

Date: 11th August, 2020

The Secretary,
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building
P.J.Towers, Dalal Street, Fort,
Mumbai-400 001
Scrip Code : 523207

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra-Kurla Complex
Bandra (East)
Mumbai - 400 051
Scrip Code : KOKUYOCMLN

Sub: Notice of 73rd Annual General Meeting and Annual Report for the year 2019-2020

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report of the Company for the financial year 2019-20 along with the Notice of 73rd Annual General Meeting ("AGM") of the Company, to be held on Friday, September 4, 2020 at 11:00 a.m. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") without the physical presence of the Members.

This is in compliance with General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020 and 20/2020 dated May 5, 2020 issued by Ministry of Corporate Affairs ("MCA Circulars") and other applicable provisions of the Companies Act, 2013 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 ("SEBI Circular") issued by the Securities and Exchange Board of India and relevant provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the aforesaid MCA Circulars and SEBI Circular, the Annual Report together with the Notice of the AGM is being dispatched today by electronic mode to those Shareholders whose email addresses are registered with the Company/ Depository Participants.

The Notice and Annual Report of the Company are also available on the Company's website at <https://www.kokuyocamlin.com/annual-reports.html>.

Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Register of Members of the Company will be closed from Monday, August 31, 2020 to Friday, September 4, 2020 (both days inclusive) for the purpose of AGM. The Company is providing to its members the facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic mode. A person, whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date viz., Friday, August 28, 2020, only shall be entitled to avail electronic voting facility.

The remote e-voting period commences from Tuesday, September 1, 2020 at 9.00 am and ends on Thursday September 3, 2020 at 5.00 pm.

You are requested to take note of the above.

Thank you.

For KOKUYO CAMLIN LIMITED


RAVINDRA DAMLE
VICE PRESIDENT (CORPORATE)
& COMPANY SECRETARY

Encl: A/a



RESILIENCE
IS THE NEW SUSTAINABILITY.

KOKUYO CAMLIN LIMITED

73rd ANNUAL REPORT 2019-20

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Disclaimer: This document contains statements about expected future events and financials of Kokuyo Camlin Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.

Please find our online version at

<https://www.kokuyocamlin.com/annual-reports.html>

Or simply scan to download



Investor Information

Market Capitalisation as at 31st March, 2020	₹ 40,523 Lakhs
CIN	L24223MH1946PLC005434
BSE Code	523207
Bloomberg Code	CAMLN:IN
AGM Date	Friday 4th September, 2020, 11.00 a.m
AGM Mode	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")





At Kokuyo Camlin Limited ('KCL' or 'the Company'), resilience defines our capability to prevent, prepare and respond to any anticipated or unexpected business environment.

Our proactive strategies and strong execution capabilities of the team prepares us to face unanticipated adversities. Our strengths, especially in the areas of technology and innovation, allows us to respond by delivering premium and value-added products to our customers. The outcomes of our resilient practices defines our sustainability in the 'new normal' world.

Crafting a Sustainable Business

Who we are?

We are the pioneers in manufacturing world-class stationery products at cost efficient prices. Over the years, our product range of high-quality paints and accessories for artists to canvas and school art materials, has grown considerably. Our unwavering customer focus and a relentless zest for innovation has made us one of the most preferred brands and a synonym in the stationery products.

What we do?

We are engaged in manufacturing of various innovative product across segments like: inks, colours, writing instruments, technical and drawing instruments, office stationery, markers, notebooks and scholastic and hobby art materials, among others. Our rich domain expertise, pioneering design and manufacturing capabilities, and unwavering focus on quality and excellence under pin our operations.

Over **2,100** SKUs

1,211 Employees

What differentiates us?

Corporate Philosophy



Customer First: Committed towards delivering superior quality to meet the diverse demands of customers globally



Human Resources: Promoting equal employment opportunities to encourage professional excellence and striving to provide good working conditions



Business Partners: Establishing a long-lasting association with all stakeholders to augment mutual co-operation and a bond of mutual trust



Corporate Governance: Taking a leadership role in nurturing corporate culture and implementing policies that promote ethical behaviour



Transparency: Maintaining transparency and conducting business operations with the utmost honesty and integrity



Where we are?

Over the years, we have evolved and built a strong presence across diverse products, sectors, and geographies. Our world-class manufacturing facilities in Patalganga, Tarapur and Samba is ISO 14001:2015, ISO 45001:2018 and ISO 9001:2015 certified. Backed by state-of-the-art Japanese technology, we offer finest, superior quality product suited to customer needs.



**Patalganga
Plant**



**Tarapur
Plant**



**Samba
Plant**

Inspiring Change and Sustainable Living

At Kokuyo Camlin, we believe in working together to build a better world. As a good corporate citizen, we believe it is our position in the community which makes us responsible for their well-being and progress. This belief has been imparted in our operating procedures and community support. We also motivate our employees to actively follow, understand and contribute to social causes, so as to promote self and community development.

To centralise our efforts, we have seven focus areas through which we initiate various measures and programmes to reach to more and more people.

Key Areas of our Social Intervention



EDUCATION



HEALTH AND SANITATION



SKILL DEVELOPMENT



WOMEN EMPOWERMENT



SWACHH BHARAT



SWACHH BHARAT KOSH



ENVIRONMENT CONSERVATION

₹ **29.11** Lakhs

Total amount spent
on CSR in 2019-20



Celebrating Art

Kokuyo Camlin has coloured the imagination of millions of children in India. It has painted the dreams of the country's youth by promoting art, artists, art appreciation and art education. The Camel Art Contest (CAC) is the largest art competition in the world and we hold 'Guinness Books of World Records' for the same.

During the year 2019-20, CAC was very special for number of reasons. Group wise, new set of topics were announced, especially for the first-time topics related to Armed Forces was introduced.

- Group A Kindergarten (Below 1st Std): My Toy
- Group B (Std 1st & 2nd): Fish Aquarium
- Group C (Std 3rd & 4th): Let's Make Learning Fun
- Group D, E & F (Std 5th to 12th): Guardians of our Nation (Indian Armed Forces- Army/ Navy/ Air force)



Camel Art Foundation (CAF)

Launched in 1988, the CAF aims to celebrate and sustain the key role that art plays in the enrichment of our lives. It is only one of its kind activity in the country which has an objective to create platform for budding artists, art college students, amateur and professional artists to bring their talent in the limelight. This online national level contest invites participation from students and professionals above 18 years. Winners of this competition get to travel on a 10 day, all expenses paid for, curated tour to world famous museums in Europe.



