptional item for Rs. 401.94 Lakhs) as compared to loss of Rs. 1541.37 Lakhs in the previous year (after exceptional item for Rs. 632.52 Lakhs).

During the financial year 2019-20, the sales were almost half of last year 2018-19 on account of lower demand. As a part of reducing employee costs, the Company has formulated a plan for employee separation. During the year ended March 31, 2020, the Company had paid Rs 3.18 crores to such separated employees.

Opportunities

On-line information exchange and shopping is effective and convenient, however, the consumers prefer a newspaper/book to read, a magazine to browse. On-line / Digital Media is growing but at a slower pace in countries like India. At the same time the rising literacy and regionalization of the newspapers offers different opportunities. With various development policies & initiatives of the Government, the Company foresees subtle growth in print industry. Technology continues to be the prime focus for your company.

Increase in literacy rates across the country has created an interest amongst the young and old alike to stay up to date with the current affairs of the country and the globe. Unlike some other markets with more developed digital ecosystems, the newspaper revenue streams in the nation have not faced serious challenges from the digital innovations. Nonetheless, senior citizens prefer to keep it old school when it comes to getting their daily entertainment and information which is likely to keep the ink in the print sector flowing.

Threats

With higher costs of papers including levy of import duty and consumables, government initiatives of digitalization and environment friendly measures, the production of newspapers over the years will foresee a deep cut. Lower advertising revenue due to switch in digital media also add to mounting losses of printers. Currency depreciation in key exports has further reduced the demand.

However, expansion in market size and regionalization of printing is partly compensating this negative trend. As for the internet, until India's literacy, electricity and broad band problems are taken care of, it is a long way from being a threat to any media, let alone print.

Outlook

Global economic growth is projected to contract sharply from 3.3% in 2019 to -3% in 2020, much worse than during the 2008-09 financial crises. Rolling lockdowns and social distancing restrictions on account of the pandemic are expected to significantly impact economic activity in all major markets, and cause demand compression.

Due to Covid-19 pandemic, continued lockdown of over more than 3 months in most of the parts of India which prevented the vendors for delivering newspapers at readers doorstep has significantly impacted the newspapers industry. Further, these limitations of physical circulation of newspaper during this pandemic have also forced many newspaper printing houses to look for other popular and convenient options of digital media with more focus on e-papers, apps and online subscription.

However, with growing literacy rate and availability of newspapers in many regional languages, the print industry may survive this tide, albeit at a low rate.

Risk and concerns

Unsupportive labour policies, high costs of production, geographical concentration and competition risk are few of the major concerns for the Company. The Company has taken various measures which help the Company to outline the principal risks and uncertainties and then take appropriate actions that could avert operating and financial performance.

Due to weak demand, high labour and material costs, the Company is forced to initiate steps to close manufacturing activity of one of the units (out of two units). The existing demand can be supported by main manufacturing unit.

Normal foreseeable risks of the Company's assets are adequately covered by comprehensive insurance. Risk assessments, inspections and safety audits are carried out periodically.

With labour playing a critical role in the company, since ERE cost does not match the turnover of the company, will have to once again approach the Maharashtra Government to enforce & offer solution by giving pay out for labour reduction but this impact will reflect in the year 2020-21.

Internal Control System

Adequate Internal Control System helps to prevent and detect frauds & errors, safeguarding of assets and accuracy and completeness of accounting records.

The Company's well-structured internal control systems which are subjected to regular assessment for its effectiveness, reinforces integrity of Management and fairness in dealing with the Company's stakeholders.

Your company has appointed an Independent Internal Audit teams for conducting regular internal audits of the systems and procedures of financial reporting and operations of the Company. The Audit Committee periodically reviews the Internal Audit Reports, scopes and plans, significant findings and corrective actions, if any.

The Statutory Auditors have conducted a review of Internal Financial Control as required under the Companies (Auditor's Report) Order, 2016 and have found the same to be very effective.

Key Financial Ratios:

In accordance with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the details of significant changes (change of 25% or more as compared to the immediately previous financial year) are given below

Ratios	2020	2019	Explanation
Debtors Turnover	35.79	17.27	The ratio was high due to high sales in March 2020.
Inventory Turnover	186.74	116.74	Has gone higher in the current year due to lower sales materialized during the year.
Interest Coverage Ratio	NA	NA	
Current Ratio	2.02	2.71	Has been lower during the current year due to lower inventory levels
Debt Equity Ratio	0.06	-	Borrowings were marginally high due to working capital requirements
Operating Profit Margin (%)	-24%	-4%	Due to high employee costs and lower sales
Net Profit Margin (%)	-27%	-6%	Due to high employee costs and lower sales
Details of any change in Return on Net Worth as compared to the immediately previous financial year.	Due to losses, the return on networth is negative.		

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Manugraph India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Manugraph India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by 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 Companies Act, 2013 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

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditor's Response
	Physical Verification of Inventories The Company has inventories consisting of its raw materials, packing materials, work-in-progress, finished goods, stores and spares and consumables. The Company has its manufacturing operations in Kolhapur Factory (Unit I and II). The management of the Company carried out physical verification of its inventories of Work-In-Progress and Finished goods along with the internal auditors after the year-end and provided details thereof to us as auditors. Due to various restrictions imposed due to COVID-19 outbreak, it was impractical for us auditors to physically attend the inventory counting as at March 31, 2020. We were present during the verification of the Raw material and manufactured components in February 2020 as part of the annual schedule.	***Principal Audit Procedures*** Our alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories include the following: • Obtained physical verification documents of WIP and Finished goods conducted by Management and Internal Auditor on May 14, 2020. • Since the factory was totally shut during the period of lockdown there was no movement in the stock taken on May 14, 2020 as compared to the stock as at March 31, 2020. • Evaluated the control design in respect of inventory process and testing whether such controls have operated effectively during the period of audit. Our prior experience of earlier visits where the Internal auditors also were present assisted in our evaluation.

Sr No	Key Audit Matter	Auditor's Response
	We have performed alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories. This matter is considered to be key audit matter given the circumstances of COVID-19 vis-à-vis non-COVID-19 scenario when as part of the audit process we used visit and oversee the inventory verification process	• Obtained details/documents of existence of physical inventories as carried out by the management. • Rollback and cut-off procedures were applied to arrive at the inventories as verified by the Company as at the year-end.

Emphasis of Matter

We draw attention to Note 38 to the standalone financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the Other Information. The "Other Information" comprises of the Report of the Board of Directors, Management Discussions and Analysis, Corporate Governance, Statement containing salient features of financial statements of Subsidiaries in AOC 1 but does not include the Standalone Financial Statements and our Independent Auditors' Report thereon.

Our opinion on the Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

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

Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the 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 financial statements

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e. On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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

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

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

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 32 to the financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No- 106971W

Nuzhat Khan
Partner
M. No. – 124960
UDIN : 20124960AAAAFS8088

Mumbai, Dated: June 29, 2020

ANNEXURE A

To the Independent Auditor's Report on the Standalone Financial Statements of Manugraph India Limited

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

b. Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

c. We have verified the title deeds of immovable properties forming part of Fixed Assets produced before us by the management to ascertain that the title deeds are in the name of the Company including in respect of the title deeds which were in possession of the bankers due to charge created, confirmation was obtained from the lenders w.r.t the title deeds being in the name of the Company and in their custody in the previous year. For the current year on account of lockdown scenario the Company has not been able to procure such letter from the lender. However the management has confirmed that there is no change in the position.

The Immovable Property classified under Office Building belonging to the erstwhile Constrad Agencies (Bombay) Private Limited and Manu Enterprises Limited, which has got amalgamated with the Company w.e.f Appointed Date of April 1, 2018 pursuant to the order of the NCLT dated October 14, 2019, are yet to be transferred in the name of the Company as at March 31, 2020.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year. The discrepancies noticed between the book stock and the physical stocks were not material and they have been properly dealt with in the books of accounts.

(iii) The Company has not granted interest free loan to any party covered in the register maintained u/s 189 of the Companies Act 2013 and hence, the matters to be reported upon as per clause 3(iii) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.

(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 with respect to loans, investments, guarantees and security given.

(v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.

(vi) As informed to us, the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.

a. The Company has been regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, Custom Duty, Cess, Goods & Services Tax and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable.

b. According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service Tax or Goods and Services tax or Duty of Customs or Duty of Excise or Value Added Tax which have not been deposited on account of any dispute except as given in the Statement of Unpaid Disputed Demands attached herewith.

(vii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to the financial institution or banks. Further, the company has not obtained any borrowings by way of debentures.

(viii) The company has not raised any money by way of public issue / follow-on offer (including debt instruments). The Company has also not raised any term loans during the year. Hence clause 3(ix) of Companies (Auditors Report) Order 2016 is not applicable to the Company.

(ix) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(x) The managerial remuneration has been paid / provided in accordance with the provisions of section 197 read with schedule V to the Companies Act, 2013.

(xi) The Company is not a Nidhi Company. Hence clause 3(xii) of Companies (Auditors Report) Order 2016 is not applicable to the Company.

(xii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Standalone Ind AS Financial Statements as required by the applicable Accounting Standard.

(xiii) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and hence the clause 3(xiv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.

(xiv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the clause 3(xv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.

(xv) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No- 106971W

Nuzhat Khan
Partner
M. No. – 124960

Mumbai, Dated : June 29, 2020

UDIN : 20124960AAAAFS8088

Statement of Statutory Dues Outstanding on account of disputes as on March 31, 2020, Referred to in Para (vii)(b) of Annexure A to the Auditors' Report

Name of statute	Nature of dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act. 1944	Excise duty on sale of spares to related persons.	0.07	01-01-06 to 30-06-06	The Dy. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Excise duty on sale of spares to related persons.	0.03	01-06-05 to 31-12-05	The Asstt. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Excise duty on sale of spares to related persons.	0.12	01-07-06 to 30-11-06	The Asstt. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Excise duty on sale of spares to related persons.	0.05	01-12-06 to 30-06-2007	The Asstt. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Excise duty on sale of spares to related persons.	0.15	01-07-07 to 31-03-2008	The Asstt. Commissioner, Central Excise Kolhapur- II.
Central Excise Act. 1944	Duty Draw Back on Exported Goods.	3.90	01-09-10 to 30-09-10	The Joint Secretary, Govt. Of India, Ministry Of Finance, Department of Revenue, New Delhi. & The Dy. Commissioner of Customs, DBK, JNCH, Nhava Sheva.
Central Excise Act. 1944	Duty Draw Back on Exported Goods.	4.83	01-12-10 to 31-12-10	The Joint Secretary, Govt. Of India, Ministry Of Finance, Department of Revenue, New Delhi.
Central Excise Act. 1944	Duty Draw Back on Exported Goods.	5.93	01-12-10 to 31-12-10	The Joint Secretary, Govt. Of India, Ministry Of Finance, Department of Revenue, New Delhi.
The Central Sales Tax Act 1956	Non-receipt of "C" form declaration in respect of Inter State Sale	1.78	2015-16	Dy.Commissioner of Sales Tax (LTU, Kolhapur)
The Central Sales Tax Act 1956	Non-receipt of "C" form declaration in respect of Inter State Sale	3.76	2016-17	Dy.Commissioner of Sales Tax (LTU, Kolhapur)
The Central Sales Tax Act 1956	Non-receipt of "C" form declaration in respect of Inter State Sale	3.18	2017-18	Dy.Commissioner of Sales Tax (LTU, Kolhapur)
Total		**23.78**		

ANNEXURE B to the Auditors' Report

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Financial Statements of Manugraph India Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS Financial Statement of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control 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 Financial Statements.

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, 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 **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No- 106971W

Nuzhat Khan
Partner
M. No. – 124960
UDIN : 20124960AAAAFS8088

Mumbai, Dated : June 29, 2020

Balance Sheet as at March 31, 2020

(Rs. in Lakhs)

Particulars	Note Ref	As at March 31, 2020	As at March 31, 2019
I ASSETS			
1 Non-Current Assets			
(a) Property, Plants & Equipments	1A	9,383.26	9,579.17
(b) Intangible Assets	1B	144.40	163.46
(c) Financial Assets			
(i) Investments	2	142.96	667.41
(ii) Loans	3	218.91	310.24
(iii) Other Financial Assets	4	49.57	53.10
(d) Other Non-Current Assets	5	1,686.02	1,884.15
Total Non-current Assets		11,625.13	12,657.53
2 Current Assets			
(a) Inventories	6	6,218.39	8,029.17
(b) Financial Assets			
(i) Investments	2	-	1,085.09
(ii) Trade Receivables	8	1,804.60	578.99
(iii) Cash and cash equivalents	9	169.05	484.17
(iv) Bank balances other than (iii) above	10	2,037.33	2,079.84
(v) Loans	3	90.86	123.88
(vi) Other Financial Assets	4	26.69	19.47
(c) Other current assets	5	671.19	406.71
Total Current Assets		11,018.11	12,807.32
TOTAL ASSETS		**22,643.24**	**25,464.85**
II EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	11	608.30	511.23
Equity share capital (Suspense)	11A	-	97.07
(b) Other equity	12	14,701.59	18,522.29
Total equity		15,309.89	19,130.59
Liabilities			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Other Financial Liabilities	16	7.46	7.69
(b) Other Liabilities	18	-	-
(c) Provisions	14	225.16	290.06
(d) Deferred Tax Liabilities (Net)	15	1,351.15	1,303.78
Total Non-current Liabilities		1,583.76	1,601.53
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	911.36	-
(ii) Trade Payables			
- Micro Small and Medium Enterprises	17	132.58	39.72
- Others	17	2,277.45	1,700.84
(iii) Other Financial Liabilities	16	529.45	478.10
(b) Other Liabilities	18	976.16	1,645.71
(c) Provisions	14	922.58	868.36
Total Current Liabilities		5,749.58	4,732.73
Total Liabilities		7,333.34	6,334.26
TOTAL EQUITY AND LIABILITIES		**22,643.24**	**25,464.85**

The accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
M.No. 124960

Mumbai, Date: June 29, 2020

For and on behalf of the Board of Directors

Sanjay S. Shah Vice Chairman and Managing Director
(DIN : 00248592)

Pradeep S. Shah Managing Director
(DIN : 00248692)

Mihir V. Mehta Company Secretary
Amit Jain Chief Financial Officer

Mumbai, Date: June 29, 2020

Statement of Profit and Loss for the year ended March 31, 2020

(Rs. in Lakhs)

	Particulars	Note Ref	2019-2020	2018-2019
I	Revenue from Operations	19	12,102.10	25,104.11
II	Other Income	20	335.68	540.13
III	**Total Income (I + II)**		**12,437.78**	**25,644.24**
IV	**Expenses:**			
	Cost of Materials Consumed	21	7,102.45	16,555.79
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	22	1,226.51	(753.11)
	Employee Benefit Expenses	23	4,492.76	5,453.05
	Finance Cost	24	157.77	137.87
	Depreciation & Amortisation Expense	25	242.47	444.60
	Other Expenses	26	2,259.72	4,758.53
	Total Expenses (IV)		**15,481.68**	**26,596.73**
V	**Profit / (loss) Before exceptional items and Tax (III - IV)**		**(3,043.90)**	**(952.49)**
VI	Exceptional Items	27		
	1) Compensation under VRS and seperated employees		(331.94)	(232.52)
	2) Provision for impairment of investment in subsidiary		(70.00)	(400.00)
VII	**Profit / (Loss) Before Tax (V - VI)**		**(3,445.84)**	**(1585.01)**
	1. Current Tax		-	
	2. Deferred Tax		83.69	(74.23)
	3. Tax adjustment of previous years		4.44	19.97
VIII	Tax Expense	28	88.14	(54.26)
IX	**Profit / (Loss) for the period from continuing operations**		**(3,533.98)**	**(1530.77)**
X	Profit/(Loss) from discontinued operations		-	-
XI	Tax Expense of discontinued operations		-	-
XII	Profit/(Loss) from Discontinued Operations after Tax		-	-
XIII	**Profit / (Loss) for the period (IX+XII)**		**(3,533.98)**	**(1530.77)**
	Other Comprehensive Income			
	A Item that will not be reclassified to Statement of Profit and Loss			
	(i) Remeasurement gain / (loss) on defined benefit plans		(139.71)	(10.94)
	(ii) Income tax relating to items that will not be reclassified to Statement of profit and loss		36.32	0.34
	B Item that will be reclassified to Statement of Profit and Loss		-	-
	Other Comprehensive Income for the year, net of tax		**(103.38)**	**(10.60)**
XIV	**Total Comprehensive Income for the year, net of tax**		**(3,637.36)**	**(1,541.37)**
XV	Earnings per Equity Share:	29		
	Before exceptional items - Basic & Diluted (in Rs.)		(10.17)	(3.14)
	After exceptional items - Basic & Diluted (in Rs.)		(11.62)	(5.03)
	Par Value		2.00	2.00
	The accompanying Notes form an integral part of the Financial Statements			

As per our report of even date attached

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
M.No. 124960

Mumbai, Date: June 29, 2020

For and on behalf of the Board of Directors

Sanjay S. Shah Vice Chairman and Managing Director
(DIN : 00248592)

Pradeep S. Shah Managing Director
(DIN : 00248692)

Mihir V. Mehta
Company Secretary

Amit Jain
Chief Financial Officer

Mumbai, Date: June 29, 2020

Statement of Cash Flows for the year ended March 31, 2020

(Rs. in Lakhs)

	Particulars	2019-20		2018-19	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Profit / (Loss) before tax		(3,445.84)		(1,585.01)
	Add : Depreciation & Amortisation expense	242.47		444.60	
	Cumulative Catch-up impact of Ind AS 115	-		(17.91)	
	Finance Cost	97.11		92.67	
	Provision for diminution of investment	70.00		400.00	
	Actuarial Gain / (loss) on obligation	(139.71)		(10.94)	
	Fixed assets scrapped	0.03		0.84	
	Loss/(Gain) on disposal of assets	(12.21)		(53.48)	
	Sundry debit balances written off	22.65		4.17	
	Sundry credit balances appropriated	(3.58)		(28.18)	
	Provision for gratuity	114.75		(84.42)	
	Provision for earned leave wages	(81.71)		(7.11)	
	Provision for warranty	(26.80)		35.16	
	Dividend income	(0.05)		(0.05)	
	Profit on sale of investments	(81.40)		(189.24)	
	Net gain on financial assets measured at FVTPL	-		(47.73)	
	Excess provision written back	(16.94)		(2.97)	
	Interest received on deposits	(148.41)		(171.19)	
	Income tax pertaining to previous year	-		(0.15)	
		-	36.22	-	364.07
	Operating profit before working capital changes		(3,409.63)		(1,220.94)
	Working capital changes				
	Trade payable and other liabilities	60.92		(2,810.57)	
	Inventory changes	1,810.78		(259.27)	
	Trade receivables	(1,225.61)		1,218.02	
	Loans & Advances	(74.31)		1,696.23	
			571.78		(155.59)
	Cash generated from operations		(2,837.85)		(1,376.53)
	Deduct: Direct taxes		(102.88)		(8.54)
	Net cash from operating activities		**(2,734.97)**		(1,367.99)

Statement of Cash Flows for the year ended March 31, 2020

(Rs. in Lakhs)

	Particulars	2019-20		2018-19	
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of fixed assets including CWIP	(48.65)		(108.02)	
	Purchase of investments	-		(2,147.77)	
	Sale of fixed assets	33.36		78.56	
	Sale of investments	1,167.11		6,055.12	
	Received on account of Liquidation	453.83			
	Dividend received	0.05		0.05	
	Other bank balances	42.51		(2,023.83)	
	Interest received	147.06		158.57	
	Net cash flow from investing activities	**-**	**1,795.27**	-	2,012.67
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Interest paid	(92.11)		(92.67)	
	Dividend paid including dividend tax	(194.65)		(194.79)	
	Borrowings during the year	911.36		(252.10)	
	Net cash flow from financing activities	**-**	**624.59**	-	(539.56)
	Net cash flow from Operating, Investing and Financing activities		**(315.11)**		105.11
	Cash and cash equivalents at the beginning of the year		484.16		379.07
	Add: Net cash flow from Operating, Investing and Financing activities		(315.11)		105.11
	Cash and cash equivalents at the end of the year		169.05		484.17

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015.

As per our report of even date attached

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
M.No. 124960

Mumbai, Date: June 29, 2020

For and on behalf of the Board of Directors

Sanjay S. Shah Vice Chairman and Managing Director
(DIN : 00248592)

Pradeep S. Shah Managing Director
(DIN : 00248692)

Mihir V. Mehta Company Secretary

Amit Jain Chief Financial Officer

Mumbai, Date: June 29, 2020

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

(Rs. in Lakhs)

Particulars	No. of shares	Amount
Balance as at April 1, 2018	25,561,561	511.23
Issued during the year	-	-
Balance as at March 31, 2019	25,561,561	511.23
Issued during the year	4,853,500	97.07
Balance as at March 31, 2020	**30,415,061**	**608.30**

B. Other Equity

Particulars	Other Equity							Total Other Equity
	Reserves and Surplus							
	Capital Reserve*	Capital Reserve on Amalgamation **	Capital Redemption Reserve***	Security Premium Reserve	General Reserve	Reserve u/s 45 IC	Retained Earnings	
As at 31st March, 2018	**72.00**	**128.00**	**110.58**	**2,145.06**	**9,310.83**	**142.00**	**8,365.09**	**20,273.56**
Profit for the period	-	-	-	-	-		(1,530.77)	**(1,530.77)**
Transfer to/from reserves	-	-	-	-	142.00	(142.00)	-	**-**
Dividend	-	-	-	-	-	-	(153.37)	**(153.37)**
Tax on Dividend	-	-	-	-	-	-	(38.64)	**(38.64)**
Cumulative Catch-up impact of Ind AS 115	-	-	-	-	-	-	(17.91)	**(17.91)**
Actuarial gain/(loss) on gratuity (Net of tax thereon)	-	-	-	-	-	-	(10.60)	**(10.60)**
As at 31st March, 2019	**72.00**	**128.00**	**110.58**	**2,145.06**	**9,452.83**	**-**	**6,613.82**	**18,522.29**
Profit for the period	-	-	-	-	-	-	(3,533.98)	**(3,533.98)**
Dividend	-	-	-	-	-	-	(152.08)	**(152.08)**
Tax on Dividend	-	-	-	-	-	-	(31.26)	**(31.26)**
Actuarial gain/(loss) on gratuity (Net of tax thereon)	-	-	-	-	-	-	(103.38)	**(103.38)**
As at 31st March, 2020	**72.00**	**128.00**	**110.58**	**2,145.06**	**9,452.83**	**-**	**2,793.11**	**14,701.59**

* Rs.20 lakhs taken over from Manuweb International Limited during the year ended March 31,1995 and Rs.50 lakhs is Capital Subsidy received from State Government.

** Taken over from erstwhile Manuweb International Limited on amalgamation: Pursuant to the Scheme of Amalgamation of Manuweb international Limited(Manuweb) with the company, sanctioned by the Bombay High Court order dated 30th March,1995, the assets and liabilities of Manuweb were transferred to and vested in the company with effect from 1st April,1994. Accordingly,effect has been given to the scheme in the accounts.

*** Created by transfer from General Reserve during the year ended March 31, 2002 pursuant to the buy back of equity shares.

As per our report of even date attached

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
M.No. 124960

Mumbai, Date: June 29, 2020

For and on behalf of the Board of Directors

Sanjay S. Shah (DIN : 00248592) — Vice Chairman and Managing Director

Pradeep S. Shah (DIN : 00248692) — Managing Director

Mihir V. Mehta Company Secretary

Amit Jain Chief Financial Officer

Mumbai, Date: June 29, 2020

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

A. CORPORATE INFORMATION

Manugraph India Limited (hereinafter referred to as "MIL" or "the company") a public company domiciled in India, was incorporated under the provisions of the Companies Act, 1956 in the year 1972.

The company is the largest manufacturer of single width web-offset printing presses in India and has a significant share of the world market for its products. The manufacturing facilities are located at Kolhapur in India. The company has its in-house R&D facilities with a combined strength of over 50 engineers. The R&D facilities are recognized by Department of Scientific and Industrial Research – Ministry of Science and Technology, Government of India.

The Financial Statements of the Company for the year ended March 31, 2020 were authorised for issue in accordance with the resolution passed at the meeting of the Board of Directors on June 29, 2020.

B. Significant accounting policies

a. Basis of preparation of Financial Statements

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Financial Statements comply in all material respects with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Critical Estimates and Judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements. Difference between the actual results and estimates are recognised in the period in which the results are known.

The areas involving critical estimates or judgements are:

Estimation of useful life of tangible assets: Note 2

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

c. Operating cycle

The operating cycle of the business of the Company is twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

d. Current / Non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

i) the asset / liability is expected to be realised / settled in the Company's normal operating cycle;
ii) the asset is intended for sale or consumption;
iii) the asset / liability is held primarily for the purpose of trading;
iv) the asset / liability is expected to be realized / settled within twelve months after the reporting period;
v) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

vi) in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

e. Historical cost convention:

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

- certain financial assets and liabilities that are measured at fair value
- certain assets and liabilities classified as held for sale that are measured at net realisable value.

f. Significant Accounting Policies

This Note provides a list of the significant Accounting Policies adopted by the Company in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

i) FOREIGN CURRENCY TRANSACTIONS

Functional and presentation currency

Items included in the Financial Statements of the Company are measured using the currency of the primary economic environment in which the Company operates (‘the functional currency’). The Financial Statements of the Company are presented in Indian Rupees (`.), which is also the functional and presentation currency of the Company.

Transactions and balances

i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

ii) Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date.

iii) Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

iv) Losses arising on account of transactions covered by forward contract is recognised over the period of the contract.

v) Monetary assets and liabilities at the end of the year are converted at the year end rate and the resultant gain or loss is accounted for in the Income Statement.

vi) The company has not used any derivative instrument except forward contracts which have been used for hedging the foreign currency exposure. The company does not undertake any speculative or trading activity through derivative instruments.

ii) Revenue Recognition

i) The company earns revenue primarily from sale of web-offset printing presses in India and abroad. The company also provides after sale services.

ii) Effective April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces AS 18. The company has adopted Ind AS 115 using the cumulative catch up transition method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

under AS 18. Refer note 1(c) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per AS 18. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

iii) **Time of recognition** : Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. There are two types of contracts i.e. Composite Contract where installation income is inclusive of the contract price and Recoverable Contract where installation income is charged separately.

Revenue from Fixed Price (Composite) Contract is allocated between supply of machine obligation and installation obligation. The revenue from supply is recognized when all the components of the machine are delivered to the customer. Installation income is booked on pro-rata basis when installation is started.

Revenue from Recoverable Contract is recognized when all the components of the machine are delivered to the customer. Installation income is booked on pro-rata basis when installation is started.

The revenue from supply is recognized at the point in time when the machines are delivered to the customer.

Revenue from installation income is recognized over time as the installation work progresses.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

Contract Asset is termed as Unbilled Revenue and Contract Liability is termed as Advance from Customers.

Revenue from services is accounted on percentage completion method and is recognised in the accounting period in which the services are rendered.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

iv) Measurement of revenue: Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as Goods and Services Tax (GST). Discounts given include rebates, price reductions and other incentives given to customers. No element of financing is deemed present as the sales are made with a payment term which is consistent with market practice.

- Revenue in respect of Insurance /other claims, commission etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
- Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- Dividend income is recognised when the right to receive the same is established.
- Current investments are marked to market at the end of the relevant period and the resultant gains or losses are recognised in the Income statement.

iii) Income Taxes

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid are recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such asset is reviewed at each Balance Sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

iv) Leases

Long term lease arrangements of land are treated as Property, Plant and Equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

The Company as a lessee

The Company's lease asset classes primarily consist of leases handling equipment's. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

v) Property, Plant And Equipment

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

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'capital advances' under other non-current assets and the costs of assets not ready for the intended use before balance sheet date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that it increases the future economic benefits associated with the asset beyond the previously assessed standard of performance and these will flow to the Company and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

of are reported at the lower of the carrying value or the fair value less cost to sell, and depreciation ceases on such assets

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end, changes there in are considered as estimates and accordingly accounted for adjusted prospectively.

Cost of borrowing for assets taking substantial time to be ready for use is capitalised for the period upto the time the asset is ready to use.

Intangible assets are stated at cost of construction less accumulated amortised amount and accumulated impairment losses, if any

Transition to Ind AS:

On transition to Ind AS, the Company has exercised the option under Para D5 of Ind AS 101, First Time Adoption of Indian Accounting Standards (Ind AS 101), and elected to measure certain land at fair value and as regards other items of property, plant and equipment, they were accounted for (retrospectively) as per Ind AS .

Depreciation

Tangible Fixed Assets : Depreciation on all assets of the Company is charged on straight line method over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

The residual values are not more than 5% of the original cost of the asset.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at beach financial year end, changes there in are considered as change in an estimate and accordingly accounted for prospectively.

vi) **Intangible Fixed Assets**

Intangible assets are amortized by straight line method over the estimated useful life of such assets. The useful life is estimated based on the evaluation of future economic benefits expected of such assets. The amortisation period and amortisation method are reviewed atleast at each financial year end. If the expected useful life of assets is significantly different from previous estimates, the amortisation period is changed accordingly.

Computer Software includes enterprise resource planning project and other cost relating to software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services.

Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product / patent.

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized by straight line method over the estimated useful life of such assets.

vii) **Impairment Of Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised. An impairment loss is charged to the Income statement in the year in which an asset is identified

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Goodwill, intangible assets having indefinite useful life and intangible assets currently not in use by the company are tested for impairment annually and also whenever there are indicators of impairments.

Reversal of impairment of Goodwill is not recognized.

viii) **Cash And Cash Equivalents**

Cash and cash equivalents include cash in hand, cash in bank, cheques on hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

ix) **Trade Receivable**

Trade receivables are initially recognised as per Ind AS 18 'Revenue' and these assets are held at amortised cost.

x) **Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

xi) **Inventories**

Raw materials and components, packing materials, purchased finished goods, work-in-progress, finished goods manufactured, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower. Cost of inventories is ascertained on the weighted average basis.

Work-in-Progress include the cost of purchase, appropriate share of cost of conversion and other overhead incurred in bringing the inventory to its present location and condition and measured at lower of cost or net realisable value 'Cost' comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company.

Finished products are valued at lower of cost and net realisable value Cost is computed including Material, Labour and Overheads related to the manufacturing operations.

Items such as spare parts, stand-by equipment and servicing equipment which is not property, plant and machinery gets classified as inventory.

xii) **Financial Instruments**

Classification

Financial Assets

The company classifies its financial assets in the following measurement categories:

i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)

ii) Those to be measured at amortised cost

The classification depends upon the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not carried at fair value through profit or loss are added to the fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Subsequent measurement

After initial recognition, financial assets are measured at :

i) Fair Value (either through Other Comprehensive Income (FVOCI) or through profit or loss (FVTPL) or
ii) Amortised cost

Non-derivative financial instruments

i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognised in the Other Comprehensive Income (OCI). The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

Investment in subsidiaries

Investments in subsidiary companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Derecognition of financial instruments

A financial asset is de-recognised only when

i) The Company has transferred the rights to receive cash flows from the financial asset or

ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment

Financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to 12-month ECL, unless there has been a significant increase in credit risk for initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xiii) **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

xiv) **Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

xv) **Provisions and Contingent Liabilities**

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision for Product related warranty costs is based on the claims received upto the year end as well as the management estimates of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

xvi) **Employee Benefits**

Short Term Employee Benefits

All Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which employee renders the related service except leave encashment.

Other Long-Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Defined Contribution Plans

Defined contribution fund are government administered provident fund scheme, employee state insurance scheme for all employees. Company also contributes towards a Superannuation fund administered by the Employees Welfare trust. This scheme is funded with an insurance company in the form of a qualifying insurance policy and other permissible securities. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the financial year to which they relate.

Defined Benefit Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit retirement plan covering eligible employees. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Past service cost is recognised in the statement of profit and loss in the period of plan amendment.

xvii) **Earnings Per Share**

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing net profit net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares unless the results would be anti - dilutive. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

xviii) **Exceptional Items**

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

xix) **Fair Value Measurement**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation ofvalue, and such value may never actually be realized.

xx) **Statement of Cash Flow**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxi) **Dividends**

The final dividend on shares is recorded as a liability on the date of approval by shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

xxii) **Research And Development Expenditure**

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

xxiii) **Other Income**

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain / loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest rate method on accrual basis. Dividend income is recognized when right to receive payment is established.

xxiv) **Business Combination**

Business combination involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities.

Business Combination of entities under common control is in accordance with the Appendix C "Business Combination under Common Control". The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The difference between the carrying values of net identifiable assets and liabilities of the acquired entities transferred to the company pursuant to the scheme are debited to Retained Earnings Account as defined under Appendix C Business Combination under Common Control.

The accompanying Notes form an integral part of the Financial Statements

(All the figures are in Rupees in Lakhs unless otherwise stated)

Note 1A: Property, Plant & Equipment

									Research and Development			
Particulars	Freehold land	Land under Finance Lease1	Buildings	Plant, Machinery & Equipment	Computers	Other Equipments	Furniture & fittings	Vehicles	Gauges & Instruments	Computers	Prototype Machine	Total
Cost												
As at 1st April 2018	14.69	7,407.00	2,189.64	8,955.48	289.17	260.54	375.42	435.22	42.10	42.13	585.62	20,597.01
Additions	-	-	-	54.14	20.60	1.20	3.46	20.39	-	3.85	-	103.64
Disposals	-	-	23.77	12.87	10.66	1.11	-	32.75	-	0.38	-	81.54
As at 31st March 2019	**14.69**	**7,407.00**	**2,165.87**	**8,996.75**	**299.11**	**260.63**	**378.88**	**422.86**	**42.10**	**45.60**	**585.62**	**20,619.11**
Additions	-	-	-	11.27	3.76	0.70	-	32.92	-	-	-	48.65
Disposals	-	-	2.87	20.66	8.54	0.47	-	99.85	-	-	-	132.39
As at 31 st March 2020	**14.69**	**7,407.00**	**2,163.00**	**8,987.36**	**294.33**	**260.86**	**378.88**	**355.93**	**42.10**	**45.60**	**585.62**	**20,535.37**
Depreciation / Amortisation												
As at 1st April 2018	-	-	1,048.99	8,008.51	257.44	236.65	346.73	264.96	39.68	32.47	441.48	10,676.90
Charge for the year	-	-	52.48	287.66	14.99	3.45	4.96	37.34	0.21	5.30	16.63	423.02
Disposals	-	-	5.94	12.05	10.38	1.05	-	30.19	-	0.38	-	59.98
As at 31st March 2019	**-**	**-**	**1,095.53**	**8,284.12**	**262.05**	**239.05**	**351.69**	**272.11**	**39.89**	**37.39**	**458.11**	**11,039.94**
Charge for the year	-	-	41.72	105.19	13.51	2.98	3.94	35.63	0.09	3.66	16.67	223.39
Disposals	-	-	1.34	16.84	7.67	0.45	-	84.92	-	-	-	111.22
As at 31 st March 2020	**-**	**-**	**1,135.91**	**8,372.47**	**267.89**	**241.58**	**355.63**	**222.82**	**39.98**	**41.05**	**474.78**	**11,152.11**
Net Block												
As at 31st March 2019	14.69	7,407.00	1,070.34	712.63	37.06	21.58	27.19	150.75	2.21	8.21	127.51	9,579.17
As at 31 st March 2020	**14.69**	**7,407.00**	**1,027.09**	**614.89**	**26.44**	**19.28**	**23.25**	**133.11**	**2.12**	**4.55**	**110.84**	**9,383.26**

Except the office premises in Ahmedabad, all the items of Property, Plant & Equipment are hypothicated to bank for availing overdraft facilities.
The title of assets which are transferred in the scheme of Amalagamation in the previous year are yet to be transfrerred in the name of the Company
Note 1B: Intangible assets

The accompanying Notes form an integral part of the Financial Statements

(All the figures are in Rupees in Lakhs unless otherwise stated)

Note 1A: Property, Plant & Equipment

Particulars	Technical Documentation & Know How	Computer Software	R & D Software	Total
Cost				
As at 1st April 2018	404.90	138.00	115.61	658.51
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31st March 2019	**404.90**	**138.00**	**115.61**	**658.51**
Additions	-	-	-	-
Disposals	-	2.61	-	2.61
As at 31 st March 2020	**404.90**	**135.39**	**115.61**	**655.90**
Depreciation / Amortization				
As at 1st April 2018	251.95	112.01	109.50	473.46
Charge for the year	10.95	8.77	1.85	21.56
Disposals	-	-	-	-
Sub-total	**262.90**	**120.78**	**111.35**	**495.02**
Charge for the year	10.98	6.74	1.36	19.08
Disposals	-	2.61	-	2.61
As at 31 st March 2020	**273.88**	**124.91**	**112.71**	**511.49**
Net Block				
As at 31st March 2019	**142.00**	**17.22**	**4.26**	**163.46**
As at 31 st March 2020	**131.02**	**10.48**	**2.90**	**144.40**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

2 Non-Current Investments

Particulars	As at 31st March 2020		As at 31st March, 2019	
	Nos.		Nos.	
Unquoted Equity Shares				
a) Investment in equity instruments of Subsidiary company measured at cost				
Manugraph Americas Inc, USA (shares of US$ 0.01 each)	388,290	9,197.51	388,290	9,197.51
Manugraph Americas Inc, USA - Redeemable, Non Cumulative Convertible- Preferred Stock (shares of US$ 0.01 each)	100,000	3,869.23	100,000	3,869.23
		13,066.74		13,066.74
Less - Aggregate amount of impairment in value of investments		12,470.00		12,400.00
Less - Part proceeds on account of liquidation of the Company		453.83		-
Sub-total (a)		**142.90**		**666.74**
b) Investment in equity instruments of Other Company measured at FVPL				
Canara Bank alloted pursuant to merger with Syndicate Bank (PY : Syndicate Bank)	63	0.06	400	0.17
(Quoted)				
Shree Warna Sahakari Bank Limited	-	-	2000	0.50
(Unquoted) (shares of Rs. 25/- each)				
Sub-total (b)		**0.06**		**0.67**
Total (a+b)		**142.96**		**667.41**

Particulars	As at 31st March, 2020	As at 31st March, 2019
a. Aggregate of quoted investments		
- Cost	0.06	0.17
- Market Value	0.06	0.17
b. Aggregate of unquoted investments	142.90	667.24

i Pursuant to the court monitored liquidation proceedings of Manugraph Americas Inc., the Company has reassessed the impairment of investment in Manugraph Americas Inc. All the assets have been disposed off and the financial statements of the said Manugraph Americas Inc. are prepared on realisable basis. Based on the reassessment of the residual cash available to equity holders, the Company has made a further provision of Rs. 70 lakhs after considering liabilities (PY 400 lakhs). The aggregate provision of impairment is Rs. 12,470 lakhs towards the exposure of manugraph Americas Inc..

ii The fair value of equity shares of Shree Warna Sahakari Bank Limited are considered equal to cost in the absence of information to determine fair value. The Company received dividend approximately @ 10% of its investment and therefore considers the fair value equal to the cost. The amount in any case is not material.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

3 Loan

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
(Unsecured considered good)				
Staff loans	218.91	90.86	310.24	123.88
Total	**218.91**	**90.86**	**310.24**	**123.88**
a) Investment by the loanee in the shares of the Company:				
Loanee has, per se, not made investments in the shares of the Company.				

4 Other Financial Assets

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
(Unsecured considered good)				
Sundry deposits - measured at amortised cost	49.03	-	52.55	-
Interest accrued on bank deposits	-	16.75	-	15.39
Other receivables	0.55	9.95	0.55	4.08
Total	**49.57**	**26.69**	**53.10**	**19.47**

5 Other Assets

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
(Unsecured considered good)				
Vat refund receivable	545.51	-	670.36	-
Balance with Revenue Authorities	19.47	345.03	19.47	267.15
Other Assets	-	111.58	-	-
Advances for expenses	2.00	89.68	1.93	52.34
Advance to suppliers	-	11.66	-	19.73
Export incentive receivables	-	107.46	-	37.38
Amount deposited in Escrow	33.97	-	-	-
Capital advance	-	-	0.02	-
Contract Asset - Unbilled Revenue	-	2.60	-	19.55
MEIS License in hand	-	3.18	-	10.56
Taxes paid net of provisions	1,085.07	-	1,192.37	-
Total	**1,686.02**	**671.19**	**1,884.15**	**406.71**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

6 Inventories

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Raw Material				
- In hand	922.81		1,472.43	
- In transit	-	922.81	-	1,472.43
Work In Progress		2,593.43		3,744.00
Finished Goods		1,005.78		742.92
Stores & Spares		98.92		116.12
Loose Tools (Consumable)		67.27		84.73
Manufactured components		1,530.17		1,868.97
Total		**6,218.39**		**8,029.17**

All the above inventories are hypothecated to the lenders as security towards working capital facilities.

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
(i) Amount of inventories recognised as an expense	8,483.28	16,193.50
(ii) Amount of write - down of inventories recognised as an expense.	-	-
Total	**8,483.28**	**16,193.50**

7 Current Investments

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Investments in Mutual Funds (Quoted)				
Investments at fair value through P&L (fully paid)				
SBI Treasury Advantage Fund - Growth	-	-	27,161	583.15
HDFC Liquid Fund - Growth	-	-	13,713	501.94
Total		**-**	**40,874**	**1,085.09**

Particulars	As at 31st March, 2020	As at 31st March, 2019
i. Aggregate of quoted investments		
- Book Value	-	1,085.09
- Market Value	-	1,085.09
ii Aggregate of unquoted investments	-	-

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

8 Trade receivables - Current

(Unsecured, Considered good, at amortised cost)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Related Parties	130.41	250.33
Others	1,674.19	328.66
Total	**1,804.60**	**578.99**

Expected Credit Loss:

The Company estimates impairment under the simplified approach. Accordingly, it does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss. In view thereof, the additional disclosures for changes in credit risk and credit impaired are not disclosed.

The Company takes a significant advance for its machine and has no history of any significant defaults from the customers end in payment of the sale consideration. And therefore has no history of credit loss.

9 Cash and cash equivalents

	Particulars	As at 31st March, 2020		As at 31st March, 2019	
i	Balances with bank				
	With scheduled banks				
	In current accounts	149.70		311.84	
	In cash credit accounts	-		156.62	
			149.70		468.46
ii	Cash on hand		19.35		15.71
	Total		**169.05**		**484.17**

10 Bank balances other than cash & cash equivalents

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Other Bank Balances				
In fixed deposit accounts (as margin money)	10.68		41.88	
In fixed deposit accounts	2,000.00		2,000.00	
In unclaimed dividend accounts	26.65		37.96	
Total		**2,037.33**		**2,079.84**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

11 Equity Share Capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Authorised Capital:				
Equity shares of Rs. 2 each	105,045,000	2,100.90	105,045,000	2,100.90
Preference shares of Rs.100 each	10,100	10.10	10,100	10.10
Unclassified shares of Rs.100 each	20,000	20.00	20,000	20.00
Redeemable preference shares of Rs.100 each	350,000	350.00	350,000	350.00
Total		**2,481.00**		**2,481.00**

a) The Authorised capital has increased in the previous year pursuant to the scheme of amalgamation between the Company and Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited.