Corporate Information

Chairman Emeritus

Mr. Subhash Dandekar

Board of Directors

Mr. Dilip Dandekar (*Chairman & Executive Director*)
Mr. Takuya Morikawa (*Sr. Vice Chairman & Non-Executive Director*)
Mr. Shriram Dandekar (*Vice Chairman & Executive Director*)
Mr. Nobuchika Doi (*Executive Director*)

Independent Directors

Mr. Shishir Desai
Mr. Sriram Venkataraman
Ms. Nandini Chopra
Mr. Yasuyuki Kanebako

Chief Executive Officer

Mr. Satish Veerappa

Chief Financial Officer

Mr. Chetan Badal

Vice President (Corporate) & Company Secretary

Mr. Ravindra Damle

Registered Office

Hilton House, 48/2, Central Road,
M.I.D.C., Andheri (East),
Mumbai-400093
CIN: L24223MH1946PLC005434

Works

Patalganga : Plot No. F/8,
Additional Patalganga MIDC,
Village: Chavane, Taluka-Panvel,
Dist.: Raigad-410220

Tarapur: M.I.D.C., Boisar, Tarapur,
Dist.: Thane-401506

Taloja: M.I.D.C., Taloja,
Navi Mumbai-410208

Jammu: Industrial Growth Centre,
Samba Phase I, Jammu, J&K State

101, Gangyal Industrial Area,
Phase II, Jammu-180 004

Auditors

M/s. BSR & Co. LLP
Chartered Accountants, Mumbai

Bankers

Mizuho Bank Ltd.
The Bank of Tokyo-Mitsubishi UFJ Ltd.
Sumitomo Mitsui Banking Corporation

Registrar & Transfer Agents

Link Intime India Pvt Ltd.
C-101, 247 Park, LBS Marg, Vikhroli (West)
Mumbai-400083
Tel: 91-022-4918 6270
Fax: 91-022-4918 6060
Email: rnt.helpdesk@linkintime.co.in

Audit Committee

Mr. Shishir Desai, *Chairman*
Mr. Takuya Morikawa, *Member*
Mr. Sriram Venkatarama, *Member*
Ms. Nandini Chopra, *Member*
Mr. Yasuyuki Kanebako, *Member*

Stakeholders' Relationship

Committee

Mr. Shishir Desai, *Chairman*
Mr. Shriram Dandekar, *Member*
Mr. Nobuchika Doi, *Member*

Remuneration & Nomination

Committee

Mr. Shishir Desai, *Chairman*
Mr. Dilip Dandekar, *Member*
Ms. Nandini Chopra, *Member*
Mr. Sriram Venkataraman, *Member*

Corporate Social Responsibility

Committee

Ms. Nandini Chopra, *Chairperson*
Mr. Shriram Dandekar, *Member*
Mr. Yasuyuki Kanebako, *Member*

Notice

NOTICE is hereby given that the 73rd Annual General Meeting of the Members of Kokuyo Camlin Limited, will be held on Friday the 4th September, 2020 at 11.00 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements for the financial year ended 31st March, 2020 and the Reports of the Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Takuya Morikawa (DIN : 03599830), who retires by rotation and being eligible offers himself for re-appointment.

Regd. Office:

Kokuyo Camlin Limited
CIN: L24223MH1946PLC005434
48/2, Hilton House,
Central Road, M.I.D.C.,
Andheri (East),
Mumbai-400 093.
Dated: 8th July, 2020

By Order of the Board

RAVINDRA V. DAMLE
Vice President (Corporate) &
Company Secretary

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. However, since this AGM is being held through VC/ OAVM, whereby physical attendance of Shareholders has been dispensed with and in line with the said Circulars read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 ("said SEBI Circular") issued by the Securities and Exchange Board of India ("SEBI"), THE FACILITY TO APPOINT A PROXY TO ATTEND AND CAST VOTE FOR THE SHAREHOLDER IS NOT MADE AVAILABLE FOR THIS AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

However, in terms of the provisions of Section 112 and 113 of the Act read with the said Circulars, Corporate Members are entitled to appoint their authorized representatives to attend

the AGM through VC/ OAVM on their behalf and participate thereat, including cast votes by electronic means.

Corporate Members intending to appoint their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf.

3. The Shareholders can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned hereinbelow in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 Shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Remuneration and Nomination Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.
4. The attendance of the Shareholders attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Register of Members and Share Transfer Books will remain closed from 31st August, 2020 to 4th September, 2020(both days inclusive).

Notes: (Contd.)

6. In compliance with Section 124 (6) of the Companies Act, 2013 the shares in respect of which dividend was unclaimed for a period of seven years or more have been transferred in the name of "Investor Education and Protection Fund" (IEPF) established by the Central Government. Members may claim the said shares and unpaid dividend by making an application to IEPF Authority in Form IEPF-5 available on www.iepf.gov.in.
7. As per the provisions of Investor Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed Amounts lying with Companies) Rules, 2014, the Company has placed on its website (www.kokuyocamlin.com) the information on dividend which remains unclaimed with the Company for the financial year ended 31st March, 2009 and thereafter. The information is also available on the website of the Ministry of Corporate Affairs (www.mca.gov.in).
8. As per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard-2 details in respect of the Director seeking re-appointment at the Annual General Meeting forms integral part of the notice.
9. Any Member desirous of getting any information on the accounts or operations of the Company is requested to forward his/her queries to the Company at investorrelations@kokuyocamlin.com at least seven working days prior to the meeting, so that the required information can be made available at the meeting.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company/ R&T Agent.
11. In compliance with the provisions of Section 108 of the Companies Act, 2013, and the rules framed thereunder and Regulation 44 of the Listing Regulations, the members are provided with the facility to cast their votes electronically, through the e-voting services provided by NSDL, on the resolutions set forth in this notice. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the notice of AGM and holding shares as on the cut-off date 7th August, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. Instructions for e-voting are given in the said forms. Resolution(s) passed by the members through e-voting is/ are deemed to have been passed if they have been passed at the AGM.
12. Since the AGM is held through VC/OAVM, the facility for voting through Ballot paper shall not be made available at the AGM.
13. In view of the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the said Circulars issued by the MCA and said SEBI Circular, the Annual Report including Notice of the 73rd AGM of the Company inter alia indicating the process and manner of e-voting is being sent only by Email, to all the Shareholders whose Email IDs are registered with the Company/ Depository Participant(s) for communication purposes to the Shareholders and to all other persons so entitled.

Further, in terms of the applicable provisions of the Act, Listing Regulations read with the said Circulars issued by MCA and said SEBI Circular, the Annual Report including Notice of the 73rd AGM of the Company will also be available on the website of the Company at www.kokuyocamlin.com. The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL i.e. www.evoting.nsdl.com.
14. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.

Notes: (Contd.)

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 1st September, 2020 at 9.00 A.M. and ends on Thursday 3rd September, 2020 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

How do I vote electronically using NSDL e-Voting system?

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 is 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.

Notes: (Contd.)

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

1. 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 info@jhrasso.com with a copy marked to evoting@nsdl.co.in.
2. 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.
3. 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 Ms. Soni Singh, Assistant Manager, NSDL at +91 22 24994559 at sonis@nsdl.co.in.

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:

1. 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 investorrelations@kokuyocamlin.com
2. 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 investorrelations@kokuyocamlin.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 at least seven working days prior to the meeting mentioning their name demat account number/folio number, email id, mobile number at investorrelations@kokuyocamlin.com. The same will be replied by the Company suitably.
6. Members who would like to register themselves as a speaker at the AGM shall send a request to the Company at investorrelations@kokuyocamlin.com between 30th August, 2020 09:00 a.m to 1st September, 2020 at 05:00 p.m.
7. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

Regd. Office:

Kokuyo Camlin Limited
CIN :L24223MH1946PLC005434
48/2, Hilton House,
Central Road, M.I.D.C.,
Andheri (East),
Mumbai-400 093.
Dated: 8th July, 2020

By Order of the Board

RAVINDRA V. DAMLE
Vice President (Corporate) &
Company Secretary

Annexure to the Notice

Details of Director seeking Re-Appointment at the ensuing Annual General Meeting

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting]

Name	Takuya Morikawa
Designation	Sr. Vice Chairman
Director Identification Number	03599830
Age	60 years
Date of first Appointment on the Board	19th October, 2011
Expertise in Specific Functional Area	Wide experience in the field of Projects, Research and Development and Corporate Strategy
Qualifications	Bachelor of Economics
Terms and Conditions of Re- appointment	Liable to retire by rotation
Details of remuneration sought to be paid	Not Applicable
Last drawn remuneration	Not Applicable
Relationship with other Directors and Key Managerial Personnel	Nil
Directorship in other Companies	Kokuyo Co., Limited (Japan)
Chairman/Member in the Committees of the Boards of other Listed companies	Nil
No. of Shares held in the Company	Nil
Number of meetings of the Board attended during the year	4

Directors' Report

To,

The Shareholders of Kokuyo Camlin Limited

Your Directors have pleasure in presenting the 73rd Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2020.