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Issued, Subscribed And Paid up Capital:				
Equity shares of Rs. 2 each	30,415,061	608.30	25,561,561	511.23
Total	**30,415,061**	**608.30**	**25,561,561**	**511.23**

b) The Company has not issued any bonus shares during the last five years.

c) Details of Shareholding in excess of 5%

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares held	%	Number of shares held	%
Multigraph Machinery Co. Ltd.	6,002,517	19.74	5,935,027	19.51
Pradeep Sanat Shah	4,156,701	13.67	1,765,721	5.81
Sanjay Sanat Shah	3,764,441	12.38	1,373,461	4.52
Total	**13,923,659**	**45.78**	**9,074,209**	**29.83**

d) Reconciliation of the equity shares outstanding at the beginning and at the end of the year.

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Issued, Subscribed And Paid up Capital:				
At the beginning of the year	25,561,561	511.23	25,561,561	511.23
Issued during the period against Share Suspense pursuant to amalgamation	4,853,500	97.07	-	-
Outstanding at the end of the year	**30,415,061**	**608.30**	**25,561,561**	**511.23**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

e) The Company has only one class of shares issued and paid-up capital referred to as equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share.

f) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

g) **Previous Year- Merger of Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited with the Company**

Pursuant to the Scheme of Merger by Absorption ('the Scheme') of Constrad Agencies (Bombay) Private Limited, Manu Enterprises Limited and Santsu Finance and Investment Private Limited with Manugraph India Limited (the Company) under the provisions of Sections 230 to 232 of the Companies Act, 2013 which has been approved by the National Company Law Tribunal vide their order delivered on 14th October, 2019, which has been filed with the Registrar of Companies on 17th October 2019, to make the Scheme effective. All the assets and liabilities, both movable and immovable, all other interest, rights and power of every kind, and all its debts, liabilities, including contingent liabilities, duties and obligations have been transferred to and vested in the Company with effect from the Appointed Date, April 1, 2018. Accordingly, the Scheme has been given effect to in these accounts. Since the Business Combination is of entities under common control in accordance with the Appendix C of INDAS 103, the financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, the Company has accounted for the Scheme in its books of accounts with effect from April 01, 2017 which is from the beginning of previous period prior to the Appointed Date i.e. 1st April, 2018.

23,16,500 equity shares and 25,37,000 equity shares of face value of Rs. 2 each fully paid up are to be issued by the Company pursuant to the Scheme to the shareholders of Manu Enterprises Limited and Santsu Finance and Investment Private Limited respectively. The said shares to be issued have been disclosed as Share Suspense account under Equity. No consideration is payable on merger of the erstwhile wholly owned subsidiary Constrad Agencies (Bombay) Private Limited.

Salient Features of the Scheme of Merger by Absorption

The Company is in the business of manufacturing of web-offset printing presses.

The appointed date for the purpose of this amalgamation is 1st April, 2018

In accordance with the scheme approved, the accounting for this amalgamation has been done in accordance with the "Pooling of Interest Method" referred to in Appendix C - Business combinations of entities under common control of Indian Accounting Standard 103- "Business Combination" of the Companies (Indian Accounting Standards) Rules, 2015.

Since the Business Combination is of entities under common control in accordance with the said Appendix C The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, MIL has accounted for the Scheme in its books of accounts with effect from April 01,2017 which is from the beginning of previous period prior to the Appointed Date i.e. 1st April, 2018 as under:

1 With effect from April 01,2017, all assets and liabilities appearing in the books of accounts of Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited have been transferred to and vested in MIL and have been recorded by MIL at their respective carrying values.

2 In consideration of the transfer of the business as a going concern, the Company will issue 23,16,500 equity shares and 25,37,000 equity shares of Rs. 2 each fully paid up to the shareholders of Manu Enterprises Limited and Santsu

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Finance and Investment Private Limited. No Purchase consideration is to be discharged to the erstwhile wholly owned subsidiary i.e. Constrad Agencies (Bombay) Private Limited.

3 The investments held in the Company by Manu Enterprises Limited and Santsu Finance and Investment Private Limited shall be adjusted against the respective equity share capital of the Company to the extent of face value of the shares held.

4 The Company shall credit to its share capital account the aggregate face value of equity shares issued by it pursuant to the Scheme.

5 The investments in the Financial Statements of the Company in the equity share capital of Constrad Agencies (Bombay) Private Limited shall stand cancelled.

6 The difference between the carrying values of net identifiable assets and liabilities of Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited transferred to MIL pursuant to this scheme and the consideration being the value of New Equity Shares issued by MIL amounting to Rs.180.23 Lacs has been adjusted against revenue reserves so transferred as per the Scheme.

7 All inter company transactions have been eliminated on incorporation of the accounts of Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited in the Company.

g Disclosure in accordance with Appendix C of INDAS 103- Business combinations of entities under common control:

a)	Names and general nature of business of the combining entities	MIL is in the business of manufacturing of web-offset printing presses. Current there was no active business in Manu Enterprises Limited, Sanstu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited.The purpose of the amalgamation was to reduce the number of entities in the group,direct ownership of assets of Subsidiary,optimization of administrative cost,Consolidation and reorganization of the promoter holding,Long term stability and transparency in the holding structure of MIL and to demonstrate the promoter's group direct commitment to and engagement with MIL
b)	The date on which the transferor obtains control of the transferee	April 1, 2018
c)	Description and number of shares issued, together with the percentage of each entity's equity shares exchanged to effect the business combination	23,16,500 equity shares and 25,37,000 equity shares of Rs. 2 each fully paid up are to be issued by the Company pursuant to the Scheme of Amalgamation to Manu Enterprises Limited and Santsu Finance and Investment Private Limited respectively. No consideration is payable on Amalgamation of the erstwhile wholly owned subsidiary Constrad Agencies (Bombay) Private Limited. The said shares to be issued have been disclosed as Share Suspense account under Equity as disclosed in Note 11A below.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

d)	The amount of any difference between the consideration and the value of net identifiable assets acquired, and the treatment thereof	The difference between the carrying values of net identifiable assets and liabilities of Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited transferred to MIL pursuant to this scheme and the consideration being the value of New Equity Shares issued by MIL amounting to Rs.180.23 Lacs has been adjusted against revenue reserves so transferred as per the Scheme.

11A Equity Share Capital (Suspense)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Issued, Subscribed And Paid up Capital:				
Equity shares of Rs. 2 each to be issued pursuant to amalgamation (Refer note)	-	-	4,853,500	97.07
Total	**-**	**-**	**4,853,500**	**97.07**

During the year, the Company has allotted 48,53,500 shares against share suspense created as per the scheme of amalgamation.

12 Other Equity

Particulars	As at 31st March, 2020	As at 31st March, 2019
i. Capital Reserve	72.00	72.00
ii. Capital Reserve - On Amalgamation	128.00	128.00
iii. Capital Redemption Reserve	110.58	110.58
iv. Securities Premium Account	2,145.06	2,145.06
v. General Reserve	9,452.83	9,452.83
vi. Retained Earning	2,793.11	6,613.82
Total Other Equity	**14,701.59**	**18,522.29**

a) The General Reserve has been created in accordance with the requirements of the Companies (Transfer of Profit to Reserve) Rules, 1975.

b) Securities premium account is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

13 Other Financial Liabilities

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
Unclaimed dividends	-	26.65	-	37.96
Other Liabilities	-	502.80	-	440.14
Security Deposits	7.46	-	7.69	-
Total	**7.46**	**529.45**	**7.69**	**478.10**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

14 Provisions

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
For employees benefits				
Provision for earned leave wages	225.16	61.87	290.06	78.67
Provision for Gratuity	-	797.67	-	682.91
Others				
Provision for Warranty	-	63.05	-	106.78
Total	**225.16**	**922.58**	**290.06**	**868.36**

a. The disclosure of provisions movement as required by Ind AS 37 is as follows:-

Particulars	Opening Balance	Additions during the year	Amt. Paid / Reversed during the year	Closing Balance
Warranty Expenses	106.78	-	43.73	63.05
(Previous year 2018-19)	71.62	94.97	59.81	106.78

b. Disclosure in accordance with Ind AS – 19 "Employee Benefits", of the Companies (Indian Accounting Standards) Rules, 2015.

Gratuity

The company provides gratuity to all employees. The benefit is in the form of lumpsum payments to vested employees on resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days basic salary and dearness allowance for each completed year of service. Vesting occurs upon completion of five years of service. The company makes annual contributions to fund administered by trustees and managed by Life Insurance Corporation of India, for amounts notified by it. The gratuity benefit is a defined benefit plan.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Expense recognised in Statement of Profit & Loss		
Current Service cost	82.10	103.83
Interest expense	192.53	191.97
Expected Return on Plan Assets	(147.21)	(137.59)
Past Service Cost	-	-
Total	**127.42**	**158.21**
Expense recognised in Other Comprehensive Income		
Return on plan assets (Greater)/Less than Discount Rate	(10.54)	(4.03)
Actuarial (Gain)/Loss due to Experience on DBO	150.25	14.97
Total	**139.71**	**10.94**
Present value of funded defined benefit obligation		
Fair value of Plan assets	1,471.70	2,141.47
Funded Status	2,269.37	2,824.38
Net defined benefit (Asset) / Liability	**(797.67)**	**(682.91)**
Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	2,824.38	2,695.22
Current Service Cost	82.10	103.83
Interest Cost	192.53	191.97
Past Service Cost	-	-
Actuarial (Gain)/Loss	150.25	23.91
Benefits paid from the fund	(979.89)	(190.55)
Present value of defined benefit obligation at the end of the year	**2,269.37**	**2,824.38**
Movements in fair value of the plan assets are as follows		
Opening fair value of plan assets	2,141.47	1,927.89
Expected returns on Plan Assets	147.20	137.59
Remeasurement (Gains)/Losses:		
Actuarial Gain/(Loss) on Plan assets	10.54	12.97
Contribution from Employer	152.38	253.57
Benefits paid	(979.89)	(190.55)
Benefit paid but pending claim	-	-
Closing fair value of the plan asset	**1,471.70**	**2,141.47**
Remeasurement effect recognised on Other Comprehensive Income		
Actuarial (Gain)/Loss arising from experience adjustments	150.25	23.91
Actuarial (Gain)/Loss on Plan assets	(10.54)	12.97
Total Actuarial (Gain)/Loss included in OCI	**139.71**	**10.94**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

The principal assumptions used as at the balance sheet date are used for purpose of actuarial valuations were as follows:

Break-up of Plan Assets		
Category of assets as at the end of the year		
Insurer Managed Funds	100%	100%
(Fund is Managed by LIC as per IRDA guidelines, category-wise composition of the plan assets is not available.)		
Assumptions		
Discount rate	6.60%	7.20%
Salary escalation rate (annual)	4.00%	4.00%
Demographic Assumptions Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006·08)
Withdrawal Rate	2.00%	2.00%
Retirement age	60	60

The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality.

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

Defined Benefit Obligation		
Discount rate		
a. Discount rate + 50 basis points	2,196.54	2,736.84
b. Discount rate - 50 basis points	2,345.78	2,916.27
Salary growth rate		
a. Rate + 50 basis points	2,346.45	2,917.54
b. Rate - 50 basis points	2,194.81	2,734.70
Withdrawal rate		
a. Rate + 10 basis points	2,275.17	2,832.92
b. Rate - 10 basis points	2,263.46	2,815.67

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

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

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

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

Risks associated with defined benefit plan

Gratuity is defined benefit plan and the Company is exposed to the following risks:

(i) Actuarial risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(ii) Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(iii) Liquidity Risk

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

(iv) Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(v) Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Note : Experience adjustment information is not available and hence not disclosed.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

15 Deferred Tax Liability / (Asset)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Deferred tax liability on account of				
Book and tax base of PPE	1,672.36		1,682.60	
Unrealised gain on current investments	-	1,672.36	26.55	1,709.15
Deferred tax Assets on account of				
Compensation under VRS	39.19		77.26	
Provision for leave encashment	74.63		115.04	
Provision for gratuity	207.39		213.07	
		321.20		405.37
Net deferred tax liability / (asset)		**1,351.15**		**1,303.78**

16 Borrowings

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
Secured Loans:				
Cash credit account with State Bank Of India	-	102.26	-	-
Cash credit account with HDFC Bank Ltd	-	809.10	-	-
Total borrowings	**-**	**911.36**	**-**	**-**

Secured by hypothecation of stock-in-trade, stores, book-debts and other receivables and second charge on the company's moveable and immoveable properties.

Reconciliation of liabilities arising from financing activities

March 31, 2020	Opening balance	Net Cash flows	Non cash changes	Closing balance
Short term secured borrowings	-	911.36	-	911.36
Total liabilities from financing activities	**-**	**911.36**	**-**	**911.36**

March 31, 2019	Opening balance	Net Cash flows	Non cash changes	Closing balance
Short term secured borrowings	252.10	252.10	-	-
Total liabilities from financing activities	**252.10**	**252.10**	**-**	**-**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

17 Trade Payables

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Trade Payables for goods and services:				
Micro Small and Medium Enterprises	132.58		39.72	
Related Parties	40.34		66.40	
Others	2,237.11		1,634.44	
Total		**2,410.03**		**1,740.56**

Trade payables and acceptances are non-interest bearing and are normally settled on 60 days terms.

a) Disclosure In accordance with section 22 of Micro, Small and Medium Enterprises Development Act 2006.

Particulars	As at March 31, 2020	As at March 31, 2019
(i) The principal amount and the interest due thereon remaining unpaid to any micro and small enterprises as at the end of each;		
- Principal amount due	132.58	39.72
- Interest due on the above	-	-
(ii) The amount of interest paid in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
- Principal amount paid beyond appointed day	37.55	29.70
- Interest paid thereon	0.41	0.16
(iii) The amount of interest due and payable for the period of delay in making payment beyond appointed day during the year.	-	-
(iv) The amount of interest accrued and remaining un-paid at the end of the accounting year	-	0.01
(v) The amount of further interest due and payable even in succeeding years	-	-

The information has been given in respect of such vendors to the extent they could be identified as 'micro and small enterprises' on the basis of information available with the company. This has been relied upon by the auditor.

18 Other Liabilities

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
Advances from Customers		848.55		1,531.33
Duties & Taxes payable		21.88		35.94
Other statutory liabilities		42.90		57.50
Contract Liability - Unearned installation income		57.82		20.94
Interest accrued but not due		5.00		-
Total	**-**	**976.16**	**-**	**1,645.71**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

19 Revenue from Operations

Particulars	2019-20		2018-19	
Sales of Finished Goods & spares				
Domestic	6,711.45		20,716.73	
Export	4,668.65		3,219.09	
(Net of Sales Return Rs. Nil Previous- year Rs. 1.58 lakhs)	-	11,380.10	-	23,935.82
Sale of service				
Service and erection charges received		337.29		694.52
Other Operating Revenue				
Export incentive received	217.12		163.61	
Packing and forwarding recovery	117.32		259.56	
Miscellaneous receipts	50.27	384.71	50.60	473.77
Total		**12,102.10**		**25,104.11**

Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

a) Revenue disaggregation based on service type and customer type

i) Revenue disaggregation by type is as follows:

Revenue Type	2019-20	2018-19
Sale of printing machines	11,380.10	23,935.82
Service and erection charges received	337.29	694.52
Total	**11,717.39**	**24,630.34**

ii) Revenue disaggregation by Geographical Type is as follows:

Revenue Type	2019-20	2018-19
Within India	7,005.93	21,309.30
Outside India	4,711.46	3,321.03
Total	**11,717.39**	**24,630.34**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

b) Movement in contract balances

Particulars	Opening	Billed for the Financial Year	Addition during the year	Closing
Advances from customers				
March 31, 2020	1,531.33	2,716.84	2,034.06	848.55
March 31, 2019	2,399.14	2,346.54	1,478.73	1,531.33

c) Movement in Unbilled revenue

Particulars	Opening	Billed for the Financial Year	Addition during the year	Closing
March 31, 2020	19.55	19.55	2.60	2.60
March 31, 2019	-	-	19.55	19.55

20 Other Income

Particulars	2019-20	2018-19
Dividend Income	0.05	0.05
Interest income from financial asset at amortised cost	155.41	180.30
Rent	25.59	28.62
Gain on disposal of investment measured at FVTPL (Net)	81.40	189.24
Gain on fair valuation of investment measured- at FVTPL	-	47.73
Sundry credit balances appropriated	3.58	28.18
Excess provision and adjustments	16.94	2.97
Foreign exchange gain	19.62	-
Gain on disposal of Property, Plant and Equipment (Net)	12.21	53.48
Interest received on income tax refund	20.88	9.56
Total	**335.68**	**540.13**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

21 Cost of Materials Consumed:

Particulars	2019-20		2018-19	
Raw Materials Consumed				
Opening Stock	1,472.43		1,974.61	
Add : Purchases (Including components-processing charges Rs. 248.83 lakhs (Previous year: Rs. 807.03 lakhs)	6,554.33		16,059.71	
		8,026.77		18,034.32
Less : RMC Capitalised	1.50		6.10	
Less : Closing Stock	922.81		1,472.43	
		924.31		1,478.53
Total		**7,102.45**		**16,555.79**

22 Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	2019-20		2018-19	
Inventory Adjustments - FG				
Stock at Commencement	742.92		-	
Less : Stock at Closing	1,005.78		742.92	
		(262.86)		(742.92)
Inventory Adjustments - WIP				
Work In progress at Opening	3,744.00		3,499.29	
Less - WIP Stock Capitalised	-		-	
Work In progress at Closing	2,593.43		3,744.00	
		1,150.57		(244.69)
Inventory Adjustments - Manufactured components				
Stock at Commencement	1,868.97		2,103.47	
Less : Stock at Closing	1,530.17		1,868.97	
		338.80		234.50
Total		**1,226.51**		**(753.11)**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

23 Employee Benefit Expenses

Particulars	2019-20		2018-19	
Salary, Wages, bonus and allowances	3,684.25		4,536.40	
Staff welfare expenses	223.64		295.42	
Contribution to provident & other funds	337.74		389.85	
Provision for earned leave wages	121.80		78.23	
Gratuity	127.43		158.20	
		4,494.86		5,458.10
Less - Wages capitalised		2.10		5.05
Total		**4,492.76**		**5,453.05**

(a) The Company during the year, based on legal advice and on account of the continuing losses from business, has made an application for the waiver from payment of Minimum Bonus @8.33% as per the Payment of Bonus Act 1965 to the eligible employees. The amount of minimum bonus payable works out to Rs. 55.78 lacs. The application for waiver is not disposed off upto the date of adoption of these financial statements but the management is hopeful of receiving a favourable response. No provision is made by the Company on this account.

24 Finance Cost

Particulars	2019-20	2018-19
Interest paid	97.11	92.67
Other Borrowing Costs	60.65	45.20
Total	**157.77**	**137.87**

25 Depreciation & Amortisation

Particulars	2019-20	2018-19
Depreciation	223.39	423.03
Amortisation	19.08	21.57
Total	**242.47**	**444.60**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

26 Other Expenses

Particulars	2019-20		2018-19	
Consumption of stores and Consumables		154.31		390.82
Power & Fuel		149.98		233.09
Rent		3.68		7.72
Rates & Taxes		38.75		42.80
Repairs to Buildings		7.33		66.26
Repairs to Machinery		27.58		106.51
Insurance		27.39		26.67
Travelling and conveyance		281.58		696.50
Commission on sales		379.98		1,103.40
Other repairs		62.21		93.80
Advertisement and sales promotion expenses		43.12		154.12
Bank charges		12.65		31.98
Sundry debit balances written off		22.65		4.17
Fixed assets scrapped		0.03		0.84
Warranty expenses		-		94.97
Research and development expenses		189.28		257.24
CSR expenses		1.50		5.00
Freight And Handling Charges		41.47		8.91
Packing And Forwarding Charges		199.30		390.84
Directors' Fees		6.66		8.67
Exchange Loss (Net)		-		62.74
Remuneration to Auditors				
Audit fees including Tax Audit	19.50		21.75	
Other Assurance Services	5.26		8.28	
Tax Matters	3.40		3.27	
		28.16		33.30
Miscellaneous Expenses (None of which individually forms more than 1% of the Operating Revenue.)		594.31		963.95
		2,271.91		4,784.30
Less - Overheads capitalised		12.18		25.77
Total		**2,259.72**		**4,758.53**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

a) Research and development expenses

Particulars	2019-20	2018-19
	In recognised Unit	**In recognised Unit**
Personnel costs	181.96	234.87
Other Costs	7.32	22.37
Total Revenue Costs	**189.28**	**257.24**
Capex Costs	**-**	**3.85**

b) Disclosure on CSR activity

i Gross Amount required to be spent by the Company during the year Rs. Nil (Previous year Rs. Nil)

ii Amount spent by the company during the year is Rs.1.5 lakhs (Previous year Rs.5 lakhsl)

27 Exceptional Items

i. Compensation to separated employees

As a part of reducing employee costs, the Company has formulated a plan for employee separation. During the year ended March 31, 2020 the Company had paid for such separated employees an amount of Rs. 331.94 lakhs.

ii. Compensation under VRS

During the Current year the Company had implemented Voluntary Retirement Scheme,2019 for Unit 2 employees . The compensation paid of Rs.14.00 lakhs based in employees retired under the scheme,is debited to the Statement of Profit & Loss and shown as exceptional item. The deferred tax impact thereon is Rs.2.91 lakhs is part of deferred tax under tax expenses.