FINANCIAL RESULTS:

	(₹ In Lakhs)	
Particulars	2019-2020	2018-2019
Gross Sales/Income from Business	70881.82	77949.87
Less : Discount on Sales	7478.33	9072.67
Net Sales/Income from Business	63403.49	68877.20
Other Income	81.23	76.70
Total Income	63484.72	68953.90
Profit Before Interest and Depreciation	3778.14	5211.09
Less : Interest	971.93	1149.76
Less : Depreciation	1927.76	1787.19
Profit Before Tax	878.45	2274.14
Less : Provision for Tax		
- Current	84.25	476.04
- Deferred	251.93	275.62
- Prior years (Net)	106.65	2.15
Net Profit after Tax	435.62	1520.33
Balance carried to Balance Sheet	435.62	1520.33
Earnings per share (Basic)	0.43	1.52
Earnings per share (Diluted)	0.43	1.52

OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

During the year the Company reported gross sale/ income of ₹ 70881.82 Lakhs as compared to ₹ 77949.87 Lakhs for the last year representing a Decline of 9.07 % over the corresponding period of the previous year. The decrease in sales was mainly on account of loss of sales in the month of March 2020 which is the crucial month for the company on account of COVID-19 pandemic and lockdown announced by the government from Mid-March. The profit before tax was lower at ₹ 878.45 Lakhs against ₹ 2274.14 Lakhs for the corresponding period of the previous year. The decrease in Profit before tax was mainly on account of Lower sales growth, reduction in Whole sale price and Uneven product mix.

DIVIDEND:

Given the growth requirements of the business and absence of sufficient profits, your Directors do not recommend any dividend on equity share for the financial year 2019-2020.

TRANSFER TO RESERVE:

During the year under review, the Company has not transferred any amount towards General Reserve and retained the entire amount of profits in the Profit and Loss Account.

MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis forms an integral part of this report and is presented separately. It gives details of the overall industry structure, economic developments, performance and state of affairs of your Company's operations and their adequacy, risk management systems and other material developments during the financial year 2019-2020.

SHARE CAPITAL:

During the year under review, there was no change in the share capital structure and the paid-up capital of the Company as on 31st March, 2020 was ₹ 1003.04 Lakhs.

CONSOLIDATED FINANCIALS STATEMENTS:

The Company does not have any subsidiary, associate or joint venture with effect from 30th March, 2019 and hence, the Company is not required to prepare Consolidated Financial Statements.

SUBSIDIARIES:

At present, the Company does not have any subsidiary. No new subsidiary was incorporated or acquired by the Company during the year under review.

Since the Company does not have any subsidiary, associate or joint venture, hence, statement containing salient features of the financial statements of Subsidiary/Associate Company in Form AOC-1 pursuant to the provisions of Section 129(3) of Companies Act, 2013 is not applicable to your Company.

DEPOSITS:

During the year under review, your Company has not accepted any deposits. There are no unclaimed deposits as on date.

Pursuant to Ministry of Corporate Affairs (MCA) notification amending the Companies (Acceptance of Deposit) Rules, 2014, the Company has filed with the Registrar of Companies (ROC) the requisite returns for outstanding receipt of money / loan by the Company, which is not considered as deposits.

Directors' Report (Contd.)

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

GLOBAL PANDEMIC – COVID-19:

The outbreak of the novel coronavirus (COVID-19) pandemic has caused significant disturbance and slowdown of economic activity not only in India but all over the globe, forcing the Governments to enforce nation-wide lock-down. The focus of your Company immediately shifted to ensuring the health and well-being of all the employees and stakeholders.

In view of the lockdown declared by the Central and State Governments on 23rd March 2020, the manufacturing and distribution facilities of the Company had to be temporarily shut down as per the local authority guidelines. Our Registered Office in Mumbai and most of our sales offices were closed in accordance with the Government directives and/or as a precautionary measure and the Company had moved to 'work from home' policy for its office employees. However, after the end of the second phase of the lockdown, when the lockdown restrictions were slightly relaxed by the Ministry of Home Affairs, Government of India, and various State Government Authorities, the Company saw partial resumption at all its factory locations from early May, 2020 in accordance with the guidelines issued by the regulatory authorities. The Company has taken all necessary steps to adhere to the guidelines provided by Ministry of Home Affairs along with the various directives issued by relevant Government authorities and has put in place safety measures keeping in mind safety, health and well - being of the employees and other stakeholders. Measures like compulsory wearing of face masks, social distancing norms and workplace sanitation are implemented to ensure that the health of our workers/employees and other stakeholders is protected.

The lockdown and restrictions imposed on various activities due to Covid-19 pandemic, have also posed unprecedented challenges to all businesses and the business operations of the Company have been no exception to this. With the lockdown in many States/Union Territories across the country, the supply chains have been put under stress which has resulted in loss of business and temporary pressure on cash flows/ liquidity/ profitability/ margins due to lower collection of receivables, operating expenses, payment obligations towards vendors and statutory authorities, etc. However, since the markets have already opened across the segments and a clear upward trend is visible the management of the Company is quite confident that the business operations will pick up progressively.

Apart from the above there have been no Material changes and Commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company, to which the financial statement relate (i.e. 31st March,

2020) and the date of the report. There has been no change in the nature of business of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not granted any Loans, Guarantees or Investments during the financial year ended 31st March, 2020.

RELATED PARTY TRANSACTIONS:

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their review/approval on a quarterly basis.

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, and Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of Related Party Transactions as required under Section 134 (3) (h) of the Companies Act 2013 in Form AOC-2 is not applicable to your Company.

The details of transaction with related parties are provided in the accompanying financial statements. The policy on Related Party Transactions as amended and as approved by the Board is uploaded on the Company's website at <https://www.kokuyocamlin.com/company-policies.html>

CORPORATE GOVERNANCE REPORT:

Corporate Governance is all about ethical conduct, integrity and accountability. Good Corporate Governance involves a commitment of the Company to run the business in a legal, ethical and transparent manner and runs from the top and permeates throughout the organisation.

It is a key element improving the economic efficiency of Organisation. As per Listing Regulations, a separate section on Corporate Governance forms part of this report. A Certificate from M/s. JHR & Associates, Secretarial Auditors confirming compliance of Corporate Governance forms part of this Report.

Certificate of the CEO/CFO, confirming the correctness of the financial statements, compliance with the Company's Code of Conduct and the Audit Committee in terms of Regulation 17 of the Listing Regulations is attached in the Corporate Governance report and forms part of this report.

Directors' Report (Contd.)

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In terms of the provisions of the Companies Act, 2013, Mr. Takuya Morikawa, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment, you are requested to appoint him. The profile of Director seeking re-appointment forms integral part of the Notice.

During the year under review, Mr. Devendra Kumar Arora, Mr. Hisamaro Garugu and Mr. Ramanathan Sriram, Non-Executive Independent Directors of the Company resigned before the expiry of their tenure i.e with effect from 11th October, 2019, 16th October, 2019 and 23rd January, 2020 respectively. Accordingly disclosures of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them was submitted to the Stock Exchanges. The Board of Directors placed on record its appreciation for the contribution made by them during their tenure of office.

Further, due to other pre-occupation, Mr. Kazuo Kubo, Non-Executive Director of the Company resigned with effect from 16th October, 2019 and Mr. Takeo Iguchi, Executive Director of the Company resigned with effect from 1st November, 2019 due to other commitments. The Board of Directors placed on record its appreciation for the contribution made by Mr. Kazuo Kubo and Mr. Takeo Iguchi during their tenure of office.