During the previous year ended March 31,2019, the Company had implemented Voluntary Retirement Scheme,2018. The compensation paid of Rs.232.52 lakhs based in employees retired under the scheme,is debited to the Statement of Profit & Loss and shown as exceptional item. The deferred tax impact thereon is Rs.58.04 lakhs is part of deferred tax under tax expenses.

iii. Provision for Impairment of Investment in subsidiary

The Company has reassessed the impairment of investment in Manugraph Americas Inc. All the assets have been disposed off and the financial statements of the said Manugraph Americas Inc. are prepared on realisable basis. Based on the assessment of the residual cash available to the equity holders, the Company has made a further provision of Rs.70 lakhs after considering liabilities. (Previous year 400 lakhs).

28 Tax Expense

Particulars	2019-20		2018-19	
Current tax	-		-	
Deferred Tax	83.69		(74.23)	
Income tax pertaining to previous year	4.44		19.97	
Total		**88.14**		**(54.26)**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

(i) The reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows

Particulars	2019-20	2018-19
Profit before Income taxes	(3,445.84)	(1,585.01)
Enacted tax rates in India (%)	26.00%	31.20%
Computed expected tax expenses	(895.92)	(494.52)
i.e.	-	-
Tax liability as per Minimum Alternate Tax on book profits		
Minimum Alternate Tax rate	15.60%	19.24%
Computed tax liability on book profits	(537.55)	(304.96)
i. e.	-	-

(ii) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in equity and not in Statement of Profit and Loss or other comprehensive income.

(iii) Movement of Current tax assets (net)

Particulars	2019-20	2018-19
Opening balance	1,192.37	1,220.74
Add/(Less): Tax paid in advance, net of provisions during the year	(107.30)	(28.37)
Closing balance	**1,085.07**	**1,192.37**

(iv) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities | (assets):

Particulars	As at 31-03-2020	(charged) | Credited to P&L / OCI	As at 31-03-2019
Property, plant and equipment	1,672.36	(10.24)	1,682.60
Fair valuation of Investments	-	(26.55)	26.55
Total deferred tax liabilities	**1,672.36**	**(36.79)**	**1,709.15**
Tax Disallowance	321.20	(84.17)	405.37
Total deferred tax assets	**321.20**	**(84.17)**	**405.37**
Net deferred tax (asset) | liability	**1,351.15**	**47.37**	**1,303.78**
Adjusted in Statement of Profit and loss		83.69	
Adjusted in Other Comprehensive Income		(36.32)	
		47.37	

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Particulars	As at 31-03-2019	(charged) | Credited to P&L / OCI	As at 31-03-2018
Property, plant and equipment	1,682.60	(8.14)	1,690.74
Fair valuation of Investments	26.55	(52.37)	78.92
Total deferred tax liabilities	**1,709.15**	**(60.51)**	**1,769.66**
Tax Disallowance	405.37	14.06	391.31
Total deferred tax assets	**405.37**	**14.06**	**391.31**
Net deferred tax (asset) | liability	**1,303.78**	**(74.57)**	**1,378.35**
Adjusted in Statement of Profit and loss		(74.23)	
Adjusted in Other Comprehensive Income		(0.34)	
		(74.57)	

(v) Unrecognised temporary differences

The Company has not recognised deferred tax asset associated with impairment on equity share measured at cost as based on Management projection of future taxable income for set-off it is not probable that such difference will reverse in the foreseeable future. Similar view has also been taken for Deferred Tax Asset on Unabsorbed Losses and Depreciation as per Income Tax Act, 1961.

29 Disclosure as required by Accounting Standard – IND AS 33 "Earning Per Share" of the Companies (Indian Accounting Standards) Rules 2015.

Particulars	2019-20	2018-19
Net profit after tax available for equity shareholders before Exceptional Items	(3,093.97)	(956.27)
Net profit after tax available for equity shareholders after Exceptional Items	(3,533.98)	(1,530.77)
Opening equity shares outstanding (Nos.)	30,415,061	30,415,061
Add:- Issued during the year (Nos.)	-	-
Closing equity shares outstanding (Nos.)	30,415,061	30,415,061
Weighted average number of equity shares of Rs. 2 each outstanding during the year (Basic)	30,415,061	30,415,061
Weighted average number of equity shares of Rs. 2 each outstanding during the year (Diluted)	30,415,061	30,415,061
Earning Per Share before Exceptional Items Basic and diluted earnings per share (Rs.)	(10.17)	(3.14)
Earning Per Share after Exceptional Items Basic and diluted earnings per share (Rs.)	(11.62)	(5.03)

The earning per share before exceptional item has been computed after considering the current and deferred tax effect on the exceptional item.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

30 Disclosure as required by IND AS 108 "Operating Segment", of the Companies (Indian Accounting Standards) Rules, 2015.

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance In accordance with IND AS "Operating Segment", The Company has only one reportable operating segment i.e. Engineering. The additional disclosure is being made in the consolidated financial statements.

There are 2 major customers to whom more than 10% of the sales are effected and the total sales effected from such customers is Rs.4121.47 lakhs, (P. Y. Rs.8444.24 lakhs).

31 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

A List of related parties

Relationships

i Subsidiaries

Manugraph Americas, Inc.

ii Key Management Personnel

Mr. Sanat. M. Shah	Chairman
Mr. Sanjay S. Shah	Vice Chairman and Managing Director
Mr. Pradeep S. Shah	Managing Director
Mr. Bhupal B. Nandgave	Whole Time Director (Works)
Mr. Hiten C. Timbadia	Independent Director
Mr. Amit N. Dalal (upto March 2, 2020)	Independent Director
Mr. Perses M. Bilimoria	Independent Director
Mr. Abhay J. Mehrotra	Independent Director
Mr. Jai S. Diwanji (upto March 2, 2020)	Independent Director
Mrs. Sohni H. Daswani (upto July 19, 2018)	Independent Director
Mrs. Basheera Indorewala (w.e.f. February 7, 2018)	Independent Director

iii Entities where Key Management Personnel exercise significant influence

Multigraph Machinery Company Limited
Manubhai Sons and Company
Mercongraphic FZC,
Multigraph Machinery Kenya Limited
Manugraph Securities and Finance Private Limited
Desai & Diwanji

B Details of related party transaction are given in statement 1 Attached to the financial statement.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

32 Contingent liabilities and commitments

Description			2019-20	2018-19
i	**Contingent liabilities**			
	(a)	Claims against the company not acknowledged as debt;	254.06	67.48
	(b)	Guarantee	3.60	3.60
	(c)	Bonus Liability in case of non receipt of waiver (Note: 23(a))	55.78	-
	(d)	Other money for which the company is contingently liable :		
		- Income-tax, sales tax, customs duty, excise duty and service tax demands against which the company has preferred appeals/ made representation	91.26	118.45
		- On account of undertakings given by the company in favour of Customs Authority:	870.00	870.00
	Total		**1,274.70**	**1,059.53**

33 Fair Value Measurement

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments:						
Equity instruments	0.06	-	-	0.67	-	-
Mutual Funds	-	-	-	1,085.09	-	-
Trade receivables	-	-	1,804.60	-	-	578.99
Loans	-	-	309.77	-	-	434.12
Others	-	-	76.26	-	-	72.57
Cash and bank balances	-	-	2,206.38	-	-	2,564.01
Total Financial assets	**0.06**	**-**	**4,397.02**	**1,085.76**	**-**	**3,649.69**
Financial liabilities						
Borrowings	-	-	911.36	-	-	-
Trade payables	-	-	2,410.03	-	-	1,740.56
Other liabilities	-	-	536.90	-	-	485.79
Total financial liabilities	**-**	**-**	**3,858.30**	**-**	**-**	**2,226.35**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

34 Fair Value Hierarchy

This section explains the judgment and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

i) Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2020

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVPL:					
Unquoted Equity Shares	2	0.06	-	-	0.06
Quoted Mutual Funds	7	-	-	-	-
Trade Receivables	8	-	-	-	-
Cash and Bank Balances	10 & 11	-	-	-	-
Other Receivables	4	-	-	-	-
Total financial assets	-	**0.06**	**-**	**-**	**0.06**
Financial liabilities					
Borrowings	16	-	-	-	-
Trade Payables	17	-	-	-	-
Other Liabilities	13	-	-	-	-
Total financial liabilities	-	**-**	**-**	**-**	**-**

ii) Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2019

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVPL:					
Unquoted Equity Shares	2	0.17	-	0.50	0.67
Quoted Mutual Funds	7	1,085.09	-	-	1,085.09
Trade Receivables	8	-	-	-	-
Cash and Bank Balances	10 & 11	-	-	-	-
Other Receivables	4	-	-	-	-
Total financial assets	-	**1,085.26**	**-**	**0.50**	**1,085.76**
Financial liabilities					
Borrowings	16	-			-
Trade Payables	17	-	-	-	-
Other Liabilities	13	-	-	-	-
Total financial liabilities	-	**-**	**-**	**-**	**-**

There were no transfers between any levels during the year.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net assets value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

b) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

i) the use of quoted market prices or dealer quotes for similar instruments

ii) the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

iii) the fair value of forward foreign exchange contracts are determined using forward exchange rates at the Balance Sheet date

iv) the fair value of foreign currency option contracts is determined using the Black Scholes valuation model.

v) the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 1 and 2.

c) Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO).

d) Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Investments:				
Unquoted Equity Shares	-	-	0.50	0.50
Trade receivables	1,804.60	1,804.60	578.99	578.99
Loans	309.77	309.77	434.12	434.12
Others	76.26	76.26	72.57	72.57
Cash and bank balances	2,206.38	2,206.38	2,564.01	2,564.01
Total financial assets	**4,397.02**	**4,397.02**	**3,650.19**	**3,650.19**
Financial liabilities				
Borrowings	911.36	911.36	-	-
Trade payables	2,410.03	2,410.03	1,740.56	1,740.56
Other liabilities	536.90	536.90	485.79	485.79
Total financial liabilities	**3,858.30**	**3,858.30**	**2,226.35**	**2,226.35**

The carrying value of equity shares at cost is net of impairment provision made.

The carrying amounts of trade receivables, trade payables, other receivables, short-term security deposits, bank deposits with more than 12 months maturity, capital creditors and cash and cash equivalents including bank balances other than cash and cash equivalents are considered to be the same as their fair values due to the current and short-term nature of such balances.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

35 Financial Risk Factors

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk or its financial performance. The Company's risk management assessment, policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

The Company has exposure to the following risks arising from financial instruments:

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This exposure is principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The company has established norms for stage wise payments to lower the exposure. International transactions are backed by Letters of credit, confirmed by reputed banks, wherever found necessary. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company takes a significant advance for its machine and has no history of any significant defaults from the customers end in payment of the sale consideration. And therefore has no history of expected credit loss.

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows (before allowance for doubtful debts):

Particulars	As at 31st March, 2020	As at 31st March, 2019
Neither past due nor impaired	-	-
Past due but not impaired		
Past due 1 – 90 days	1,796.47	480.71
Past due 91 – 180 days	3.94	87.35
Past due 181 – 270 days	3.65	6.06
Past due 271 – 360 days	0.54	-
Past due more than 360 days	-	4.87

Cash and cash equivalents

The Company held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of Rs. 2206.38 lakhs (31 March 2019: Rs. 2564.01 lakhs). The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31st March 2020 the Company has working capital of Rs. 5268.53 lakhs (31 March 2019: Rs. 8074.59 lakhs) which is calculated as current assets less current liabilities.

Investment Risk

The investment of the Company in subsidiary companies is exposed to risks that the business of the subsidiary company is exposed. Accordingly the Company's investment in its US subsidiary has been considerably impaired due to the business risk faced by the subsidiary resulting in the erosion of its value.

Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and non-current. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in USD and EURO against the respective functional currency of the Company.

The Company does not use any derivative financial instruments to hedge foreign exchange and interest rate exposure. The company continuously monitors the foreign currency exposures and considering the natural hedge, selectively contracts for plain forward covers whenever found necessary.

36 Financial Risk Management

a) Management of liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance sheet date:

Particulars	Note	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2020					
Borrowings	16	911.36	911.36	-	911.36
Trade payables	17	2,410.03	2,410.03	-	2,410.03
Other liabilities	13	536.90	529.45	7.46	536.90
As at March 31, 2019					
Borrowings	16	-	-	-	-
Trade payables	17	1,740.56	1,740.56	-	1,740.56
Other liabilities	13	485.79	478.10	7.69	485.79

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Foreign Currency Risk Exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rs., are as follows:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	2,129,460	-	365,591	-
Advance to suppliers	-	105	1,781	1,064
Net exposure to foreign currency risk (assets)	**2,129,460**	**105**	**367,372**	**1,064**
Financial liabilities				
Borrowings	-	-	-	-
Trade payables	55,000	139,131	-	16,443
Advane from customers		-	18	3,803
Net exposure to foreign currency risk (liabilities)	**55,000**	**139,131**	**18**	**20,246**

37 CAPITAL MANAGEMENT

Risk management

The primary objective of the Company's Capital Management is to maximise shareholder value. The Company monitors capital using Debt-Equity ratio, which is total debt divided by total capital plus total debt.

For the purposes of the Company's capital management, the Company considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the Balance Sheet includes General reserve, Retained earnings, Share capital, Security premium. Total debt includes current debt plus non-current debt and subtracting cash and cash equivalents.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total capital divided by net debt.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Borrowings	911.36	-
Less: cash and cash equivalents	169.05	484.17
Net debt	742.31	(484.17)
Total Debt	911.36	-
Total Equity	15,309.89	19,130.59
Gearing Ratio	**0.06**	**-**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

38 COVID 19

The spread of Covid 19 has affected the business operations post the national lock down. The Company has taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities. The Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

39 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the accompanying notes forms an integral part of the financial statements of the Company for the year ended March 31, 2020.

As per our report of even date attached

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
M.No. 124960

Mumbai, Date: June 29, 2020

For and on behalf of the Board of Directors

Sanjay S. Shah Vice Chairman and Managing Director
(DIN : 00248592)

Pradeep S. Shah Managing Director
(DIN : 00248692)

Mihir V. Mehta Company Secretary

Amit Jain Chief Financial Officer

Mumbai, Date: June 29, 2020

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Statement 1

Related Parties Transactions - Referred to in Note 31

Particulars		FY 2019-20	FY 2018-19
Sale of Goods			
Entities where significant influence exists			
- Multigraph Machinery Kenya Limited		55.94	31.67
- Mercongraphic FZC		2,093.63	2,227.35
	Total	**2,149.57**	**2,259.02**
Service Charges received			
Entities where significant influence exists			
- Multigraph Machinery Kenya Limited		3.87	7.43
- Mercongraphic FZC		18.02	89.12
	Total	**21.89**	**96.55**
Commission paid			
Entities where significant influence exists			
- Multigraph Machinery Co. Ltd.		338.52	1,038.40
	Total	**338.52**	**1,038.40**
Rent Received			
Entities where significant influence exists			
- Multigraph Machinery Co. Ltd.		24.25	25.62
- Manubhai Sons & Co.		1.32	1.44
	Total	**25.57**	**27.06**
Professional charges paid			
Entities where significant influence exists			
- Desai & Diwanji		-	2.00
	Total	**-**	**2.00**
Managerial Remuneration paid			
Key Management Personnel			
- Sanjay S. Shah		126.71	126.71
- Pradeep S. Shah		126.72	126.71
- B.B. Nandgave		26.78	28.29
	Total	**280.21**	**281.71**
Post employment benefits of Directors *			
Directors' Fees			
Key Management Personnel			
- Sanat M. Shah		0.60	0.75

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Particulars		FY 2019-20	FY 2018-19
- Hiten C. Timbadia		1.47	1.84
- Amit N. Dalal		0.45	0.85
- Perses M. Bilimoria		1.47	1.84
- Abhay J. Mehrotra		1.47	1.54
- Jai S. Diwanji		0.60	0.85
- Sohni H. Daswani		-	0.30
- Basheera Indorewala		0.60	0.70
	Total	**6.66**	**8.67**
Re-imbursement of expenses received			
Entities where significant influence exists			
- Multigraph Machinery Co. Ltd.		-	0.29
- Multigraph Machinery Kenya Limited		1.59	-
- Mercongraphic FZC		35.78	52.67
	Total	**37.37**	**52.96**
Provision of Investments made during the year			
- Manugraph Americas Inc.		70.00	400.00
	Total	**70.00**	**400.00**
Part proceeds on account of liquidation of the Company			
- Manugraph Americas Inc.		453.83	-
	Total	**453.83**	**-**
Outstanding Receivables			
Subsidiaries			
- Manugraph Americas Inc.		-	1.72
	Sub Total	-	**1.72**
Entities where significant influence exists			
- Multigraph Machinery Kenya Limited		10.38	2.27
- Mercongraphic FZC		122.75	246.34
	Sub Total	**133.13**	**248.61**
	Total	**133.13**	**250.33**
Balance of Investment in Equity Shares / Preferred Stock - Manugraph Americas Inc.		13,066.74	13,066.74
Less Provision made		12,470.00	12,400.00
Less - Part proceeds on account of liquidation of the Company		453.83	-
	Total	**142.90**	**666.74**
Contract Payable- Unearned Installation Income			
Entities where significant influence exists			
- Mercongraphic FZC		11.03	-
	Total	**11.03**	**-**
Outstanding Payables			
Entities where significant influence exists			
- Multigraph Machinery Co. Ltd.		40.34	66.40
	Total	**40.34**	**66.40**

* The managing directors and whole time director (works) are entitled to gratuity on retirement which amount will be computed in accordance with the provisions of The Payment of Gratuity Act. The Company presently makes provision on actuarial basis for entire employee data including the managing directors and whole time director(works).

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Manugraph India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Manugraph India Limited (hereinafter referred to as the "Holding Company") and its subsidiary (The Holding Company and its Subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements")

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020 and consolidated loss and Other Comprehensive Income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 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.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr No	Key Audit Matter	Auditor's Response
1.	***Physical Verification of Inventories*** The Company has inventories consisting of its raw materials, packing materials, work-in-progress, finished goods, stores and spares and consumables. The Company has its manufacturing operations in Kolhapur Factory (Unit I and II). The management of the Company carried out physical verification of its inventories of Work-In-Progress and finished goods along with the internal auditors after the year-end and provided details thereof to us as auditors. Due to various restrictions imposed due to COVID-19 outbreak, it was impractical for us auditors to physically attend the inventory counting as at March 31, 2020. We were present during the verification of the Raw material and manufactured components in February, 2020 as part of the annual schedule.	***Principal Audit Procedures*** Our alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories include the following: • Obtained physical verification documents of WIP and Finished goods conducted by Management and Internal Auditor on May 14, 2020. • Since the factory was totally shut during the period of lockdown there was no movement in the stock taken on May 14, 2020 as compared to the stock as at March 31, 2020. • Evaluated the control design in respect of inventory process and testing whether such controls have operated effectively during the period of audit. Our prior experience of earlier visits where the Internal auditors also were present assisted in our evaluation.

	We have performed alternative audit procedures to obtain sufficient appropriate audit evidence regarding the existence and condition of inventories. This matter is considered to be key audit matter given the circumstances of COVID-19 vis-à-vis non-COVID-19 scenario when as part of the audit process we used visit and oversee the inventory verification process.	• Obtained details/documents of existence of physical inventories as carried out by the management. • Rollback and cut-off procedures were applied to arrive at the inventories as verified by the Company as at the year-end.

Emphasis of Matter

We draw attention to Note 43 to the standalone financial statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management. Our opinion is not modified in respect of this matter.

Other Information

The Holding Company's Management and Board of Directors are responsible for the Other Information. The "Other Information" comprises of the Report of the Board of Directors, Management Discussions and Analysis, Corporate Governance, Statement containing salient features of financial statements of Subsidiaries in AOC 1 excluding the Consolidated Financial Statements and our Independent Auditors' Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated 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.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements.

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 consolidated 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.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

1. 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.
2. We 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 company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. We 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 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 Company to cease to continue as a going concern.
5. We 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.

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

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

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

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

Other Matters

a. We did not audit the financial statement of the subsidiary which is under Court monitored liquidation, whose financial statements reflect total assets of Rs.629.45 lakhs as at 31st March, 2020, total revenues of Rs. NIL and net cash flows amounting to Rs.644.46 lacs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements are unaudited and 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 sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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 financial statements prepared by the Management.

Report on Other Legal and Regulatory Requirements

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

a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors and the management prepared financial statement of one subsidiary.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Cash Flow Statement dealt with by this Report are in agreement 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 35 to the Consolidated Financial Statements.

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

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No- 106971W

Nuzhat Khan
Partner
M. No. – 124960
Mumbai, Dated: June 29, 2020
UDIN : 20124960AAAAFT9480

Annexure - A to the Auditors' Report

Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of **Manugraph India Limited** (hereinafter referred to as 'the Holding Company') as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 ('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

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and Subsidiary 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 with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Financial Statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control 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 Financial Statements.

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

Opinion

In our opinion, the Holding Company, has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, 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 **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No- 106971W

Nuzhat Khan
Partner
M. No. – 124960
Mumbai, Dated: June 29, 2020
UDIN : 20124960AAAAFT9480

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(Rs. in Lakhs)

Particulars	Note Ref	As at March 31, 2020	As at March 31, 2019
I ASSETS			
1 Non-Current Assets			
(a) Property, Plants & Equipments	1A	9,383.26	9,579.17
(b) Intangible Assets	1B	144.40	163.46
(c) Goodwill	2	-	-
(d) Financial Assets			
(i) Investments	3	0.06	0.67
(ii) Loans	4	218.91	310.24
(iii) Other Financial Assets	5	49.57	53.10
(e) Other Non-Current Assets	6	1,686.02	1,884.15
Total Non-current Assets		11,482.22	11,990.79
2 Current Assets			
(a) Inventories	7	6,218.39	8,029.17
(b) Financial Assets			
(i) Investments	3	-	1,085.09
(ii) Trade Receivables	9	1,804.60	577.27
(iii) Cash and cash equivalents	10	321.30	1,280.88
(iv) Bank balances other than (iii) above	11	2,037.33	2,079.84
(v) Loans	4	90.86	123.88
(vi) Other Financial Assets	5	26.69	19.47
(c) Other current assets	6	671.19	406.71
(d) Non current Assets held for sale	12	23.37	21.44
Total Current Assets		11,193.73	13,623.75
TOTAL ASSETS		**22,675.95**	**25,614.54**
II EQUITY & LIABILITIES			
Equity			
(a) Equity share capital	13	608.30	511.23
Equity share capital (Suspense)	14A	-	97.07
(b) Other equity	14	14,591.62	18,410.80
Total equity		15,199.92	19,019.10
Liabilities			
1 Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Other Financial Liabilities	18	7.46	7.69
(b) Other Liabilities	20	-	-
(c) Provisions	16	225.16	290.06
(d) Deferred Tax Liabilities (Net)	17	1,351.15	1,303.78
Total Non-current Liabilities		1,583.76	1,601.53
2 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	911.36	-
(ii) Trade Payables			
- Micro Small and Medium Enterprises	19	132.58	39.72
- Others	19	2,289.93	1,807.78
(iii) Other Financial Liabilities	18	529.45	478.10
(b) Other Liabilities	20	992.64	1,695.61
(c) Provisions	16	1,036.30	972.70
Total Current Liabilities		5,892.26	4,993.91
Total Liabilities		7,476.02	6,595.44
TOTAL EQUITY AND LIABILITIES		**22,675.95**	**25,614.54**

The accompanying Notes form an integral part of the Financial Statements

As per our report of even date attached

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
M.No. 124960

Mumbai, Date: June 29, 2020

For and on behalf of the Board of Directors

Sanjay S. Shah Vice Chairman and Managing Director
(DIN : 00248592)

Pradeep S. Shah Managing Director
(DIN : 00248692)

Mihir V. Mehta
Company Secretary

Amit Jain
Chief Financial Officer

Mumbai, Date: June 29, 2020

Consolidated Statement of Profit and Loss for the period ended March 31, 2020

(Rs. in Lakhs)

	Particulars	Note Ref	2019-2020	2018-2019
I	Revenue from Operations	21	12,102.10	25,104.11
II	Other Income	22	335.68	540.13
III	**Total Income (I + II)**		**12,437.78**	**25,644.24**
IV	**Expenses:**			
	Cost of Materials Consumed	23	7,102.45	16,555.79
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	24	1,226.51	(753.11)
	Employee Benefit Expenses	25	4,492.76	5,453.05
	Finance Cost	26	157.77	137.87
	Depreciation & Amortisation Expense	27	242.47	444.60
	Other Expenses	28	2,259.72	4,758.53
	Total Expenses (IV)		**15,481.68**	**26,596.73**
V	**Profit / (loss) Before exceptional items and Tax (III - IV)**		**(3,043.90)**	**(952.49)**
VI	Exceptional Items	29		
	1) Compensation under VRS and seperated employees		(331.94)	(232.52)
VII	**Profit / (Loss) Before Tax (V - VI)**		**(3,375.84)**	**(1,185.01)**
	1. Current Tax		-	-
	2. Deferred Tax		83.69	(74.23)
	3. Tax adjustment of previous years		4.44	19.97
VIII	Tax Expense	30	88.14	(54.26)
IX	**Profit / (Loss) for the period from continuing operations**		**(3,463.98)**	**(1,130.77)**
X	Profit/(Loss) from discontinued operations		(66.93)	(502.99)
XI	Tax Expense of discontinued operations		-	-
XII	Profit/(Loss) from Discontinued Operations after Tax		(66.93)	(502.99)
XIII	**Profit / (Loss) for the period (IX+XII)**		**(3,530.91)**	**(1,633.76)**
	Other Comprehensive Income			
	A Item that will not be reclassified to Statement of Profit and Loss			
	(i) Remeasurement gain / (loss) on defined benefit plans		(139.71)	(10.94)
	(ii) Income tax relating to items that will not be reclassified to Statement of profit and loss		36.32	0.34
	B Item that will be reclassified to Statement of Profit and Loss		-	-
	(i) Exchange difference in translating the financial statement of foreign operation		(1.5)	66.04
XIV	**Other Comprehensive Income for the year, net of tax**		**(104.92)**	**55.44**
XV	**Total Comprehensive Income for the year, net of tax**		**(3,635.84)**	**(1,578.32)**
XVI	**Earnings per Equity Share: (For Continuing Operation)**	31		
	Before exceptional items - Basic & Diluted (in Rs.)		(10.17)	(3.14)
	After exceptional items - Basic & Diluted (in Rs.)		(11.39)	(3.72)
	Par Value		2.00	2.00
XVII	**Earnings per Equity Share: (For Discontinued Operation)**			
	Basic & Diluted (in Rs.)		2.00	(1.65)
	Par Value		2.00	2.00
XVIII	**Earnings per Equity Share: (For Discontinued and Continuing Operation)**			
	Before exceptional items - Basic & Diluted (in Rs.)		(10.39)	(4.80)
	After exceptional items - Basic & Diluted (in Rs.)		(11.61)	(5.37)
	Par Value		2.00	2.00
	The accompanying Notes form an integral part of the Financial Statements			

As per our report of even date attached

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
M.No. 124960

Mumbai, Date: June 29, 2020

For and on behalf of the Board of Directors

Sanjay S. Shah Vice Chairman and Managing Director
(DIN : 00248592)

Pradeep S. Shah Managing Director
(DIN : 00248692)

Mihir V. Mehta Company Secretary

Amit Jain Chief Financial Officer

Mumbai, Date: June 29, 2020

Consolidated Statement of Cash Flows for the year ended March 31, 2020

(Rs. in Lakhs)

	Particulars		2019-20		2018-19	
A.	**CASH FLOW FROM OPERATING ACTIVITIES**					
	Profit / (Loss) before tax			(3,442.78)		(1,688.00)
	Add :	Depreciation & Amortisation expense	242.47		444.60	
		Cumulative Catch-up impact of Ind AS 115	-		(17.91)	
		Finance Cost	97.11		92.67	
		Actuarial Gain / (loss) on obligation	(139.71)		(10.94)	
		Fixed assets scrapped	0.03		0.84	
		Loss/(Gain) on disposal of assets	(12.21)		(53.48)	
		Loss on disposal of investments	-		284.11	
		Sundry debit balances written off	22.65		4.17	
		Sundry credit balances appropriated	(3.58)		(28.18)	
		Provision for gratuity	114.75		(84.42)	
		Provision for earned leave wages	(81.71)		(7.11)	
		Provision for warranty	(17.42)		41.39	
		Dividend income	(0.05)		(0.05)	
		Profit on sale of investments	(81.40)		(189.24)	
		Net gain on financial assets measured at FVTPL	-		(47.73)	
		Exchnage Gain / Loss	(1.54)		66.04	
		Excess provision written back	(16.94)		(2.97)	
		Interest received on deposits	(148.41)		(171.19)	
		Income tax pertaining to previous year	-		(0.15)	
			-	(25.95)		320.45
	Operating profit before working capital changes			(3,468.72)		(1,367.55)
	Working capital changes					
		Trade payable and other liabilities	(66.97)		(2,822.75)	
		Inventory changes	1,810.78		(128.96)	
		Trade receivables	(1,227.33)		1,218.11	
		Loans & Advances	(74.31)		1,707.52	
				442.17		(26.08)
	Cash generated from operations			(3,026.56)		(1,393.63)
	Deduct: Direct taxes			(102.88)		(8.54)
	Net cash from operating activities			**(2,923.68)**		(1,385.07)

Consolidated Statement of Cash Flows for the year ended March 31, 2020

(Rs. in Lakhs)

	Particulars	2019-20		2018-19	
B	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of fixed assets including CWIP	(48.65)		(108.02)	
	Purchase of investments	-		(2,147.77)	
	Sale of fixed assets	33.36		78.56	
	Assets held for sale	(1.93)		524.41	
	Sale of investments	1,167.11		6,055.07	
	Dividend received	0.05		0.05	
	Other bank balances	42.51		(2,023.83)	
	Interest received	147.06		158.57	
	Net cash flow from investing activities	**-**	**1,339.50**		2,537.04
C	**CASH FLOW FROM FINANCING ACTIVITIES**				
	Interest paid	(92.11)		(92.67)	
	Dividend paid including dividend tax	(194.65)		(194.77)	
	Borrowings during the year	911.36		(252.10)	
	Net cash flow from financing activities	**-**	**624.59**		(539.54)
	Net cash flow from Operating, Investing and Financing activities		**(959.58)**		612.43
	Cash and cash equivalents at the beginning of the year		1,280.88		668.45
	Add: Net cash flow from Operating, Investing and Financing activities		(959.58)		612.43
	Cash and cash equivalents at the end of the year		321.30		1,280.88

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Statement of Cash Flows as notified under the Companies (Indian Accounting Standards) Rules, 2015.

As per our report of even date attached

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
M.No. 124960

Mumbai, Date: June 29, 2020

For and on behalf of the Board of Directors

Sanjay S. Shah Vice Chairman and Managing Director
(DIN : 00248592)

Pradeep S. Shah Managing Director
(DIN : 00248692)

Mihir V. Mehta Company Secretary

Amit Jain Chief Financial Officer

Mumbai, Date: June 29, 2020

Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

(Rs. in Lakhs)

Particulars	No. of shares	Amount
Balance as at April 1, 2018	2,55,61,561	511.23
Issued during the year	-	-
Balance as at March 31, 2019	2,55,61,561	511.23
Issued during the year	48,53,500	97.07
Balance as at March 31, 2020	**3,04,15,061**	**608.30**

B. Other Equity

Particulars	Other Equity								Total Other Equity
	Reserves and Surplus								
	Capital Reserve*	Capital Reserve on Amalgamation **	Capital Redemption Reserve***	Security Premium Reserve	General Reserve	Reserve u/s 45 IC	Retained Earnings	Other Comprehen-sive Income	
As at 31st March, 2018	**72.00**	**128.00**	**110.58**	**2,145.06**	**9,310.83**	**142.00**	**8,298.25**	**(7.70)**	**20,199.02**
Profit for the period	-	-	-	-	-		(1,633.76)	66.04	**(1,567.72)**
Transfer to/from reserves	-	-	-	-	142.00	(142.00)	-		-
Dividend	-	-	-	-	-	-	(153.37)		**(153.37)**
Tax on Dividend	-	-	-	-	-	-	(38.64)		**(38.64)**
Cumulative Catch-up impact of Ind AS 115	-	-	-	-	-	-	(17.91)		**(17.91)**
Actuarial gain/(loss) on gratuity (Net of tax thereon)	-	-	-	-	-	-	(10.60)		**(10.60)**
As at 31st March, 2019	**72.00**	**128.00**	**110.58**	**2,145.06**	**9,452.83**	**-**	**6,443.98**	**58.34**	**18,410.80**
Profit for the period	-	-	-	-	-	-	(3,530.91)	(1.54)	**(3,532.45)**
Dividend	-	-	-	-	-	-	(152.08)		**(152.08)**
Tax on Dividend	-	-	-	-	-	-	(31.26)		**(31.26)**
Actuarial gain/(loss) on gratuity (Net of tax thereon)	-	-	-	-	-	-	(103.38)		**(103.38)**
As at 31st March, 2020	**72.00**	**128.00**	**110.58**	**2,145.06**	**9,452.83**	**-**	**2,626.35**	**56.80**	**14,591.62**

* Rs.20 lakhs taken over from Manuweb International Limited during the year ended March 31,1995 and Rs.50 lakhs is Capital Subsidy received from State Government.

** Taken over from erstwhile Manuweb International Limited on amalgamation: Pursuant to the Scheme of Amalgamation of Manuweb international Limited(Manuweb) with the company, sanctioned by the Bombay High Court order dated 30th March,1995, the assets and liabilities of Manuweb were transferred to and vested in the company with effect from 1st April,1994. Accordingly,effect has been given to the scheme in the accounts.

*** Created by transfer from General Reserve during the year ended March 31, 2002 pursuant to the buy back of equity shares.

As per our report of even date attached

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
M.No. 124960

Mumbai, Date: June 29, 2020

For and on behalf of the Board of Directors

Sanjay S. Shah — Vice Chairman and Managing Director
(DIN : 00248592)

Pradeep S. Shah — Managing Director
(DIN : 00248692)

Mihir V. Mehta — Company Secretary

Amit Jain — Chief Financial Officer

Mumbai, Date: June 29, 2020

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

A. Corporate Information

Manugraph India Limited (hereinafter referred to as "MIL" or "the company") a public company domiciled in India, was incorporated under the provisions of the Companies Act, 1956 in the year 1972.

The company is the largest manufacturer of single width web-offset printing presses in India and has a significant share of the world market for its products. The manufacturing facilities are located at Kolhapur in India. The company has its in-house R&D facilities with a combined strength of over 50 engineers. The R&D facilities are recognized by Department of Scientific and Industrial Research – Ministry of Science and Technology, Government of India.

The Consolidated Financial Statements of the Group for the year ended March 31, 2020 were authorised for issue in accordance with the resolution passed at the meeting of the Board of Directors on June 29, 2020.

B. Basis of Consolidation:

The consolidated financial statements comprise the financial statements of the Company and its subsidiary. Control is achieved when the company has:

- power over the investee
- is exposed or has rights to variable returns from its involvement with the investee, and
- has the ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including :

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Company's voting rights and potential voting rights
- The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent company, i.e., year ended on March 31. When the end of reporting period of the Parent is different from that of subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Parent to enable the Parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

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(b) Offset (eliminate) the carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The following subsidiary has been consolidated into the parent and the parent's holding thereon is as under:

Sr. No.	Name of the subsidiary companies	Country of Incorporation	Percentage Holding
1.	Manugraph Americas Inc.	USA	100%

C. Significant accounting policies

a. Basis of preparation of Financial Statements

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Financial Statements comply in all material respects with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Critical Estimates and Judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements. Difference between the actual results and estimates are recognised in the period in which the results are known.

The areas involving critical estimates or judgements are:

Estimation of useful life of tangible assets: Note 2

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

c. Operating cycle

The operating cycle of the business of the Company is twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

d. Current / Non-current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

i) the asset / liability is expected to be realised / settled in the Company's normal operating cycle;

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

ii) the asset is intended for sale or consumption;

iii) the asset / liability is held primarily for the purpose of trading;

iv) the asset / liability is expected to be realized / settled within twelve months after the reporting period;

v) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;

vi) in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current / non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

e. Historical cost convention:

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

- certain financial assets and liabilities that are measured at fair value
- certain assets and liabilities classified as held for sale that are measured at net realisable value.

f. Significant Accounting Policies

This Note provides a list of the significant Accounting Policies adopted by the Company in the preparation of these Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

i) **FOREIGN CURRENCY TRANSACTIONS**

Functional and presentation currency

Items included in the Consolidated Financial Statements of the Group are measured using the currency of the primary economic environment in which the Group operates (‘the functional currency’). The Consolidated Financial Statements of the Group are presented in Indian Rupees (Rs.), which is also the functional and presentation currency of the Group.

Transactions and balances

i) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

ii) Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date.

iii) Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

iv) Losses arising on account of transactions covered by forward contract is recognised over the period of the contract.

v) Monetary assets and liabilities at the end of the year are converted at the year end rate and the resultant gain or loss is accounted for in the Income Statement.

The Group has not used any derivative instrument except forward contracts which have been used for hedging the foreign currency exposure. The Group does not undertake any speculative or trading activity through derivative instruments.

ii) **Revenue Recognition**

i) The company earns revenue primarily from sale of web-offset printing presses in India and abroad. The company also provides after sale services.

ii) Effective April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces AS 18. The company has

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

adopted Ind AS 115 using the cumulative catch up transition method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under AS 18. Refer note 1(c) – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per AS 18. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

iii) **Time of recognition** : Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. There are two types of contracts i.e. Composite Contract where installation income is inclusive of the contract price and Recoverable Contract where installation income is charged separately.

Revenue from Fixed Price (Composite) Contract is allocated between supply of machine obligation and installation obligation. The revenue from supply is recognized when all the components of the machine are delivered to the customer. Installation income is booked on pro-rata basis when installation is started.

Revenue from Recoverable Contract is recognized when all the components of the machine are delivered to the customer. Installation income is booked on pro-rata basis when installation is started.

The revenue from supply is recognized at the point in time when the machines are delivered to the customer.

Revenue from installation income is recognized over time as the installation work progresses.

The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

Contract Asset is termed as Unbilled Revenue and Contract Liability is termed as Advance from Customers.

Revenue from services is accounted on percentage completion method and is recognised in the accounting period in which the services are rendered.

Eligible export incentives are recognised in the year in which the conditions precedent are met and there is no significant uncertainty about the collectability.

iv) **Measurement of revenue**: Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as Goods and Services Tax (GST). Discounts given include rebates, price reductions and other incentives given to customers. No element of financing is deemed present as the sales are made with a payment term which is consistent with market practice.

- Revenue in respect of Insurance /other claims, commission etc. are recognised only when it is reasonably certain that the ultimate collection will be made.
- Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- Dividend income is recognised when the right to receive the same is established.
- Current investments are marked to market at the end of the relevant period and the resultant gains or losses are recognised in the Income statement.

iii) **Income Taxes**

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid are recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set off against the normal tax liability. Such asset is reviewed at each Balance Sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. However, deferred tax liabilities are not recognised if they arise from the initial recognition of Goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit | (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Balance Sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in equity, respectively.

iv) **Leases**

Long term lease arrangements of land are treated as Property, Plant and Equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

<u>The Company as a lessee</u>

The Company's lease asset classes primarily consist of leases handling equipment's. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

v) **Property, Plant And Equipment**

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

Property, plant and equipment are stated at original cost net of tax / duty credit availed, less accumulated depreciation and accumulated impairment losses, if any. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Spare parts, stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as 'capital advances' under other non-current assets and the costs of assets not ready for the intended use before balance sheet date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that it increases the future economic benefits associated with the asset beyond the previously assessed standard of performance and these will flow to the Company and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell, and depreciation ceases on such assets

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end, changes there in are considered as estimates and accordingly accounted for adjusted prospectively.

Cost of borrowing for assets taking substantial time to be ready for use is capitalised for the period upto the time the asset is ready to use.

Intangible assets are stated at cost of construction less accumulated amortised amount and accumulated impairment losses, if any.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

Transition to Ind AS:

On transition to Ind AS, the Company has exercised the option under Para D5 of Ind AS 101, First Time Adoption of Indian Accounting Standards (Ind AS 101), and elected to measure certain land at fair value and as regards other items of property, plant and equipment, they were accounted for (retrospectively) as per Ind AS .

Depreciation

Tangible Fixed Assets : Depreciation on all assets of the Company is charged on straight line method over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year.

The Company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act.

The residual values are not more than 5% of the original cost of the asset.

The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end, changes there in are considered as change in an estimate and accordingly accounted for prospectively.

vi) **Intangible Fixed Assets**

Intangible assets are amortized by straight line method over the estimated useful life of such assets. The useful life is estimated based on the evaluation of future economic benefits expected of such assets. The amortisation period and amortisation method are reviewed atleast at each financial year end. If the expected useful life of assets is significantly different from previous estimates, the amortisation period is changed accordingly.

Computer Software includes enterprise resource planning project and other cost relating to software which provides significant future economic benefits. These costs comprise of license fees and cost of system integration services.

Development expenditure qualifying as an intangible asset, if any, is capitalised, to be amortised over the economic life of the product / patent.

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Intangible assets are amortized by straight line method over the estimated useful life of such assets.

vii) **Impairment Of Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal / external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised. An impairment loss is charged to the Income statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Goodwill, intangible assets having indefinite useful life and intangible assets currently not in use by the company are tested for impairment annually and also whenever there are indicators of impairments.

Reversal of impairment of Goodwill is not recognized.

viii) **Cash And Cash Equivalents**

Cash and cash equivalents include cash in hand, cash in bank, cheques on hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

ix) **Trade Receivable**

Trade receivables are initially recognised as per Ind AS 18 'Revenue' and these assets are held at amortised cost.

x) **Trade and Other Payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

xi) **Inventories**

Raw materials and components, packing materials, purchased finished goods, work-in-progress, finished goods manufactured, fuel, stores and spares other than specific spares for machinery are valued at cost or net realisable value whichever is lower. Cost of inventories is ascertained on the weighted average basis.

Work -in -Progress include the cost of purchase, appropriate share of cost of conversion and other overhead incurred in bringing the inventory to its present location and condition and measured at lower of cost or net realisable value

'Cost' comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to the present location and condition. Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company.

Finished products are valued at lower of cost and net realisable value Cost is computed including Material, Labour and Overheads related to the manufacturing operations.

Items such as spare parts, stand-by equipment and servicing equipment which is not property, plant and machinery gets classified as inventory.

xii) **Financial Instruments**

Classification

Financial Assets

The company classifies its financial assets in the following measurement categories:

i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss)

ii) Those to be measured at amortised cost

The classification depends upon the business model of the entity for managing financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

Initial recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not carried at fair value through profit or loss are added to the fair value on initial recognition. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

Subsequent measurement

After initial recognition, financial assets are measured at :

i) Fair Value (either through Other Comprehensive Income (FVOCI) or through profit or loss (FVTPL) or

ii) Amortised cost

Non-derivative financial instruments

i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, using the EIR method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

ii) Financial assets at fair value through other comprehensive income (FVOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Fair value movements are recognised in the Other Comprehensive Income (OCI). The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

iii) Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Financial liabilities

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

De-recognition

A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

Investment in subsidiaries

Investments in subsidiary companies are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank.