The Board of Directors at its meeting held on 16th October, 2019 appointed Mr. Yasuyuki Kanebako as an Additional Non-Executive Director (Independent) of the Company with effect from 16th October, 2019 subject to approval of members. He was further appointed as Non-Executive Independent Director of the Company with effect from 16th October, 2019 for a period of five years by the members of the Company by passing Ordinary resolution through postal ballot on 15th December, 2019.

Further, the Board of Directors at its meeting held on 23rd January, 2020 approved the re-appointment of Mr. Dilip D. Dandekar as 'Chairman & Executive Director' and Mr. Shriram S. Dandekar as 'Vice-Chairman & Executive Director', whose term expired on 31st January 2020, for the further period of two (2) years and one (1) year respectively with effect from 1st February, 2020. The said appointments were approved by the members by passing special resolutions through Postal Ballot on 27th March, 2020.

None of the Directors are disqualified from being appointed as Directors as specified in section 164 of Companies Act, 2013.

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder.

1. Mr. Satish Veerappa – Manager designated as Chief Executive Officer
2. Mr. Chetan Badal - Chief Financial Officer
3. Mr. Ravindra Damle – Vice President (Corporate) & Company Secretary

The Disclosure required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as "Annexure – C" forming an integral part of this report.

MEETINGS OF BOARD:

During the financial year 2019-20 four Board Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

COMMITTEES OF THE BOARD:

As on March 31, 2020, the Board had four committees: the Audit committee, the Corporate Social Responsibility committee, the Remuneration and Nomination committee, and the Stakeholders Relationship committee.

During the year, all recommendations made by the committees were approved by the Board. A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report.

FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

In compliance with the requirements of Listing Regulations, the Company has put in place a familiarisation program for the Independent Directors to familiarise them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarisation programme are explained in the Corporate Governance Report. The same is also available on the website of the company and can be accessed by web link <https://www.kokuyocamlin.com/company-policies.html>.

PERFORMANCE EVALUATION OF THE DIRECTORS:

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, its Committees and individual Directors.

Directors' Report (Contd.)

Further, the Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed the performance evaluation of the Board Members as stipulated under the Listing Regulations.

DECLARATION OF INDEPENDENCE:

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1) (b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force).

In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company.

The Independent Directors of the Company have registered / in the process of registering themselves with the data bank maintained by Indian Institute of Corporate Affairs (IICA).

REMUNERATION POLICY:

The Board has, on the recommendation of the Remuneration and Nomination Committee framed a policy for selection, appointment and remuneration of Directors and KMPs.

The Remuneration Policy is stated in the Corporate Governance Report and is also available on the website of the Company at <https://www.kokuyocamlin.com/company-policies.html>.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013, your Directors to the best of their knowledge and belief and according to the information and explanations obtained by them, hereby confirm:

- a) That in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2020 and of the Profit of the Company for the year ended on that date.
- c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance

with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) That the Directors had prepared the annual accounts on a going concern basis; and
- e) That the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f) That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS & AUDITORS REPORT: STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/ W100022) were appointed as the Statutory Auditors of the Company for a term of five years, to hold office from the conclusion of 70th Annual General Meeting held on 28th June, 2017 till the conclusion of 75th Annual General Meeting of the Company. They have confirmed that they are not disqualified from continuing as the Auditors of the Company.

AUDITORS REPORT:

The observation of the Auditors in their report read with relevant notes to the accounts are self-explanatory and therefore do not require further explanations. The Auditors Report to the members on the Financial Statements of the Company for the year ended 31st March, 2020 does not contain any qualifications, reservations or adverse remarks.

There have been no instances of fraud reported by the Statutory Auditors under Section 143 (12) of the Companies Act, 2013 and the Rules framed thereunder either to the Company or to the Central Government.

SECRETARIAL AUDIT:

M/s. JHR & Associates a firm of Company Secretaries were appointed as Secretarial Auditor for the financial year 2019-20 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR-3 is attached as "Annexure – E" and forms part of this report. There are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors in the Secretarial Audit/Compliance Report issued by them for the financial year 2019-20.

Directors' Report (Contd.)

RECONCILIATION OF SHARE CAPITAL AUDIT:

As directed by the Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital Audit has been carried out at the specified period, by a Practicing Company Secretary.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Companies Act, 2013 re-emphasises the need for an effective Internal Financial Control System (IFC) in the Company which should be adequate and shall operate effectively. To ensure effective Internal Financial Controls the Company has its own process driven framework for the year ended 31st March, 2020.

The Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations; wherein controls are in place and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new and /or improved controls wherever the effect of such gaps would have a material effect on the Company's operation.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

The Company was not required to transfer any amount to the Investor Education and Protection Fund established by the Central Government (IEPF) during the financial year 2019-20.

TRANSFER OF SHARES TO IEPF

The Company has not transferred any shares to IEPF during the financial year 2019-20.

Details of shares transferred prior to the financial year 2019-20 have been uploaded on the website of IEPF as well as the Company.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

The Company is an equal opportunity employer and consciously strives to build a work culture that promotes dignity of all employees. As required under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under, the Company has implemented a policy on prevention, prohibition and redressal of sexual harassment at the workplace. All women, permanent, temporary or contractual including those of service providers are covered under the policy. An Internal Sexual Harassment Committee comprising management staff has been set up at office and factory locations, which includes three women to redress complaints relating to sexual harassment. The Committee also includes an outside woman representative from an NGO. During the year under review one case was reported under the said policy, whose proceeding is going on.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant or material orders passed by any regulator, tribunal or court that would impact the going concern status of the Company and its future operations.

CORPORATE SOCIAL RESPONSIBILITY:

In terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules 2014, as amended and in accordance with the CSR Policy the Company has spent above 2% of the average net profits of the Company during the three immediately preceding financial years. The details are provided in the Annual Report on CSR activities has been appended as "Annexure – D" which forms an integral part of this report. The CSR Policy of the Company is also available on the website of the Company <https://www.kokuyocamlin.com/pdf/CSR-Policy.pdf>

Key Initiatives which the Company engaged are:-

Educate the Girl Child

Your Company got associated with K.C. Mahindra Foundation Trust A/c - Nanhi Kali one of the largest community programs imparting education to under privileged girls across India. This partnership provided support to girl children through academic material and social backing by identifying critical centers of education through Nanhi kali project.

Swachh Bharat Kosh

Your Company also contributed to the Swach Bharat Kosh set-up by the Central Government for promotion of sanitation through donation to the above said fund.

Setting up a Mini Science Center

Your Company has contributed for setting up a Mini Science Center at five schools near our factories located at Tarapur, Samba and Patalganga.

In addition to the above the Company has been implementing other social activities which has not been considered for arriving at the spends as per the CSR rules.

CODE OF ETHICS AND VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has adopted code of ethics and business conduct which lays down principles and standards that should govern the actions of the Company and employees. The Company has a vigil mechanism called "Whistle Blower Policy" with a view to provide a mechanism for employees of the Company to raise concerns of any violations of any legal or regulatory requirement, incorrect or misrepresentation of any financial statements and reports etc. The Company is committed to adhere to the highest standard of ethical, moral and legal conduct of business operations.

Directors' Report (Contd.)

The Company has taken steps to establish Vigil Mechanism for Directors and Employees of the Company. The details of the Policy are posted on the website of the Company at www.kokuyocamlin.com. During the year under review, the policy was suitably amended to include reporting of instances relating to leak of Unpublished Price Sensitive Information.

PREVENTION OF INSIDER TRADING:

The Company has also adopted a code of conduct for prevention of insider trading. All the Directors, Senior Management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under report, there has been due compliance with the said code of conduct for prevention of insider trading based on the SEBI (Prohibition of Insider Trading) Regulations 2015.

INSURANCE:

The Company's plant, property, equipment's and stocks are adequately insured against major risks. The Company also has appropriate liability insurance covers particularly for product liability. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

RISK MANAGEMENT

We operate in a dynamic business scenario that gives rise to external and internal risk factors. We have designed an integrated risk management approach called the ERM framework for risk identification, assessment and reporting. As required by the ERM Policy the company initiates risk identification and control testing exercise to provide briefing and reporting to the Board. The ERM policy is implemented through the Risk Management Committee and various department heads who take the risk ownership and monitor the risks on a periodical basis.

The ERM Framework will enable achievement of strategic objectives by identifying, analysing, assessing, mitigating, monitoring and governing any risk or potential threat to these company objectives. Systematic and proactive identification of risks and mitigation thereof will enable effective and quick decision making and will boost the performance of the organisation. The ERM framework will act as a decision enabler which not only seeks to minimise the impact of risks but also enable effective resource allocation based on risk ranking and risk appetite. Strategic decisions will be taken after careful consideration of risks based on secondary risks and residual risks.

There are no risks which in the opinion of the Board threatens the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis Report which forms part of this Annual Report.

DISCLOSURE ON CONFIRMATION ON THE SECRETARIAL STANDARDS:

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India have been duly complied with.

ENERGY CONSERVATION, 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 Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure – A".

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT- 9 is placed on the website of the Company at www.kokuyocamlin.com under the Investor Relations Section and is set out as "Annexure - B" to the report.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 of Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

In terms of Section 136 of Companies Act, 2013 the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members through electronic mode on the website of the Company at <https://www.kokuyocamlin.com/notices.html>.

BUSINESS RESPONSIBILITY REPORT (BRR)

The Listing Regulations mandate the inclusion of the BRR as part of the Annual Report for the top 1,000 listed entities based on market capitalization. In compliance with the Listing Regulations, we have integrated BRR disclosures into our Annual Report.

ACKNOWLEDGEMENT:

Your Directors express their gratitude to the members, bankers, customers, financial institutions and other business constituents for their continued faith, assistance and support extended to the Company. Your Directors also sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels thereby contributing largely to the growth and success of the Company.

Your Directors also wish to place on record their appreciation for the support and guidance provided by its parent Company Kokuyo Co., Ltd. Japan.

For & on behalf of the Board

Place : Mumbai
Dated: 8th July, 2020

Dilip D. Dandekar
Chairman & Executive Director

Annexure 'A' to the Board's Report

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

[Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014]

A) CONSERVATION OF ENERGY

(a) Energy conservation measures taken:

- Usage of Servo motors in Machines.
- Installed and commissioned 564 KWP Solar Power Plant at Patalganaga plant.
- Installation of energy savers on air conditioners.
- Use of Solar Energy for process water heating.
- Install Turbo ventilator on Roofs operated on wind to reduce heat and also improve shop floor ventilation.
- In all factories we are not discharging treated effluents from ETP but it is recycled and reused, resulting in saving of 20% of water.
- Use of gravity in some process has reduced electricity for transfer of material.
- Use of LED lights across all factory locations.
- Usage of natural lights in manufacturing area to reduce power consumption.
- Diesel consumption of power generator is reduced due to starting of express feeder power line at Patalganga plant.
- Use of store rain water for gardening is reducing waster consumption at Patalganga. We have 65000 LTR rain water storage pond.

(b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:

Use of electric injection moulding machines in place of hydraulic machines which has reduced substantial energy consumption.

(c) Impact of the above matters:

As a result of measures taken/to be taken, enumerated in (a) and (b) above there is a reduction in unit consumption which has helped in reducing the cost of production.

B) TECHNOLOGY ABSORPTION:

RESEARCH AND DEVELOPMENT (R & D):

1.	Specific areas in which R & D Carried out by the Company	New product development, process development.
2.	Benefits derived as a Result of the above R & D	Cost reduction, quality up gradation, development of new markets.
3.	Future plan of action	Future plan of action envisages acceleration in the process of development already set in motion and undertaking more process development work for achieving cost reduction, and improvement in quality.

(₹ In Lakhs)

4.	Expenditure on R&D	2019-2020	2018-2019
a)	Capital	-	-
b)	Recurring	435.14	436.93
	Total	435.14	436.93
	Total R&D Expenditure as a Percentage of total turnover	0.69	0.63

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

1.	Efforts made towards Technology Absorption, Adaptation and Innovation	The Company's R&D Laboratory is recognized by the Department of Scientific and Industrial Research, Govt. of India, where continuous efforts are made to innovate new products and improve the quality of Art Material, Stationery and Adhesive products, manufactured / procured by the Company to make the manufacturing process safe, cost effective and environment friendly.
2.	Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.	Technological innovations and improvements undertaken at the laboratory scale have been successfully absorbed at plant level. These efforts shall benefit the Company in increasing sales, reducing cost, improving quality and scale of the production and customer satisfaction.
3.	Technology Import	N.A

Annexure 'A' to the Board's Report (Contd.)

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

(a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

Major countries of export are SAARC Countries, Middle East and Japan.

(b) Total Foreign Exchange used and earned:

	(₹ In Lakhs)	
	2019-2020	2018-2019
Foreign exchange used	3800.56	5306.96
Foreign exchange earned	1901.99	1663.85

For & on behalf of the Board

Place : Mumbai

Dated: 8th July, 2020

Dilip D. Dandekar
Chairman & Executive
Director

Annexure 'B' to the Board's Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31st March, 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 DETAIL:

i)	CIN:-	L24223MH1946PLC005434
ii)	Registration Date	24th December, 1946
iii)	Name of the Company	Kokuyo Camlin Limited
iv)	Category / Sub-Category of the Company	Company Limited by shares Indian Non- Government Company
v)	Address of the Registered office and contact details	48/2, Hilton House, Central Road M.I.D.C, Andheri (East), Mumbai – 400093 Tel: 022-66557000 Website: www.kokuyocamlin.com
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C – 101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083 Tel.: 91-22- 49186270 Fax: 91-22- 49186060 Email id: rnt.helpdesk@linkintime.co.in Website : www.linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name and Description of main products /services	NIC Code of the Product/service	% to total turnover of the company
1	Scholastic Products and Note Books		46%
2	Writing and Marking Instruments	32901	30%
3	Fine Art and Graphics /Fashion and Hobby Colours	20224	14%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Kokuyo Co., Ltd., Japan		Holding	74.44	2(46)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
A. Promoters	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
(1) Indian									
Individuals/ HUF	550000	-	550000	0.55	550000	-	550000	0.55	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-

Annexure 'B' to the Board's Report (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
Bodies Corp	-	-	-	-	-	-	-	-	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
SubTotal(A)(1)	550000	-	550000	0.55	550000	-	550000	0.55	-
(2) Foreign	-	-	-	-	-	-	-	-	-
NRIs- Individuals	-	-	-	-	-	-	-	-	-
Other - Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp	74665950	-	74665950	74.44	74665950	-	74665950	74.44	-
Banks/ FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
SubTotal(A)(2)	74665950	-	74665950	74.44	74665950	-	74665950	74.44	-
Total shareholding of Promoter	75215950	-	75215950	74.99	75215950	-	75215950	74.99	-
(A)=(A)(1)+(A)(2)									
B. Public Shareholding									
1. Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks/ FI	72338	2000	74338	0.07	419582	2000	421582	0.42	0.35
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Foreign Portfolio Investors	75000	-	75000	0.07	75000	-	75000	0.07	-
SubTotal (B)(1)	147338	2000	149338	0.15	494582	2000	496582	0.50	0.35
2. Non-Institutions									
a) Bodies Corp.	2892314	-	2892314	2.88	2841034	-	2841034	2.83	(0.05)
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 2 lakhs	13646295	1287251	14933546	14.89	13867895	1189789	15057684	15.01	0.12