Derecognition of financial instruments

A financial asset is de-recognised only when

i) The Company has transferred the rights to receive cash flows from the financial asset or

ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment

Financial assets

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to 12-month ECL, unless there has been a significant increase in credit risk for initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xiii) **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

xiv) **Borrowing Costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

xv) **Provisions And Contingent Liabilities**

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provision for Product related warranty costs is based on the claims received upto the year end as well as the management estimates of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

xvi) **Employee Benefits**

Short Term Employee Benefits

All Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized in the period in which employee renders the related service except leave encashment.

Other Long-Term Employee Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the Balance Sheet date, determined based on actuarial valuation using Projected Unit Credit Method. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Defined Contribution Plans

Defined contribution fund are government administered provident fund scheme, employee state insurance scheme for all employees. Company also contributes towards a Superannuation fund administered by the Employees Welfare trust. This scheme is funded with an insurance company in the form of a qualifying insurance policy and other permissible securities. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the financial year to which they relate.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

Defined Benefit Gratuity Plan

The Company's gratuity benefit scheme is a defined benefit retirement plan covering eligible employees. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government Securities as at the Balance Sheet date.

Actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Past service cost is recognised in the statement of profit and loss in the period of plan amendment.

xvii) **Earnings Per Share**

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing net profit net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares unless the results would be anti - dilutive. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

xviii) **Exceptional Items**

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the company is such that its disclosure improves the understanding of the performance of the company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

xix) **Fair Value Measurement**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation ofvalue, and such value may never actually be realized.

xx) **Statement Of Cash Flow**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xxi) **Dividends**

The final dividend on shares is recorded as a liability on the date of approval by shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

1. Significant Accounting Policies and other related disclosures for the year ended March 31, 2020.

xxii) **Research And Development Expenditure**

Research and Development expenditure is charged to revenue under the natural heads of account in the year in which it is incurred. Research and Development expenditure on property, plant and equipment is treated in the same way as expenditure on other property, plant and equipment.

xxiii) **Other Income**

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain / loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest rate method on accrual basis. Dividend income is recognized when right to receive payment is established.

xxiv) **Business Combination**

Business combination involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities.

Business Combination of entities under common control is in accordance with the Appendix C "Business Combination under Common Control". The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

The difference between the carrying values of net identifiable assets and liabilities of the acquired entities transferred to the company pursuant to the scheme are debited to Retained Earnings Account as defined under Appendix C Business Combination under Common Control.

The accompanying Notes form an integral part of the Financial Statements

(All the figures are in Rupees in Lakhs unless otherwise stated)

Note 1A: Property, Plant & Equipment

									Research and Development			
Particulars	Freehold land	Land under Finance Lease1	Buildings	Plant, Machinery & Equip-ment	Comput-ers	Other Equipments	Furniture & fittings	Vehicles	Gauges & Instru-ments	Computers	Prototype Machine	Total
Cost												
As at 1st April 2018	14.69	7,407.00	2,189.64	8,955.48	289.17	260.54	375.42	435.22	42.10	42.13	585.62	20,597.01
Additions	-	-	-	54.14	20.60	1.20	3.46	20.39	-	3.85	-	103.64
Disposals	-	-	23.77	12.87	10.66	1.11	-	32.75	-	0.38	-	81.54
As at 31st March 2019	**14.69**	**7,407.00**	**2,165.87**	**8,996.75**	**299.11**	**260.63**	**378.88**	**422.86**	**42.10**	**45.60**	**585.62**	**20,619.11**
Additions	-	-	-	11.27	3.76	0.70	-	32.92	-	-	-	48.65
Disposals	-	-	2.87	20.66	8.54	0.47	-	99.85	-	-	-	132.39
As at 31st March 2020	**14.69**	**7,407.00**	**2,163.00**	**8,987.36**	**294.33**	**260.86**	**378.88**	**355.93**	**42.10**	**45.60**	**585.62**	**20,535.37**
Depreciation / Amortisation												
As at 1st April 2018	-	-	1,048.99	8,008.51	257.44	236.65	346.73	264.96	39.68	32.47	441.48	10,676.90
Charge for the year	-	-	52.48	287.66	14.99	3.45	4.96	37.34	0.21	5.30	16.63	423.02
Disposals	-	-	5.94	12.05	10.38	1.05	-	30.19	-	0.38	-	59.98
As at 31st March 2019	-	-	**1,095.53**	**8,284.12**	**262.05**	**239.05**	**351.69**	**272.11**	**39.89**	**37.39**	**458.11**	**11,039.94**
Charge for the year	-	-	41.72	105.19	13.51	2.98	3.94	35.63	0.09	3.66	16.67	223.39
Disposals	-	-	1.34	16.84	7.67	0.45	-	84.92	-	-	-	111.22
As at 31st March 2020	-	-	**1,135.91**	**8,372.47**	**267.89**	**241.58**	**355.63**	**222.82**	**39.98**	**41.05**	**474.78**	**11,152.11**
Net Block												
As at 31st March 2019	14.69	7,407.00	1,070.34	712.63	37.06	21.58	27.19	150.75	2.21	8.21	127.51	9,579.17
As at 31st March 2020	**14.69**	**7,407.00**	**1,027.09**	**614.89**	**26.44**	**19.28**	**23.25**	**133.11**	**2.12**	**4.55**	**110.84**	**9,383.26**

Except the office premises in Ahmedabad, all the items of Property, Plant & Equipment are hypothicated to bank for availing overdraft facilities.
The title of assets which are transferred in the scheme of Amalagamation in the previous year are yet to be transfrerred in the name of the Company
Note 1B: Intangible assets

The accompanying Notes form an integral part of the Financial Statements

(All the figures are in Rupees in Lakhs unless otherwise stated)

Note 1B: Property, Plant & Equipment

Particulars	Technical Documentation & Know How	Computer Software	R & D Software	Total
Cost				
As at 1st April 2018	404.90	138.00	115.61	658.51
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31st March 2019	**404.90**	**138.00**	**115.61**	**658.51**
Additions	-	-	-	-
Disposals	-	2.61	-	2.61
As at 31st March 2020	**404.90**	**135.39**	**115.61**	**655.90**
Depreciation / Amortization				
As at 1st April 2018	251.95	112.01	109.50	473.46
Charge for the year	10.95	8.77	1.85	21.56
Disposals	-	-	-	-
As at 31st March 2019	262.90	120.78	111.35	495.02
Charge for the year	10.98	6.74	1.36	19.08
Disposals	-	2.61	-	2.61
As at 31st March 2020	**273.88**	**124.91**	**112.71**	**511.49**
Net Block				
As at 31st March 2019	**142.00**	**17.22**	**4.26**	**163.46**
As at 31st March 2020	**131.02**	**10.48**	**2.90**	**144.40**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

2 Goodwill on Consolidation

Particulars	As at 31st March, 2020	As at 31st March, 2019
	Nos.	Nos.
Goodwill on Consolidation	6,159.22	6,159.22
Less - Provision for diminution in value of Goodwill arising out of investment in Manugraph Americas Inc.	(6,159.22)	(6,159.22)
Total	-	-

(a) Goodwill on Consolidation amounting to Rs. 6,159.22 lakhs has arisen on consolidation between the Company and Manugraph Americas Inc. This Goodwill represents difference between the cost to Company of its Investment in the Subsidiary Company and the Equity Value on the date of acquisition.

(b) "Pursuant to the court monitored liquidation proceedings of Manugraph Americas Inc., the Company has reassessed the impairment of investment in Manugraph Americas Inc. All the assets have been disposed off and the financial statements of the said Manugraph Americas Inc. are prepared on realisable basis. Based on the reassessment of the residual value to equity holders, the Company has made a further provision of Rs.70 lakhs (PY 400 lakhs) during the current year resulting in aggregate provision of Rs. 12,470 lakhs in its standalone financial statements. The amount in excess of Goodwill on consolidation has been reversed in the consolidated financial statements as these statements incorporate the accumulated losses of the subsidiary."

3 Non-Current Investments

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
b) Investment in equity instruments of Other Company measured at FVPL				
Canara Bank alloted pursuant to merger with Syndicate Bank (PY : Syndicate Bank)	63	0.06	400	0.17
(Quoted)				
Shree Warna Sahakari Bank Limited	-	-	2000	0.50
(Unquoted) (shares of Rs. 25/- each)				
Total		**0.06**		**0.67**

Particulars	As at 31st March, 2020	As at 31st March, 2019
a. Aggregate of quoted investments		
- Cost	0.06	0.17
- Market Value	0.06	0.17
b. Aggregate of unquoted investments	-	0.50

ii The fair value of equity shares of Shree Warna Sahakari Bank Limited are considered equal to cost in the absence of information to determine fair value. The Company received dividend approximately @ 10% of its investment and therefore considers the fair value equal to the cost. The amount in any case is not material.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

4 Loan

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
(Unsecured considered good)				
Staff loans	218.91	90.86	310.24	123.88
Total	**218.91**	**90.86**	**310.24**	**123.88**

a) Investment by the loanee in the shares of the Company:

Loanee has, per se, not made investments in the shares of the Company.

5 Other Financial Assets

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
Sundry deposits - measured at amortised cost	49.03	-	52.55	-
Interest accrued on bank deposits	-	16.75	-	15.39
Other receivables	0.55	9.95	0.55	4.08
Total	**49.57**	**26.69**	**53.10**	**19.47**

6 Other Assets

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
(Unsecured considered good)				
Vat refund receivable	545.51	-	670.36	-
Balance with Revenue Authorities	19.47	345.03	19.47	267.15
Other Assets	-	111.58	-	-
Advances for expenses	2.00	89.68	1.93	52.34
Advance to suppliers	-	11.66	-	19.73
Export incentive receivables	-	107.46	-	37.38
Amount deposited in Escrow	33.97	-	-	-
Capital advance	-	-	0.02	-
Contract Asset - Unbilled Revenue	-	2.60	-	19.55
MEIS License in hand	-	3.18	-	10.56
Taxes paid net of provisions	1,085.07	-	1,192.37	-
Total	**1,686.02**	**671.19**	**1,884.15**	**406.71**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

7 Inventories

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Raw Material				
- In hand	922.81		1,472.43	
- In transit	-	922.81	-	1,472.43
Work In Progress		2,593.43		3,744.00
Finished Goods		1,005.78		742.92
Stores & Spares		98.92		116.12
Loose Tools (Consumable)		67.27		84.73
Manufactured components		1,530.17		1,868.97
Total		**6,218.39**		**8,029.17**

All the above inventories are hypothecated to the lenders as security towards working capital facilities.

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
(i) Amount of inventories recognised as an expense during the period	8,483.28	16,193.50
(ii) Amount of write - down of inventories recognised as an expense during the period	-	-
Total	**8,483.28**	**16,193.50**

8 Current Investments

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Investments in Mutual Funds (Quoted)				
Investments at fair value through P&L (fully paid)				
SBI Treasury Advantage Fund - Growth	-	-	27,161	583.15
HDFC Liquid Fund - Growth	-	-	13,713	501.94
Total	**-**	**-**	**40,874**	**1,085.09**

Particulars	As at 31st March, 2020	As at 31st March, 2019
i. Aggregate of quoted investments		
- Book Value	-	1,085.09
- Market Value	-	1,085.09
ii Aggregate of unquoted investments	-	-

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

9 Trade receivables - Current

Particulars	As at 31st March, 2020	As at 31st March, 2019
(Unsecured, Considered good, at amortised cost)		
Related Parties	130.41	248.62
Others	1,674.19	328.66
Total	**1,804.60**	**577.27**

Expected Credit Loss:

The Group estimates impairment under the simplified approach. Accordingly, it does not track the changes in credit risk of trade receivables. The impairment amount represents lifetime expected credit loss. In view thereof, the additional disclosures for changes in credit risk and credit impaired are not disclosed.

The Group takes a significant advance for its machine and has no history of any significant defaults from the customers end in payment of the sale consideration. And therefore has no history of credit loss.

10 Cash and cash equivalents

	Particulars	As at 31st March, 2020		As at 31st March, 2019	
i	Balances with bank				
	With scheduled banks				
	In current accounts	301.95		1,108.55	
	In cash credit accounts	-		156.62	
			301.95		1,265.17
ii	Cash on hand		19.35		15.71
	Total		**321.30**		**1,280.88**

11 Bank balances other than cash & cash equivalents

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Other Bank Balances				
In fixed deposit accounts (as margin money)	10.68		41.88	
In fixed deposit accounts	2,000.00		2,000.00	
In unclaimed dividend accounts	26.65		37.96	
Total		**2,037.33**		**2,079.84**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

12 Non-current assets held for sale

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Free-hold land	-	-	-	-
Land Improvements	-	-	-	-
Buildings	-	-	-	-
Other non-current assets	-	23.37	-	21.44
Total	**-**	**23.37**	**-**	**21.44**

The non-current assets held for sale Rs.23.37 lakhs (previous year Rs. 21.44 lakhs) relate to the assets of Manugraph Americas Inc., the subsidiary which is under Court monitored liquidation.

13 Equity Share Capital

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Authorised Capital:				
Equity shares of Rs. 2 each	10,50,45,000	2,100.90	10,50,45,000	2,100.90
Preference shares of Rs.100 each	10,100	10.10	10,100	10.10
Unclassified shares of Rs.100 each	20,000	20.00	20,000	20.00
Redeemable preference shares of Rs.100 each	3,50,000	350.00	3,50,000	350.00
Total		**2,481.00**		**2,481.00**

a) The Authorised capital has increased in the previous year pursuant to the scheme of amalgamation between the Company and Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited.

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Issued, Subscribed And Paid up Capital:				
Equity shares of Rs. 2 each	3,04,15,061	608.30	2,55,61,561	511.23
Total	**3,04,15,061**	**608.30**	**2,55,61,561**	**511.23**

b) The Company has not issued any bonus shares during the last five years.

c) Details of Shareholding in excess of 5%

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares held	%	Number of shares held	%
Multigraph Machinery Co. Ltd.	6,002,517	19.74	5,935,027	19.51
Pradeep Sanat Shah	4,156,701	13.67	1,765,721	5.81
Sanjay Sanat Shah	3,764,441	12.38	1,373,461	4.52
Total	**13,923,659**	**45.78**	**9,074,209**	**29.83**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

d) Reconciliation of the equity shares outstanding at the beginning and at the end of the year.

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Issued, Subscribed And Paid up Capital:				
At the beginning of the year	2,55,61,561	511.23	2,55,61,561	511.23
Issued during the period against Share Suspense pursuant to amalgamation	48,53,500	97.07	-	-
Outstanding at the end of the year	**3,04,15,061**	**608.30**	**2,55,61,561**	**511.23**

e) The Company has only one class of shares issued and paid-up capital referred to as equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share.

f) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

g) **"Merger of Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited with the Company**

Pursuant to the Scheme of Merger by Absorption ('the Scheme') of Constrad Agencies (Bombay) Private Limited, Manu Enterprises Limited and Santsu Finance and Investment Private Limited with Manugraph India Limited (the Company) under the provisions of Sections 230 to 232 of the Companies Act, 2013 which has been approved by the National Company Law Tribunal vide their order delivered on 14th October, 2019, which has been filed with the Registrar of Companies on 17th October 2019, to make the Scheme effective. All the assets and liabilities, both movable and immovable, all other interest, rights and power of every kind, and all its debts, liabilities, including contingent liabilities, duties and obligations have been transferred to and vested in the Company with effect from the Appointed Date, April 1, 2018. Accordingly, the Scheme has been given effect to in these accounts. Since the Business Combination is of entities under common control in accordance with the Appendix C of INDAS 103, the financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, the Company has accounted for the Scheme in its books of accounts with effect from April 01, 2017 which is from the beginning of previous period prior to the Appointed Date i.e. 1st April, 2018.

23,16,500 equity shares and 25,37,000 equity shares of face value of Rs. 2 each fully paid up are to be issued by the Company pursuant to the Scheme to the shareholders of Manu Enterprises Limited and Santsu Finance and Investment Private Limited respectively. The said shares to be issued have been disclosed as Share Suspense account under Equity. No consideration is payable on merger of the erstwhile wholly owned subsidiary Constrad Agencies (Bombay) Private Limited.

Salient Features of the Scheme of Merger by Absorption

The Company is in the business of manufacturing of web-offset printing presses.

The appointed date for the purpose of this amalgamation is 1st April, 2018

In accordance with the scheme approved, the accounting for this amalgamation has been done in accordance with the "Pooling of Interest Method" referred to in Appendix C - Business combinations of entities under common control of Indian Accounting Standard 103- "Business Combination" of the Companies (Indian Accounting Standards) Rules, 2015.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Since the Business Combination is of entities under common control in accordance with the said Appendix C The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. Accordingly, MIL has accounted for the Scheme in its books of accounts with effect from April 01,2017 which is from the beginning of previous period prior to the Appointed Date i.e. 1st April, 2018 as under:

1 With effect from April 01,2017, all assets and liabilities appearing in the books of accounts of Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited have been transferred to and vested in MIL and have been recorded by MIL at their respective carrying values.

2 In consideration of the transfer of the business as a going concern, the Company will issue 23,16,500 equity shares and 25,37,000 equity shares of Rs. 2 each fully paid up to the shareholders of Manu Enterprises Limited and Santsu Finance and Investment Private Limited. No Purchase consideration is to be discharged to the erstwhile wholly owned subsidiary i.e. Constrad Agencies (Bombay) Private Limited.

3 The investments held in the Company by Manu Enterprises Limited and Santsu Finance and Investment Private Limited shall be adjusted against the respective equity share capital of the Company to the extent of face value of the shares held.

4 The Company shall credit to its share capital account the aggregate face value of equity shares issued by it pursuant to the Scheme.

5 The investments in the Financial Statements of the Company in the equity share capital of Constrad Agencies (Bombay) Private Limited shall stand cancelled.

6 The difference between the carrying values of net identifiable assets and liabilities of Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited transferred to MIL pursuant to this scheme and the consideration being the value of New Equity Shares issued by MIL amounting to Rs.180.23 Lacs has been adjusted against revenue reserves so transferred as per the Scheme.

7 All inter company transactions have been eliminated on incorporation of the accounts of Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited in the Company.

f Disclosure in accordance with Appendix C of INDAS 103- Business combinations of entities under common control:

a)	Names and general nature of business of the combining entities	MIL is in the business of manufacturing of web-offset printing presses. Current there was no active business in Manu Enterprises Limited, Sanstu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited.The purpose of the amalgamation was to reduce the number of entities in the group,direct ownership of assets of Subsidiary,optimization of administrative cost,Consolidation and reorganization of the promoter holding,Long term stability and transparency in the holding structure of MIL and to demonstrate the promoter's group direct commitment to and engagement with MIL
b)	The date on which the transferor obtains control of the transferee	April 1, 2018

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

c)	Description and number of shares issued, together with the percentage of each entity's equity shares exchanged to effect the business combination	23,16,500 equity shares and 25,37,000 equity shares of Rs. 2 each fully paid up are to be issued by the Company pursuant to the Scheme of Amalgamation to Manu Enterprises Limited and Santsu Finance and Investment Private Limited respectively. No consideration is payable on Amalgamation of the erstwhile wholly owned subsidiary Constrad Agencies (Bombay) Private Limited. The said shares to be issued have been disclosed as Share Suspense account under Equity as disclosed in Note 11A below.
d)	The amount of any difference between the consideration and the value of net identifiable assets acquired, and the treatment thereof	The difference between the carrying values of net identifiable assets and liabilities of Manu Enterprises Limited, Santsu Finance and Investment Private Limited and Constrad Agencies (Bombay) Private Limited transferred to MIL pursuant to this scheme and the consideration being the value of New Equity Shares issued by MIL amounting to Rs.180.23 Lacs has been adjusted against revenue reserves so transferred as per the Scheme.

14A Equity Share Capital (Suspense)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Nos.		Nos.	
Issued, Subscribed And Paid up Capital:				
Equity shares of Rs. 2 each to be issued				
pursuant to amalgamation	-	-	48,53,500	97.07
(Refer note)				
Total	**-**	**-**	**48,53,500**	**97.07**

During the year the Company has alloted 48,53,500 shares against share suspense created as per the scheme of amalgamation.

14 Other Equity

Particulars	As at 31st March, 2020	As at 31st March, 2019
i. Capital Reserve	72.00	72.00
ii. Capital Reserve - On Amalgamation	128.00	128.00
iii. Capital Redemption Reserve	110.58	110.58
iv. Securities Premium Account	2,145.06	2,145.06
v. General Reserve	9,452.83	9,452.83
vi. Retained Earning	2,626.35	6,443.98
vii. Other Comprehensive Income (OCI)		
Foreign currency translation reserve	56.80	58.34
Total Other Equity	**14,591.62**	**18,410.80**

a) The General Reserve has been created in accordance with the requirements of the Companies (Transfer of Profit to Reserve) Rules, 1975.

b) Securities premium account is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Act.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

15 Other Financial Liabilities

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
Unclaimed dividends	-	26.65	-	37.96
Other Liabilities	-	502.80	-	440.14
Security Deposits	7.46	-	7.69	-
Total	**7.46**	**529.45**	**7.69**	**478.10**

16 Provisions

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
For employees benefits				
Provision for earned leave wages	225.16	61.87	290.06	78.67
Provision for Gratuity	-	797.67	-	682.91
Others				
Provision for Warranty	-	176.77	-	211.12
Total	**225.16**	**1,036.30**	**290.06**	**972.70**

a. The disclosure of provisions movement as required by Ind AS 37 is as follows:-

Particulars	Opening Balance	Additions during the year	Amt. Paid / Reversed during the year	Closing Balance
Warranty Expenses	211.12	9.37	43.72	176.77
(Previous year 2018-19)	169.74	101.18	59.80	211.12

b. Disclosure in accordance with Ind AS – 19 "Employee Benefits", of the Companies (Indian Accounting Standards) Rules, 2015.