Annexure 'B' to the Board's Report (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakhs	3843823	-	3843823	3.83	3934258	-	3934258	3.92	0.09
c) NBFCs Registered with RBI	27772	-	27772	0.03	-	-	-	-	(0.03)
c) Others (Specify)									
i) IEPF	737594	-	737594	0.74	736084	-	736084	0.73	(0.01)
ii) NRI (Non-Rep)	432735	-	432735	0.43	410077	-	410077	0.41	(0.02)
iii) NRI (Rep)	1297876	-	1297876	1.29	826050	-	826050	0.82	(0.47)
iv) Trust	2000	-	2000	-	-	-	-	-	-
v Foreign Portfolio Investor (Individual)	-	-	-	-	-	-	-	-	-
v. Hindu undivided Family	616218	-	616218	0.61	666122	-	666122	0.66	0.05
vi. Clearing Member	99639	-	99639	0.10	64964	-	64964	0.06	(0.04)
vii. Unclaimed Shares- Suspense Account	55001	-	55001	0.05	55001	-	55001	0.05	-
SubTotal(B)(2)	23651267	1287251	24938518	24.86	23401485	1189789	24591274	24.51	(0.35)
Total Public Shareholding (B)=(B)(1)+(B)(2)	23798605	1289251	25087856	25.01	23896067	1191789	25087856	25.01	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	99014555	1289251	100303806	100.00	99112017	1191789	100303806	100	-

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding 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.	Kokuyo Company Limited	74665950	74.44	-	74665950	74.44	-	-
2.	Shriram Sharad Dandekar	250000	0.25	-	250000	0.25	-	-
3.	Dilip Digambar Dandekar	200000	0.20	-	200000	0.20	-	-
4.	Subhash Digambar Dandekar	100000	0.10	-	100000	0.10	-	-
TOTAL		75215950	74.99		75215950	74.99	-	-

Annexure 'B' to the Board's Report (Contd.)

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

Sl. No	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Kokuyo Co. Ltd.				
	At the beginning of the year	74665950	74.44	74665950	74.44
	Purchase/Sale during the year	-	-	74665950	74.44
	At the end of the year	-	-	74665950	74.44
2.	Shriram Sharad Dandekar				
	At the beginning of the year	250000	0.25	250000	0.25
	Purchase/ Sale during the year	-	-	250000	0.25
	At the end of the year	-	-	250000	0.25
3.	Dilip Digambar Dandekar				
	At the beginning of the year	200000	0.20	200000	0.20
	Purchase/ Sale during the year	-	-	200000	0.20
	At the end of the year	-	-	200000	0.20
4.	Subhash Digambar Dandekar				
	At the beginning of the year	100000	0.10	100000	0.10
	Purchase/ Sale during the year	-	-	100000	0.10
	At the end of the year	-	-	100000	0.10

During the year 2019-20, there is no change in Promoters' Shareholding.

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

Sl. No	Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Vijay Kishanlal Kedia				
	At the beginning of the year	-	-	-	-
	Increase/ Decrease upto 31st March, 2020	1010000	1.01	1010000	1.01
	At the end of the year	1010000	1.01	1010000	1.01
2.	Girish S. Apte				
	At the beginning of the year	842523	0.84	842523	0.84
	Increase/ Decrease upto 31st March, 2020	(200)	(0.00)	842323	0.84
	At the end of the year	200	0.00	842523	0.84
	At the end of the year	842523	0.84	842523	0.84
3.	Shree Capital Services Limited				
	At the beginning of the year	650497	-	650497	0.64
	Increase/ Decrease upto 31st March, 2020	-	-	650497	0.64
	At the end of the year	-	-	650497	0.64

Annexure 'B' to the Board's Report (Contd.)

Sl. No	Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
4.	ICICI Bank Limited				
	At the beginning of the year	30566	0.30	30566	0.30
	Increase upto 31st March, 2020	629210	0.63	659776	0.66
	Decrease upto 31st March, 2020	(240319)	(0.24)	419457	0.42
	At the end of the year	419457	0.42	419457	0.42
5.	Ganesh Srinivasan				
	At the beginning of the year	300000	0.30	300000	0.30
	Increase upto 31st March, 2020	90435	0.09	390435	0.39
	At the end of the year	390435	0.39	390435	0.39
6.	Ramesh Damani				
	At the beginning of the year	375000	0.37	375000	0.37
	Increase/ Decrease upto 31st March, 2020	-	-	375000	0.37
	At the end of the year	-	-	375000	0.37
7.	Benu Gopal Bangur				
	At the beginning of the year	372600	0.37	372600	0.37
	Increase/ Decrease upto 31st March, 2020	-	-	372600	0.37
	At the end of the year	-	0.37	372600	0.37
8.	Nalini N. Sekhsaria				
	At the beginning of the year	350000	0.35	350000	0.35
	Increase/ Decrease upto 31st March, 2020	-	-	350000	0.35
	At the end of the year	-	-	350000	0.35
9.	Harimohan Boangur				
	At the beginning of the year	332700	0.33	332700	0.33
	Increase/ Decrease upto 31st March, 2020	-	-	332700	0.33
	At the end of the year	-	-	332700	0.33
10.	Vijay V. Wadhwa				
	At the beginning of the year	261000	0.26	261000	0.26
	Increase/ Decrease upto 31st March, 2020	-	-	261000	0.26
	At the end of the year	-	-	261000	0.26

Annexure 'B' to the Board's Report (Contd.)

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. Dilip D. Dandekar				
	At the beginning of the year	200000	0.20	200000	0.20
	increase/ decrease in shareholding during the year	-	-	200000	0.20
	At the end of the year	-	-	200000	0.20
2.	Mr. Shriram S. Dandekar				
	At the beginning of the year	250000	0.25	250000	0.25
	increase/ decrease in shareholding during the year	-	-	250000	0.25
	At the end of the year	-	-	250000	0.25
3.	Mr. Chetan Badal				
	At the beginning of the year	23030	0.02	23030	0.02
	increase/ decrease in shareholding during the year	-	-	23030	0.02
	At the end of the year			23030	0.02
4.	Mr. Ravindra V. Damle				
	At the beginning of the year	28677	0.03	28677	0.03
	increase/ decrease in shareholding during the year			28677	0.03
	At the end of the year		-	28677	0.03

No other Directors/KMPs other than as mentioned above holds any shares in the Company.

V. INDEBTEDNESS:

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	22.95	17316.06	909.34	18248.35
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	22.95	17316.06	909.34	18248.35
Change in Indebtedness during the financial year				
Addition				
Reduction	(7.96)	(4750.14)	(104.60)	(4862.70)
Net Change	(7.96)	(4750.14)	(104.60)	(4862.70)
Indebtedness at the end of the financial year				
i) Principal Amount	14.99	12565.92	804.74	13385.65
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	14.99	12565.92	804.74	13385.65

Annexure 'B' to the Board's Report (Contd.)