Gratuity

The company provides gratuity to all employees. The benefit is in the form of lumpsum payments to vested employees on resignation, retirement, death while in employment or on termination of employment of an amount equivalent to 15 days basic salary and dearness allowance for each completed year of service. Vesting occurs upon completion of five years of service. The company makes annual contributions to fund administered by trustees and managed by Life Insurance Corporation of India, for amounts notified by it. The gratuity benefit is a defined benefit plan.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Expense recognised in Statement of Profit & Loss		
Current Service cost	82.10	103.83
Interest expense	192.53	191.97
Expected Return on Plan Assets	(147.21)	(137.59)
Past Service Cost	-	-
Total	**127.42**	**158.21**
Expense recognised in Other Comprehensive Income		
Return on plan assets (Greater)/Less than Discount Rate	(10.54)	(4.03)
Actuarial (Gain)/Loss due to Experience on DBO	150.25	14.97
Total	**139.71**	**10.94**
Present value of funded defined benefit obligation		
Fair value of Plan assets	1,471.70	2,141.47
Funded Status	2,269.37	2,824.38
Net defined benefit (Asset) / Liability	**(797.67)**	**(682.91)**
Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	2,824.38	2,695.22
Current Service Cost	82.10	103.83
Interest Cost	192.53	191.97
Past Service Cost	-	-
Actuarial (Gain)/Loss	150.25	23.91
Benefits paid from the fund	(979.89)	(190.55)
Present value of defined benefit obligation at the end of the year	**2,269.37**	**2,824.38**
Movements in fair value of the plan assets are as follows		
Opening fair value of plan assets	2,141.47	1,927.89
Expected returns on Plan Assets	147.20	137.59
Remeasurement (Gains)/Losses:		
Actuarial Gain/(Loss) on Plan assets	10.54	12.97
Contribution from Employer	152.38	253.57
Benefits paid	(979.89)	(190.55)
Benefit paid but pending claim	-	-
Closing fair value of the plan asset	**1,471.70**	**2,141.47**
Remeasurement effect recognised on Other Comprehensive Income		
Actuarial (Gain)/Loss arising from experience adjustments	150.25	23.91
Actuarial (Gain)/Loss on Plan assets	(10.54)	12.97
Total Actuarial (Gain)/Loss included in OCI	**139.71**	**10.94**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

The principal assumptions used as at the balance sheet date are used for purpose of actuarial valuations were as follows:

Break-up of Plan Assets		
Category of assets as at the end of the year		
Insurer Managed Funds	100%	100%
(Fund is Managed by LIC as per IRDA guidelines, category-wise composition of the plan assets is not available.)		
Assumptions		
Discount rate	6.60%	7.20%
Salary escalation rate (annual)	4.00%	4.00%
Demographic Assumptions Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006·08)
Withdrawal Rate	2.00%	2.00%
Retirement age	60	60

The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality.

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

Defined Benefit Obligation		
Discount rate		
a. Discount rate + 50 basis points	2,196.54	2,736.84
b. Discount rate - 50 basis points	2,345.78	2,916.27
Salary growth rate		
a. Rate + 50 basis points	2,346.45	2,917.54
b. Rate - 50 basis points	2,194.81	2,734.70
Withdrawal rate		
a. Rate + 10 basis points	2,275.17	2,832.92
b. Rate - 10 basis points	2,263.46	2,815.67

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

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

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

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Risks associated with defined benefit plan

Gratuity is defined benefit plan and the Company is exposed to the following risks:

(i) Actuarial risk

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

(ii) Investment Risk

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

(iii) Liquidity Risk

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.

(iv) Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

(v) Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

Note : Experience adjustment information is not available and hence not disclosed.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

17 Deferred Tax Liability / (Asset)

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Deferred tax liability on account of				
Book and tax base of PPE	1,672.36		1,682.60	
Unrealised gain on current investments	-	1,672.36	26.55	1,709.15
Deferred tax Assets on account of				
Compensation under VRS	39.19		77.26	
Provision for leave encashment	74.63		115.04	
Provision for gratuity	207.39		213.07	
		321.20		405.37
Net deferred tax liability / (asset)		**1,351.15**		**1,303.78**

18 Borrowings

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
Secured Loans:				
Cash credit account with State Bank Of India	-	102.26	-	-
Cash credit account with HDFC Bank Ltd	-	809.10	-	-
Total borrowings	**-**	**911.36**	**-**	**-**

Secured by hypothecation of stock-in-trade, stores, book-debts and other receivables and second charge on the company's moveable and immoveable properties.

Reconciliation of liabilities arising from financing activities

March 31, 2020	Opening balance	Net Cash flows	Non cash changes	Closing balance
Short term secured borrowings	-	911.36	-	911.36
Total liabilities from financing activities	**-**	**911.36**	**-**	**911.36**

March 31, 2019	Opening balance	Net Cash flows	Non cash changes	Closing balance
Short term secured borrowings	252.10	252.10	-	-
Total liabilities from financing activities	**252.10**	**252.10**	**-**	**-**

19 Trade Payables

Particulars	As at 31st March, 2020		As at 31st March, 2019	
Trade Payables for goods and services:				
Micro Small and Medium Enterprises	132.58		39.72	
Related Parties	40.34		66.40	
Others	2,249.59		1,741.38	
Total		**2,422.51**		**1,847.50**

Trade payables and acceptances are non-interest bearing and are normally settled on 60 days terms.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

a) Disclosure In accordance with section 22 of Micro, Small and Medium Enterprises Development Act 2006.

Particulars	As at March 31, 2020	As at March 31, 2019
(i) The principal amount and the interest due thereon remaining unpaid to any micro and small enterprises as at the end of each;		
- Principal amount due	132.58	39.72
- Interest due on the above	-	-
(ii) The amount of interest paid in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
- Principal amount paid beyond appointed day	37.55	29.70
- Interest paid thereon	0.41	0.16
(iii) The amount of interest due and payable for the period of delay in making payment beyond appointed day during the year.	-	-
(iv) The amount of interest accrued and remaining un-paid at the end of the accounting year	-	0.01
(v) The amount of further interest due and payable even in succeeding years	-	-

The information has been given in respect of such vendors to the extent they could be identified as 'micro and small enterprises' on the basis of information available with the company. This has been relied upon by the auditor.

20 Other Liabilities

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Non-current	Current	Non-current	Current
Advances from Customers		865.60		1,581.75
Duties & Taxes payable		21.31		35.42
Other statutory liabilities		42.90		57.50
Contract Liability - Unearned installation income		57.82		20.94
Interest accrued but not due		5.00		-
Total	**-**	**992.64**	**-**	**1,695.61**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

21) Revenue from Operations

Particulars	2019-20		2018-19	
Sales of Finished Goods & spares				
Domestic	6,711.45		20,716.73	
Export	4,668.65		3,219.09	
(Net of Sales Return Rs. Nil Previous- year Rs. 1.58 lakhs)	-	11,380.10	-	23,935.82
Sale of service				
Service and erection charges received		337.29		694.52
Other Operating Revenue				
Export incentive received	217.12		163.61	
Packing and forwarding recovery	117.32		259.56	
Miscellaneous receipts	50.27	384.71	50.60	473.77
Total		**12,102.10**		**25,104.11**

Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

a) Revenue disaggregation based on service type and customer type

i) Revenue disaggregation by type is as follows:

Revenue Type	2019-20	2018-19
Sale of printing machines	11,380.10	23,935.82
Service and erection charges received	337.29	694.52
Total	**11,717.39**	**24,630.34**

ii) Revenue disaggregation by Geographical Type is as follows:

Revenue Type	2019-20	2018-19
Within India	7,005.93	21,309.30
Outside India	4,711.46	3,321.03
Total	**11,717.39**	**24,630.34**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

b) Movement in contract balances

Particulars	Opening	Billed for the Financial Year	Addition during the year	Closing
Advances from customers				
March 31, 2020	1,531.33	2,716.84	2,034.06	848.55
March 31, 2019	2,399.14	2,346.54	1,478.73	1,531.33

c) Movement in Unbilled revenue

Particulars	Opening	Billed for the Financial Year	Addition during the year	Closing
March 31, 2020	19.55	19.55	2.60	2.60
March 31, 2019	-	-	19.55	19.55

22) Other Income

Particulars	2019-20	2018-19
Dividend Income	0.05	0.05
Interest income from financial asset at amortised cost	155.41	180.30
Rent	25.59	28.62
Gain on disposal of investment measured at FVTPL (Net)	81.40	189.24
Gain on fair valuation of investment measured- at FVTPL	-	47.73
Sundry credit balances appropriated	3.58	28.18
Excess provision and adjustments	16.94	2.97
Foreign exchange gain	19.62	-
Gain on disposal of Property, Plant and Equipment (Net)	12.21	53.48
Interest received on income tax refund	20.88	9.56
Total	**335.68**	**540.13**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

23 Cost of Materials Consumed:

Particulars	2019-20		2018-19	
Raw Materials Consumed				
Opening Stock	1,472.43		1,974.61	
Add : Purchases (Including components-processing charges Rs. 248.83 lakhs (Previous year: Rs. 807.03 lakhs)	6,554.33		16,059.71	
		8,026.77		18,034.32
Less : RMC Capitalised	1.50		6.10	
Less : Closing Stock	922.81		1,472.43	
		924.31		1,478.53
Total		**7,102.45**		**16,555.79**

24 Changes in inventories of finished goods work-in-progress and Stock-in-Trade

Particulars	2019-20		2018-19	
Inventory Adjustments - FG				
Stock at Commencement	742.92		-	
Less : Stock at Closing	1,005.78		742.92	
		(262.86)		(742.92)
Inventory Adjustments - WIP				
Work In progress at Opening	3,744.00		3,499.29	
Less - WIP Stock Capitalised	-		-	
Work In progress at Closing	2,593.43		3,744.00	
		1,150.57		(244.69)
Inventory Adjustments - Manufactured components				
Stock at Commencement	1,868.97		2,103.47	
Less : Stock at Closing	1,530.17		1,868.97	
		338.80		234.50
Total		**1,226.51**		**(753.11)**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

25 Employee Benefit Expenses

Particulars	2019-20		2018-19	
Salary, Wages, bonus and allowances	3,684.25		4,536.40	
Staff welfare expenses	223.64		295.42	
Contribution to provident & other funds	337.74		389.85	
Provision for earned leave wages	121.80		78.23	
Gratuity	127.43		158.20	
		4,494.86		5,458.10
Less - Wages capitalised		2.10		5.05
Total		**4,492.76**		**5,453.05**

(a) The Company during the year, based on legal advice and on account of the continuing losses from business, has made an application for the waiver from payment of Minimum Bonus @8.33% as per the Payment of Bonus Act 1965 to the eligible employees. The amount of minimum bonus payable works out to Rs. 55.78 lacs. The application for waiver is not disposed off upto the date of adoption of these financial statements but the management is hopeful of receiving a favourable response. No provision is made by the Company on this account.

26 Finance Cost

Particulars	2019-20	2018-19
Interest paid	97.11	92.67
Other Borrowing Costs	60.65	45.20
Total	**157.77**	**137.87**

27 Depreciation & Amortisation

Particulars	2019-20	2018-19
Depreciation	223.39	423.03
Amortisation	19.08	21.57
Total	**242.47**	**444.60**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

28 Other Expenses

Particulars	2019-20		2018-19	
Consumption of stores and Consumables		154.31		390.82
Power & Fuel		149.98		233.09
Rent		3.68		7.72
Rates & Taxes		38.75		42.80
Repairs to Buildings		7.33		66.26
Repairs to Machinery		27.58		106.51
Insurance		27.39		26.67
Travelling and conveyance		281.58		696.50
Commission on sales		379.98		1,103.40
Other repairs		62.21		93.80
Advertisement and sales promotion expenses		43.12		154.12
Bank charges		12.65		31.98
Sundry debit balances written off		22.65		4.17
Fixed assets scrapped		0.03		0.84
Warranty expenses		-		94.97
Research and development expenses		189.28		257.24
CSR expenses		1.50		5.00
Freight And Handling Charges		41.47		8.91
Packing And Forwarding Charges		199.30		390.84
Directors' Fees		6.66		8.67
Exchange Loss (Net)		-		62.74
Remuneration to Auditors				
Audit fees including Tax Audit	19.50		21.75	
Other Assurance Services	5.26		8.28	
Tax Matters	3.40		3.27	
		28.16		33.30
Miscellaneous Expenses (None of which individually forms more than 1% of the Operating Revenue.)		594.31		963.95
		2,271.91		4,784.30
Less - Overheads capitalised		12.18		25.77
Total		**2,259.72**		**4,758.53**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

a) Research and development expenses

Particulars	2019-20	2018-19
	In recognised Unit	**In recognised Unit**
Personnel costs	181.96	234.87
Other Costs	7.32	22.37
Total Revenue Costs	**189.28**	**257.24**
Capex Costs	**-**	**3.85**

b) Disclosure on CSR activity

i Gross Amount required to be spent by the Company during the year Rs. Nil (Previous year Rs. Nil)

ii Amount spent by the company during the year is Rs.1.5 lakhs (Previous year Rs.5 lakhsl)

29 Exceptional Items

i. Compensation to separated employees

As a part of reducing employee costs, the Company has formulated a plan for employee separation. During the year ended March 31, 2020 the Company had paid for such separated employees an amount of Rs. 331.94 lakhs.

ii. Compensation under VRS

During the Current year the Company had implemented Voluntary Retirement Scheme,2019 for Unit 2 employees . The compensation paid of Rs.14.00 lakhs based in employees retired under the scheme,is debited to the Statement of Profit & Loss and shown as exceptional item. The deferred tax impact thereon is Rs.2.91 lakhs is part of deferred tax under tax expenses.

During the previous year ended March 31,2019, the Company had implemented Voluntary Retirement Scheme,2018. The compensation paid of Rs.232.52 lakhs based in employees retired under the scheme,is debited to the Statement of Profit & Loss and shown as exceptional item. The deferred tax impact thereon is Rs.58.04 lakhs is part of deferred tax under tax expenses.

30 Tax Expense

Particulars	2019-20	2018-19
Current tax	-	-
Deferred Tax	83.69	(74.23)
Income tax pertaining to previous year	4.44	19.97
Total	**88.14**	**(54.26)**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

(i) The reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows

Particulars	2019-20	2018-19
Profit before Income taxes	(3,375.84)	(1,185.01)
Enacted tax rates in India (%)	26.00%	31.20%
Computed expected tax expenses	(877.72)	(369.72)
i.e.	-	-
Tax liability as per Minimum Alternate Tax on book profits		
Minimum Alternate Tax rate	15.60%	19.24%
Computed tax liability on book profits	(526.63)	(228.00)
i. e.	-	-

(ii) No aggregate amounts of current and deferred tax have arisen in the reporting periods which have been recognised in equity and not in Statement of Profit and Loss or other comprehensive income.

(iii) Movement of Current tax assets (net)

Particulars	2019-20	2018-19
Opening balance	1,192.37	1,220.74
Add/(Less): Tax paid in advance, net of provisions during the year	(107.30)	(28.37)
Closing balance	**1,085.07**	**1,192.37**

(iv) Deferred tax liabilities (net)

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities | (assets):

Particulars	As at 31-03-2020	(charged) | Credited to P&L / OCI	As at 31-03-2019
Property, plant and equipment	1,672.36	(10.24)	1,682.60
Fair valuation of Investments	-	(26.55)	26.55
Total deferred tax liabilities	**1,672.36**	**(36.79)**	**1,709.15**
Tax Disallowance	321.20	(84.17)	405.37
Total deferred tax assets	**321.20**	**(84.17)**	**405.37**
Net deferred tax (asset) | liability	**1,351.15**	**47.37**	**1,303.78**
Adjusted in Statement of Profit and loss		83.69	
Adjusted in Other Comprehensive Income		(36.32)	
		47.37	

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Particulars	As at 31-03-2019	(charged) | Credited to P&L / OCI	As at 31-03-2018
Property, plant and equipment	1,682.60	(8.14)	1,690.74
Fair valuation of Investments	26.55	(52.37)	78.92
Total deferred tax liabilities	**1,709.15**	**(60.51)**	**1,769.66**
Tax Disallowance	405.37	14.06	391.31
Total deferred tax assets	**405.37**	**14.06**	**391.31**
Net deferred tax (asset) | liability	**1,303.78**	**(74.57)**	**1,378.35**
Adjusted in Statement of Profit and loss		(74.23)	
Adjusted in Other Comprehensive Income		(0.34)	
		(74.57)	

(v) Unrecognised temporary differences

The Company has not recognised deferred tax asset associated with impairment on equity share measured at cost as based on Management projection of future taxable income for set-off it is not probable that such difference will reverse in the foreseeable future. Similar view has also been taken for Deferred Tax Asset on Unabsorbed Losses and Depreciation as per Income Tax Act, 1961.

31 Disclosure as required by Accounting Standard – IND AS 33 "Earning Per Share" of the Companies (Indian Accounting Standards) Rules 2015.

Particulars	2019-20	2018-19
Net profit after tax available for equity shareholders before Exceptional Items for Continuing Operaations(Rs.in lakhs)	(3,093.97)	(956.27)
Net profit after tax available for equity shareholders after Exceptional Items for Continuing Operations (Rs.in lakhs)	(3,463.98)	(1,130.77)
Net profit after tax available for equity shareholders for discontinued Operations (Rs.in lakhs)	(66.93)	(502.99)
Opening equity shares outstanding (Nos.)	3,04,15,061	3,04,15,061
Add:-New Shares issued	-	-
Closing equity shares outstanding (Nos.)	3,04,15,061	3,04,15,061
Weighted average number of equity shares of Rs. 2 each outstanding during the year (Basic)	3,04,15,061	3,04,15,061
Weighted average number of equity shares of Rs. 2 each outstanding during the year (Diluted)	3,04,15,061	3,04,15,061
Earning Per Share before Exceptional Items Basic and diluted earnings per share (Rs.)	(10.17)	(3.14)
Earning Per Share after Exceptional Items Basic and diluted earnings per share (Rs.)	(11.39)	(3.72)
Earning Per Share Basic and diluted earnings per share (Rs.) for discontinued operation	(0.22)	(1.65)
Earning Per Share before Exceptional Items Basic and diluted earnings per share (Rs.) for discontinued and continuing operation	(10.39)	(4.80)
Earning Per Share after Exceptional Items Basic and diluted earnings per share (Rs.) for discontinued and continuing operation	(11.61)	(5.37)

The earning per share before exceptional item has been computed after considering the current and deferred tax effect on the exceptional item.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

32 Disclosure as required by IND AS 108 "Operating Segment", of the Companies (Indian Accounting Standards) Rules, 2015.

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance In accordance with IND AS "Operating Segment", The Company has only one reportable operating segment i.e. Engineering. The additional disclosure is being made in the consolidated financial statements.

There are 2 major customers to whom more than 10% of the sales are effected and the total sales effected from such customers is Rs.4121.47 lakhs, (P. Y. Rs.8444.24 lakhs).

Information about secondary geographical segments

Particulars	In India	Outside India	Total
Segment Revenue			
Current Year	7,390.64	4,711.46	12,102.10
Previous Year	21,806.00	3,321.03	25,127.03
Segment Assets			
Current Year	22,046.50	629.45	22,675.95
Previous Year	24,796.39	818.15	25,614.54

33 Disclosure in accordance with Ind AS – 105 "Non-current Assets Held for Sale and Discontinued Operations ", of the Companies (Indian Accounting Standards) Rules, 2015.

"The Printing industry in America has been going through very challenging times over the last decade, mainly due to the spread of electronic media and green initiatives coupled with pricing disadvantages.

Under the circumstances, there has been severe strain on the operations and financials of the wholly owned subsidiary company Manugraph Americas Inc. over the years. The operations were substantially scaled down and were carried out on a cash neutral basis with continuous monitoring. Over the years, we also managed to reduce the exposure to debt funds from a level of $ 7.5 mill to $1.0 mill as at the end of financial year ended March 2017. However, considering that there were no new orders for presses over the past 12 months and no clear visibility of any forthcoming cases, the management decided to voluntarily wind up the company. Accordingly, a petition under Chapter 11 was filed at the US Bankruptcy court, middle district of Pennsylvania on June 1, 2017. Presently, the proceedings are managed as a debtor in possession under the supervision of the court. As of March 2018, substantially all the movable assets have been disposed of. The freehold land, land improvements and building have been disposed off during the year. Accounts for the year ended March 2019 have been prepared on a discontinued operations basis. The assets and liabilities have been considered at their fair values. Depreciation has not been provided from 1st June 2017."

Financial Information relating to discontinued operations:

Particulars	2019-20	2018-19
	Rs	Rs
Revenue	-	48.65
Expenses excluding (gain) / loss on remeasurement	66.93	551.63
(Gain) / loss on remeasurement	-	-
Profit / (Loss) before tax	(66.93)	(502.98)
Tax Expense	-	-
Profit / (Loss) after tax	(66.93)	(502.98)
Cash floe from operating activities	(644.46)	(326.88)
Cash floe from investing activities	-	834.20
Cash floe from financing activities	-	-

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

34 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

A List of related parties

Relationships

i Subsidiaries

Manugraph Americas, Inc.

ii Key Management Personnel

Mr. Sanat. M. Shah	Chairman
Mr. Sanjay S. Shah	Vice Chairman and Managing Director
Mr. Pradeep S. Shah	Managing Director
Mr. Bhupal B. Nandgave	Whole Time Director (Works)
Mr. Hiten C. Timbadia	Independent Director
Mr. Amit N. Dalal (upto March 2, 2020)	Independent Director
Mr. Perses M. Bilimoria	Independent Director
Mr. Abhay J. Mehrotra	Independent Director
Mr. Jai S. Diwanji (upto March 2, 2020)	Independent Director
Mrs. Sohni H. Daswani (upto July 19, 2018)	Independent Director
Mrs. Basheera Indorewala (w.e.f. February 7, 2018)	Independent Director

iii Entities where Key Management Personnel exercise significant influence

Multigraph Machinery Company Limited
Manubhai Sons and Company
Mercongraphic FZC,
Multigraph Machinery Kenya Limited
Manugraph Securities and Finance Private Limited
Desai & Diwanji

B Details of related party transaction are given in statement 1 Attached to the financial statement.

35 Contingent liabilities and commitments

	Description	2019-20	2018-19
i	**Contingent liabilities**		
(a)	Claims against the company not acknowledged as debt;	254.06	67.48
(b)	Guarantee	3.60	3.60
(c)	Bonus Liability in case of non receipt of waiver (Note: 23(a))	55.78	-
(d)	Other money for which the company is contingently liable :		
	- Income-tax, sales tax, customs duty, excise duty and service tax demands against which the company has preferred appeals/ made representation	91.26	118.45
	- On account of undertakings given by the company in favour of Customs Authority:	870.00	870.00
	Total	**1,274.70**	**1,059.53**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

36 Fair Value Measurement

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments:						
Equity instruments	0.06	-	-	0.67	-	-
Mutual Funds	-	-	-	1,085.09	-	-
Trade receivables	-	-	1,804.60	-	-	578.99
Loans	-	-	309.77	-	-	434.12
Others	-	-	76.26	-	-	72.57
Cash and bank balances	-	-	2,358.63	-	-	3,360.72
Total Financial assets	**0.06**	**-**	**4,549.26**	**1,085.76**	**-**	**4,444.68**
Financial liabilities						
Borrowings	-	-	911.36	-	-	-
Trade payables	-	-	2,422.51	-	-	1,847.50
Other liabilities	-	-	536.90	-	-	485.79
Total financial liabilities	**-**	**-**	**3,870.78**	**-**	**-**	**2,333.29**

37 Fair Value Hierarchy

i) Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2020

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVPL:					
Unquoted Equity Shares	3	0.06	-	-	0.06
Quoted Mutual Funds	8	-	-	-	-
Trade Receivables	9	-	-	-	-
Cash and Bank Balances	10 & 11	-	-	-	-
Other Receivables	5	-	-	-	-
Total financial assets	-	**0.06**	**-**	**-**	**0.06**
Financial liabilities					
Borrowings	18	-	-	-	-
Trade Payables	19	-	-	-	-
Other Liabilities	15	-	-	-	-
Total financial liabilities	-	**-**	**-**	**-**	**-**

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

ii) Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2019

Particulars	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVPL:					
Unquoted Equity Shares	3	0.17	-	0.50	0.67
Quoted Mutual Funds	8	1,085.09	-	-	1,085.09
Trade Receivables	9	-	-	-	-
Cash and Bank Balances	10 & 11	-	-	-	-
Other Receivables	5	-	-	-	-
Total financial assets		**1,085.26**	**-**	**0.50**	**1,085.76**
Financial liabilities					
Borrowings	18	-			-
Trade Payables	19	-	-	-	-
Other Liabilities	15	-	-	-	-
Total financial liabilities	-	**-**	**-**	**-**	**-**

There were no transfers between any levels during the year.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have a quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing net assets value (NAV).

Level 2: The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

b) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

i) the use of quoted market prices or dealer quotes for similar instruments

ii) the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

iii) the fair value of forward foreign exchange contracts are determined using forward exchange rates at the Balance Sheet date

iv) the fair value of foreign currency option contracts is determined using the Black Scholes valuation model.

v) the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 1 and 2.

c) Valuation processes

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the Chief Financial Officer (CFO).

d) Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Investments:				
Unquoted Equity Shares	-	-	0.50	0.50
Trade receivables	1,804.60	1,804.60	577.27	577.27
Loans	309.77	309.77	434.12	434.12
Others	76.26	76.26	72.57	72.57
Cash and bank balances	2,358.63	2,358.63	3,360.72	3,360.72
Total financial assets	**4,549.26**	**4,549.26**	**4,445.18**	**4,445.18**
Financial liabilities				
Borrowings	911.36	911.36	-	-
Trade payables	2,422.51	2,422.51	1,847.50	1,847.50
Other liabilities	536.90	536.90	485.79	485.79
Total financial liabilities	**3,870.78**	**3,870.78**	**2,333.29**	**2,333.29**

The carrying value of equity shares at cost is net of impairment provision made.

The carrying amounts of trade receivables, trade payables, other receivables, short-term security deposits, bank deposits with more than 12 months maturity, capital creditors and cash and cash equivalents including bank balances other than cash and cash equivalents are considered to be the same as their fair values due to the current and short-term nature of such balances.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

38 Financial Risk Factors

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk or its financial performance. The Company's risk management assessment, policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

The Company has exposure to the following risks arising from financial instruments:

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This exposure is principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The company has established norms for stage wise payments to lower the exposure. International transactions are backed by Letters of credit, confirmed by reputed banks, wherever found necessary. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

The Company takes a significant advance for its machine and has no history of any significant defaults from the customers end in payment of the sale consideration. And therefore has no history of expected credit loss.

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows (before allowance for doubtful debts):

Particulars	As at 31st March, 2020	As at 31st March, 2019
Neither past due nor impaired	-	-
Past due but not impaired		
Past due 1 – 90 days	1,796.47	480.71
Past due 91 – 180 days	3.94	87.35
Past due 181 – 270 days	3.65	6.06
Past due 271 – 360 days	0.54	-
Past due more than 360 days	-	4.87

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Cash and cash equivalents

The Company held cash and cash equivalents and other bank balances with credit worthy banks and financial institutions of Rs. 2206.38 lakhs (31 March 2019: Rs. 2564.01 lakhs). The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of 31st March 2020 the Company has working capital of Rs. 5268.53 lakhs (31 March 2019: Rs. 8074.59 lakhs) which is calculated as current assets less current liabilities.

Investment Risk

The investment of the Company in subsidiary companies is exposed to risks that the business of the subsidiary company is exposed. Accordingly the Company's investment in its US subsidiary has been considerably impaired due to the business risk faced by the subsidiary resulting in the erosion of its value.

Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and non-current. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Currency Risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in USD and EURO against the respective functional currency of the Company.

The Company does not use any derivative financial instruments to hedge foreign exchange and interest rate exposure. The company continuously monitors the foreign currency exposures and considering the natural hedge, selectively contracts for plain forward covers whenever found necessary.

39 Financial Risk Management

a) Management of liquidity risk

The Company's principal sources of liquidity are cash and cash equivalents, borrowings and the cash flow that is generated from operations. The Company believes that current cash and cash equivalents, tied up borrowing lines and cash flow that is generated from operations is sufficient to meet requirements. Accordingly, liquidity risk is perceived to be low.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance sheet date:

Particulars	Note	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2020					
Borrowings	18	911.36	911.36	-	911.36
Trade payables	19	2,422.51	2,422.51	-	2,422.51
Other liabilities	15	536.90	529.45	7.46	536.90
As at March 31, 2019					
Borrowings	18	-	-	-	-
Trade payables	19	1,847.50	1,847.50	-	1,847.50
Other liabilities	15	485.79	478.10	7.69	485.79

Foreign Currency Risk Exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rs., are as follows:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	USD	EUR	USD	EUR
Financial assets				
Trade receivables	21,29,460	-	3,65,591	-
Advance to suppliers	-	105	1,781	1,064
Net exposure to foreign currency risk (assets)	**21,29,460**	**105**	**367,372**	**1,064**
Financial liabilities				
Borrowings	-	-	-	-
Trade payables	55,000	1,39,131	-	16,443
Advane from customers		-	18	3,803
Net exposure to foreign currency risk (liabilities)	**55,000**	**139,131**	**18**	**20,246**

40 CAPITAL MANAGEMENT

Risk management

The primary objective of the Company's Capital Management is to maximise shareholder value. The Company monitors capital using Debt-Equity ratio, which is total debt divided by total capital plus total debt.

For the purposes of the Company's capital management, the Company considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the Balance Sheet includes General reserve, Retained earnings, Share capital, Security premium. Total debt includes current debt plus non-current debt and subtracting cash and cash equivalents.

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is total capital divided by net debt.

Particulars	As at 31st March, 2020	As at 31st March, 2019
Borrowings	911.36	-
Less: cash and cash equivalents	321.30	1,280.88
Net debt	590.06	(1,280.88)
Total Debt	911.36	-
Total Equity	15,199.92	19,019.10
Gearing Ratio	**0.06**	**-**

41 Disclosure of interest in Other Entities as per Ind AS 112 of the Companies (Indian Accounting Standards) Rules, 2015.

Consolidated financial statements comprises the financial statements of Manugraph India Limited and its subsidiary as listed below:

Name of entity	Principal Place of Business	Proportion of ownership (%) as at March 31, 2020	Proportion of ownership (%) as at March 31, 2019
Subsidiary Companies			
Manugraph Americas Inc.	USA	100%	100%

42 Additional information as required under Schedule III of the Companies Act, 2013 of entities consolidated in these financial statements.

As per attached Statement 2

43 COVID 19

The spread of Covid 19 has affected the business operations post the national lock down. The Company has taken various measures in consonance with Central and State Government advisories to contain the pandemic, which included closing of manufacturing facilities. The Company does not foresee any significant incremental risk to the recoverability of its assets or in meeting its financial obligations over the foreseeable future, given early and required steps taken to contain, protect and mitigate the exposure. Since the situation is continuously evolving, the impact assessed in future may be different from the estimates made as at the date of approval of these financial results. Management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

44 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the accompanying notes forms an integral part of the financial statements of the Company for the year ended March 31, 2020.

As per our report of even date attached

For **Natvarlal Vepari & Co.**
Chartered Accountants
Firm Registration No. 106971W

Nuzhat Khan
M.No. 124960

Mumbai, Date: June 29, 2020

For and on behalf of the Board of Directors

Sanjay S. Shah Vice Chairman and Managing Director
(DIN : 00248592)

Pradeep S. Shah Managing Director
(DIN : 00248692)

Mihir V. Mehta Company Secretary

Amit Jain Chief Financial Officer

Mumbai, Date: June 29, 2020

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Statement 1

Related Parties Transactions - Referred to in Note 34

Particulars		FY 2019-20	FY 2018-19
Sale of Goods			
Entities where significant influence exists			
- Multigraph Machinery Kenya Limited		55.94	31.67
- Mercongraphic FZC		2,093.63	2,227.35
	Total	**2,149.57**	**2,259.02**
Service Charges received			
Entities where significant influence exists			
- Multigraph Machinery Kenya Limited		3.87	7.43
- Mercongraphic FZC		18.02	89.12
	Total	**21.89**	**96.55**
Commission paid			
Entities where significant influence exists			
- Multigraph Machinery Co. Ltd.		338.52	1,038.40
	Total	**338.52**	**1,038.40**
Rent Received			
Entities where significant influence exists			
- Multigraph Machinery Co. Ltd.		24.25	25.62
- Manubhai Sons & Co.		1.32	1.44
	Total	**25.57**	**27.06**
Professional charges paid			
Entities where significant influence exists			
- Desai & Diwanji		-	2.00
	Total	**-**	**2.00**
Managerial Remuneration paid			
Key Management Personnel			
- Sanjay S. Shah		126.71	126.71
- Pradeep S. Shah		126.72	126.71
- B.B. Nandgave		26.78	28.29
	Total	**280.21**	**281.71**
Post employment benefits of Directors *			
Directors' Fees			
Key Management Personnel			
- Sanat M. Shah		0.60	0.75

OTHER NOTES

(All the figures are in Rupees in Lakhs unless otherwise stated)

Particulars	FY 2019-20	FY 2018-19
- Hiten C. Timbadia	1.47	1.84
- Amit N. Dalal	0.45	0.85
- Perses M. Bilimoria	1.47	1.84
- Abhay J. Mehrotra	1.47	1.54
- Jai S. Diwanji	0.60	0.85
- Sohni H. Daswani	-	0.30
- Basheera Indorewala	0.60	0.70
Total	**6.66**	**8.67**
Re-imbursement of expenses received		
Entities where significant influence exists		
- Multigraph Machinery Co. Ltd.	-	0.29
- Multigraph Machinery Kenya Limited	1.59	-
- Mercongraphic FZC	35.78	52.67
Total	**37.37**	**52.96**
Entities where significant influence exists		
- Multigraph Machinery Kenya Limited	10.38	2.27
- Mercongraphic FZC	122.75	246.34
Sub Total	**133.13**	**248.61**
Total	**133.13**	**250.33**
Contract Payable- Unearned Installation Income		
Entities where significant influence exists		
- Mercongraphic FZC	11.03	-
Total	**11.03**	**-**
Outstanding Payables		
Entities where significant influence exists		
- Multigraph Machinery Co. Ltd.	40.34	66.40
Total	**40.34**	**66.40**

* The managing directors and whole time director (works) are entitled to gratuity on retirement which amount will be computed in accordance with the provisions of The Payment of Gratuity Act. The Company presently makes provision on actuarial basis for entire employee data including the managing directors and whole time director(works).

OTHER NOTES

Statement 2								
Additional information as required under Schedule III of the Companies Act, 2013 - Referred to in Note 42								
Name of the Enterprise	**Net Assets i.e. Total assets minus Total Liabilities**		**Share in Consolidated Profit or Loss**		**Share in Other Comprehensive Income**		**Share in Total Comprehensive Income**	
	% of Consolidated Net assets	**Rs in Lakhs**	**% of Consolidated Profit or loss**	**Rs in Lakhs**	**% of Consolidated OCI**	**Rs in Lakhs**	**% of Consolidated TCI**	**Rs in Lakhs**
Parent								
Manugraph India Limited								
- Current Year	142.24	21,620.67	98.10	(3,463.98)	98.53	(103.38)	98.12	(3,567.36)
- Previous Year	133.40	25,371.37	69.21	(1,130.77)	(19.12)	(10.60)	72.32	(1,141.37)
Subsidiary - Foreign - Manugraph Americas Inc.								
- Current Year	(42.24)	(6,420.74)	1.90	(66.93)	1.47	(1.54)	1.88	(68.47)
- Previous Year	(33.40)	(6,352.27)	30.79	(502.99)	119.12	66.04	12.02	(436.95)
Total								
- Current Year	100.00	15,199.93	100.00	(3,530.91)	100.00	(104.92)	100.00	(3,635.84)
- Previous Year	100.00	19,019.10	100.00	(1,633.76)	100.00	55.44	84.33	(1,578.32)

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 - AOC - 1]

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

Part A - Subsidiaries

(Fig. in Lakhs)

1	Sr. No.	**1**
2	Name of the Subsidiaries	**Manugraph Americas Inc., USA**
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	USD 1 = INR 75.3859
5	Share Capital	6,076.41
6	Reserves	(5,589.64)
7	Total Assets	629.45
8	Total Liabilities	629.45
9	Investments	-
10	Turnover	-
11	Profit before Tax	(66.93)
12	Provison for Tax	-
13	Profit after Tax	(66.93)
14	Proposed Dividend	-
15	% of Shareholding	100%
Names of subsidiaries which are yet to commence operations		NIL
Names of subsidiaries which have been liquidated or sold during the year		NIL

Constrad Agencies (Bombay) Private Limited ceased to be the subsidiary of the Company as the same was part of the Scheme for Merger by Absorption. Refer note 12(g) of Standalone Accounts.

Part B - Asscociates and Joint Ventures

Statement pursuant to section 129(3) of the Companies Act, 2013 related to Asscoiate Companies and Joint Ventures

Not Applicable

For and on behalf of Board of Directors

Sanjay S. Shah — Vice Chairman & Managing Director
(DIN: 00248592)

Pradeep S. Shah — Managing Director
(DIN: 00248692)

Mihir V. Mehta
Company Secretary

Amit Jain
Chief Financial Officer

Mumbai, dated: June 29, 2020

MANUGRAPH INDIA LIMITED

FINANCIAL HIGHLIGHTS STANDALONE

(₹ In Crs.)

		2020	2019*	2018*	2017	2016	2015	2014	2013	2012	2011
Profit & Loss Account Summary											
Turnover - Total		**113.80**	**239.36**	**181.93**	**248.33**	**258.99**	**204.20**	**242.51**	**304.71**	**369.95**	**296.30**
Total Income		**124.38**	**256.44**	**199.15**	**264.98**	**277.35**	**221.91**	**260.53**	**316.52**	**389.84**	**304.91**
EBIDTA		**(26.44)**	**(3.69)**	**2.94**	**6.53**	**14.80**	**(2.90)**	**9.45**	**30.12**	**64.19**	**45.65**
Depreciation		2.42	4.45	5.29	6.12	6.52	6.86	10.26	10.79	11.08	10.24
Interest		1.58	1.38	1.16	0.67	1.66	1.57	1.20	0.64	1.24	2.90
Profit before Exceptional Items		**(30.44)**	**(9.52)**	**(3.51)**	**(0.26)**	**6.62**	**(11.33)**	**(2.01)**	**18.69**	**51.87**	**32.51**
Exceptional Items (Note 2)		(4.02)	(6.33)	(15.00)	(41.96)	(3.08)	-	(10.79)	-	(60.00)	-
Profit before Taxation		**(34.46)**	**(15.85)**	**(18.51)**	**(42.22)**	**3.54**	**(11.33)**	**(12.80)**	**18.69**	**(8.13)**	**32.51**
Provision for Taxation		0.88	(0.54)	2.10	1.73	(2.44)	(0.59)	(5.04)	6.30	15.67	10.13
Profit after Taxation		**(35.34)**	**(15.31)**	**(20.62)**	**(43.96)**	**5.98**	**(10.74)**	**(7.76)**	**12.39**	**(23.80)**	**22.38**
Other comprehensive income (net of taxes)		**(1.03)**	**(0.10)**	**1.39**	**(0.01)**	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income		**(36.37)**	**(15.41)**	**(19.22)**	**(43.97)**	**5.98**	**(10.74)**	**(7.76)**	**12.39**	**(23.80)**	**22.38**
Balance Sheet Summary											
Assets employed											
Fixed Assets - Gross		211.91	212.78	212.55	217.07	155.34	157.80	157.45	157.81	156.64	155.09
Fixed Assets - Net		95.27	97.43	101.05	105.75	36.23	41.23	46.38	55.03	62.91	71.26
Investments		1.43	17.53	58.23	87.55	100.45	97.27	108.25	108.02	109.26	126.45
Non current Assets - Net		17.22	19.50	29.22	34.33						
Current Assets - Net		61.80	69.88	36.62	15.04	74.74	77.94	70.54	78.46	63.81	93.78
Total Assets		**175.72**	**204.34**	**225.12**	**242.68**	**211.42**	**216.44**	**225.17**	**241.51**	**235.98**	**291.49**
Financed by											
Equity Share Capital (Note 1)		6.08	6.08	6.08	6.08	6.08	6.08	6.08	6.08	6.08	6.08
Other Equity		147.02	185.22	202.74	224.75	210.12	207.79	221.50	232.80	225.75	258.39
Shareholders Funds		153.10	191.30	208.82	230.83	216.20	213.87	227.58	238.88	231.83	264.47
Borrowings		9.11	-	2.52	-	-	6.11	-	-	-	21.30
Deferred Tax Liability		13.51	13.04	13.78	11.85	(4.78)	(3.54)	(2.41)	2.63	4.15	5.72
Total Liabilities		**175.72**	**204.34**	**225.12**	**242.68**	**211.42**	**216.44**	**225.17**	**241.51**	**235.98**	**291.49**

* based on restated accounts considering the Scheme of Merger by Absorption (refer no. 12(g) of standalone accounts).

Other Investment Information		2020	2019*	2018*	2017	2016	2015	2014	2013	2012	2011
Earnings per Share (before Exceptional Item)	Rs.	(10.17)	(3.14)	(1.85)	(0.66)	2.51	(3.53)	(0.08)	4.07	11.90	7.36
Earnings per Share (after Exceptional Item)	Rs.	(11.62)	(5.03)	(6.78)	(14.45)	1.97	(3.53)	(2.55)	4.07	(7.83)	7.36
Dividend	%	-	25	30	25	50	25	50	75	125	75
Book Value per share	Rs.	50.34	62.90	68.66	75.89	71.08	70.32	74.83	78.54	76.22	86.95
Market Price											
High	Rs.	28.90	52.80	69.40	64.20	73.00	33.00	39.50	61.00	65.50	76.35
Low	Rs.	6.80	25.30	43.20	41.30	28.65	31.85	22.05	29.30	43.10	43.50
Shareholders	Nos.	10334	10653	11170	12254	12380	11617	12242	12685	13590	14289
Employees	Nos.	702	943	996	1013	1034	1089	1110	1228	1217	1217

Notes:

1. Equity share of face value of Rs. 2/- each. FY 2018 and 2019 is inclusive of equity share suspense.
2. Exceptional Items
   - FY 2012, 2018, 2019 and 2020 - Provision for diminution in value of investment in subsidiary.
   - FY 2014, 2016, 2019 and 2020 - Compensation under VRS.
   - FY 2017 - Provision for diminution in value of investment in subsidiary & profit on sale of Undertaking.
   - FY 2020 - Employee Separation Scheme.
3. Previous years figures have been regrouped wherever necessary.
4. Figures from FY 2017 are onwards as per Ind AS. Earlier years figures are as per previous applicable GAAP.

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