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(₹ in Lakhs)

Sl. No	Particulars of Remuneration	Name of MD/WTM/Manager					Total Amount
		Dilip D. Dandekar	Shriram S. Dandekar	Nobuchika Doi	Takeo Iguchi	Satish Veerappa	
1.	Gross salary						
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	115.25	97.32	46.99	27.41	76.73	363.70
(b)	Value of perquisites u/s. 17(2) of the Income-tax Act, 1961	47.01	39.58	41.98	26.19	61.57	216.33
(c)	Profits in lieu of salary under section 17(3) of the Income tax Act, 1961	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission	-	-	-	-	-	-
	- as % of profit						
	- others, specify...						
	Others	-	-	-	-	-	-
	Total (A)	162.26	136.90	88.97	53.60	138.30	580.03

*Since Mr. Takeo Iguchi ceased to be a Director w.e.f 1st November, 2019, the remuneration was paid to him from 1st April, 2019 to 31st October, 2019 as Executive Director.

B. Remuneration to other directors:

1. Independent Directors:

(₹ in Lakhs)

Particulars of Remuneration	Name of Directors							Total Amount
	Ramanathan Sriram	Hisamaro Garugu	Shishir Desai	Nandini Chopra	Devendra Kumar Arora	Sriram Venkataraman	Yasuyuki Kanabako	
Fee for attending board/ committee meetings	4.30	0.70	4.80	3.00	0.70	4.20	-	17.70
Commission	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Total (1)	4.30	0.70	4.80	3.00	0.70	4.20	-	17.70

2. Other Non-Executive Directors:

Particulars of Remuneration	Name of Directors		Total Amount
	Takuya Morikawa	Kazuo Kubo	
Fee for attending board/ committee meetings	-	-	-
Commission	-	-	-
Others	-	-	-
Total (2)	-	-	-
TOTAL B = (1+2)	-	-	17.70
Total Remuneration (A+B)	-	-	597.73

Annexure 'B' to the Board's Report (Contd.)

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

(₹ in Lakhs)

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
		Ravindra Damle VP (Corporate) & CS	Chetan Badal CFO	Total
1.	Gross salary			
(a)	Salary as per Provisions contained in section 17(1) of the Income-tax Act, 1961	29.33	53.13	82.46
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	16.67	26.47	43.14
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others	-	-	-
	Total (A)	46.00	79.60	125.60

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of The Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

For & on behalf of the Board

Place : Mumbai

Dated: 8th July, 2020

Dilip D. Dandekar
Chairman & Executive Director

ANNEXURE - C

Disclosure In Directors' Report Pursuant To Section 197(12) Of The Companies Act, 2013 Read With Companies (Appointment And Remuneration Of Managerial Personnel), Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name of the Director	Designation	Ratio to median remuneration
Mr. Dilip Dandekar	Chairman and Executive Director	58.58
Mr. Shriram Dandekar	Vice Chairman and Executive Director	49.42
Mr. Nobuchika Doi	Executive Director	32.12
Mr. Takeo Iguchi*	Executive Director	33.09

* Mr. Takeo Iguchi ceased to be a Director with effect from 1st November, 2019.

- The median remuneration of employees of the Company was ₹ 2.77 Lakhs.
- For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

Name of the Director/KMP	Designation	% increase/(decrease) in remuneration
Mr. Dilip Dandekar	Chairman and Executive Director	-
Mr. Shriram Dandekar	Vice Chairman and Executive Director	-
Mr. Nobuchika Doi	Executive Director	-
Mr. Takeo Iguchi*	Executive Director	-
Mr. Satish Veerappa	Chief Executive Officer	(13.15)
Mr. Chetan Badal	Chief Financial Officer	(13.51)
Mr. Ravindra Damle	Vice President(Corporate) & Company Secretary	(14.10)

* Mr. Takeo Iguchi ceased to be a Director with effect from 1st November, 2019.

- The above increase is on the basis of actual remuneration paid for both the years.

3. The percentage increase in the median remuneration of employees in the financial year: 8.20%
4. The number of permanent employees on the rolls of company: 1211
5. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Average increase in remuneration is 9.56% for Employees other than Managerial Personnel and 9.43% for Managerial Personnel.

6. Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company affirms remuneration is as per the remuneration policy of the Company.

For & on behalf of the Board

Place : Mumbai
Dated: 8th July, 2020

Dilip D. Dandekar
Chairman & Executive Director

ANNEXURE - D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

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.

The Company proposes to undertake the relevant activities on priority basis in the following focused areas:

- a) Promoting health care including preventive health care and sanitation including undertaking of activities related to the Government's Swachh Bharat Abhiyaan program & contribution to the Swachh Bharat Kosh set-up by the Central Government for promotion of sanitation and making available safe drinking water.
- b) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled, and livelihood enhancement projects;
- c) Contribution to the Prime Minister's National Relief Fund or any other Fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward Classes, minorities and women;

Kokuyo Camlin Limited CSR Policy weblink:- <http://www.kokuyocamlin.com/pdf/CSR-Policy.pdf>

2. The Composition of the CSR Committee:

SR. NO.	NAME	POSITION
1	Ms. Nandini Chopra	Chairperson
2	Mr. Shriram Dandekar	Member
3	Mr. Yasuyuki Kanebako	Member

3. Average net profit of the company for last three financial years: ₹ **1425.57 Lakhs**
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ **28.51 Lakhs**
5. Details of CSR spent during the financial year 2019-20.
 - (a) Total amount to be spent for the financial year : ₹ **28.51 Lakhs**
 - (b) Amount unspent, if any; **Nil**

ANNEXURE - D (Contd.)

(c) Manner in which the amount spent during the financial year is detailed below:

(₹ in Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
SR. NO.	CSR Project or activity Identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) Specify the state or district where the Projects or programs under taken	Amount outlay spent on Project or Program wise (In ₹)	Amount Spent on Project/ Programmes (In ₹)	Cumulative expenditure up to the reporting period (In ₹)	Amount Spent: Direct or through implementing Agency
1	K. C. Mahindra Foundation Trust A/c. Nanhi Kali	EDUCATION	Maharashtra	6.00	6.00	6.00	IMPLEMENTING AGENCY
2	Swachh Bharat Kosh	SANITATION	-	2.00	2.00	2.00	DIRECT
3	Samabhavana Society	EDUCATION	Maharashtra (Local Area) and Samba, Jammu	21.11	21.11	21.11	IMPLEMENTING AGENCY
Total				29.11	29.11	29.11	

6. In case the Company has failed to spend 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 Board Report.

Not Applicable

7. DETAILS OF CSR PROGRAMMES:

Educate the Girl Child:

Your Company got associated with Nanhi Kali one of the largest community programs imparting education to under privileged girls across India. This partnership provided support to girl children through academic material and social backing by identifying critical centers of education through Nanhi kali project.

Swachh Bharat Kosh:

Your Company also contributed to the Swach Bharat Kosh set-up by the Central Government for promotion of sanitation through donation to above said fund.

Samabhavana Society

Your Company has contributed to Samabhavana Society, a non profit organisation for installing science centres at five schools near our factory locations i.e two schools at Tarapur, two schools at Samba (Jammu) and one school at Patalganga. These mini science centres are stepping stones for the dreams of under privileged children, which give them hands on experience for exploring science in practical and fun way.

8. CSR Committee Responsibility Statement:

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company is in compliance with the CSR objective and the CSR policy of the Company.

Place : Mumbai

Dated: 8th July, 2020

Ms. Nandini Chopra
Chairperson- CSR Committee
On behalf of the Board of Directors
Mr. Dilip Dandekar – Chairman & Executive Director

ANNEXURE - E

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]

The Members,

Kokuyo Camlin Limited
Hilton House, Central Road
MIDC, Andheri(East)
Mumbai- 400 093

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kokuyo Camlin Limited - CIN: L24223MH1946PLC005434 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 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 and External Commercial Borrowings.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during audit period)
 - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during audit period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during audit period)

ANNEXURE - E (Contd.)

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during audit period)
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during audit period)
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- j. The Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the Company during audit period)
- k. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

There are no laws which specifically apply to the type of activities undertaken by the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India as in force from time to time.
- ii. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

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

We further report that: -

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

Adequate notice of at least seven days was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally 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 minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

**For JHR & Associates
Company Secretaries**

**J. H. Ranade
(Partner)**

FCS: 4317, CP: 2520

UDIN: F004317B000427234

Place : Thane

Dated: 08th July, 2020

ANNEXURE - E (Contd.)

The Members,

Kokuyo Camlin Limited

Hilton House, Central Road MIDC, Andheri (East)

Mumbai- 400 093

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance 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 JHR & Associates
Company Secretaries**

**J. H. Ranade
(Partner)**

FCS: 4317, CP: 2520

Place : Thane

Dated: 08th July, 2020

Management Discussion and Analysis

Global Economy

The world economy grew by 2.9% in 2019 as compared to 3.6% in the preceding year. The slowdown resulted out of the escalating trade tensions between the US and China, coupled with unfavourable geo-political situations across few countries. Besides, there were challenges of subdued demand and declining investments across the globe. Several central banks across the globe intervened to boost the money supply and consumption and bring back the growth momentum. By the end of 2019, the impact of these measures was visible. Besides, lower crude oil prices and easing out of the trade tensions further built a positive picture for the next year. However, the COVID-19 outbreak at the same time, brought down all the hopes owing to the shutdowns and complete halt of economic activities.

Outlook

Going forward, there is a complete uncertainty on the normalisation of the global trade. Governments across the globe are reinforcing the revival packages and building strategies to be more resilient for any future headwinds. According to the World Bank forecasts, the global economy is expected to shrink by 5.2% owing to the disruptive damage caused to the global businesses and economies.

Indian Economy

India's GDP registered a subdued growth of 4.2% in 2019-20 as against 6.1% in 2018-19. The first three quarters of the FY 2019-20 witnessed slackening demand, lower investments and subdued global trade. The Government consistently took measures to revive the economy by means of infusing liquidity and encouraging consumption. There was a strong hope of recovery in the last quarter of the current fiscal. However, in last month of March, the economic activities came to a complete halt as COVID-19 pandemic had entered India. This outbreak caused severe disruptive impact on both demand and supply side elements, leading to a complete imbalance to an otherwise improving performance. The Government took corrective measures to revive the economy by announcing Rs 20 lakh crore stimulus package to make India self-reliant and ensure quick recovery across the segments.

Outlook

According to the World Bank, the Indian economy is estimated to further contract to 3.2% in 2020-21. The outcome is entirely dependent on the curbing efforts and the discovery of the vaccination. The fiscal and monetary policy support pays off, lower oil prices and easing inflationary pressures will further add to the recovery in the medium term.

Indian Stationery Industry

The stationery industry comprises paper (notebooks, long books, spiral books) as well as non-paper stationery (pencils, pens, poster colours, crayons, geometry box, colour pencils among others). The global school and stationery supplies market is estimated to grow at 3% CAGR over 2018-2023 to reach a value of USD 17.88 billion by 2023. Of this 31% of growth is likely to originate from APAC countries.

The Indian stationery market can be divided into educational and office Stationery products, in which educational sector holds the major market with more than 58% revenue share. The overall size of the industry is more than 200 billion, estimated to grow at the rate of 8% per year. The notebooks segment forms a majority of the pie and with over 24 crores students in India the segment will continue to witness strong growth.

The industry is highly fragmented and largely dominated by the unorganised business units. The major source of distribution of the stationery products is offline. However with evolving trends online platforms are also gaining traction in office stationery and premium range of stationery products.

Outlook

The stationery products industry was impacted during the year due to sluggish demand and the onset of Covid-19 in the peak season of sales. Going ahead we see brighter days at the other end of crisis. The Indian customers are gradually shifting from inexpensive to superior quality products. As customer needs evolve and premium products are constantly developed to suit the consumer's needs, properties such as better-quality paper, a richer and wider range of pigments in paints and crayons and environmentally friendly material are gaining traction.

Some of the important factors in driving the markets of stationery products include:

- Rising per capita spend on education
- Increasing literacy levels and access of education to the population
- Increasing expenditures of Indian government on the educational sectors through initiatives like the National Policy on Education and Education for all (Sarva Shiksha Abhiyan). The Government allocated Rs. 94, 854 crores for education sector an increase of 5% over last year.
- Growing product personalisation
- Increasing traction in the online space for purchasing products

Management Discussion and Analysis (Contd.)

- Evolvement of several educational start-ups and coaching institutes
- Improving demands from the tier II and tier III cities

Company Overview

Kokuyo Camlin Limited (the Company) is one of the most recognised and trusted stationery brands in India. Founded in 1931, it has an unmatched legacy with the brand name synonymous with quality products for schools, offices and niche art markets. The Camel and Camlin are the flagship and the most recognised brands of the Company. In 2011, Kokuyo Co. Ltd, a leading Japanese stationery manufacturer, acquired a majority stake in the erstwhile Camlin Ltd and Kokuyo Camlin limited was formed.

The Company offers comprehensive products portfolio which comprises inks, colours, writing instruments, technical and drawing instruments, office stationery, markers, notebooks and scholastic and hobby art materials. The strong R&D capabilities and world-class manufacturing facilities at Patalganga, Tarapur and Jammu enables it to offer superior and innovative products.

Key Developments

Innovation: The need of the hour

Innovation is the key to growth. At Kokuyo Camlin we ensure to create enduring value for our customers. Innovation enables higher consumer satisfaction, improved efficiency and true-value for money. We are on a constant endeavour to offer value-added products each time and every time, through continuous investments.

Over the years the Company has created several innovative products including 2 in 1 geometry box, brush pens and child grip crayons among others. The 2 in 1 geometry box received innovative product of the year at Making of Developed India awards. The innovative products have helped us create value for our customer on one hand and fetch higher margins for the Company.

Automation: Essential element for better efficiency

Automation is a continuous process at Kokuyo Camlin. The Company has made focused investments in automation and mechanisation of all its facilities. This has led to deliver products of superior quality and precision. The facility at Patalganga is fully operational. The plant is equipped with machines adopting cutting-edge technology from Japan and other high-end special purpose machinery. The Company's 60 year old Tarapur plant is also being renovated and upgraded to augment its production capacities.

Cost optimisation: Critical to achieve growth

The Company took several measures to control the input costs and centralised production of certain products. The Company has also formed a dedicated team that monitors the internal processes and allows them to control the SG&A overheads. The Company's decision to manufacture certain products under Patalganga plant has led to resource optimisation and reduced costs.

Marketing measures

The Company continued to further penetrate in the market, increasing consumer reach and product portfolio. With increased focus on digitalization, social media has become imperative for organisation to strengthen their brand communication, enhance customer outreach and acquiring new customers. From creating product awareness to business development, social media has emerged as a useful platform for us to connect and engage with the customers. The Company leverages social media as a two-way communications vehicle for both listening to the customers and gaining insights, with the goal of fulfilling the customers need. Thus, tapping and engaging the right target audience in the most cost-effective way and in turn generating higher revenues.

Strategies adopted

- Invested in understanding customers need and online behaviours to ensure higher value
- Conducted in-depth market research to get insights on customer preference
- Sales through omni-channel
- Capitalized the strength of social media
- Ensured excellent quality at par with global standards

Performance Review

The COVID-19 pandemic has adversely impacted the entire industry due to temporary halt in the activities to curb the outbreak. March is considered as the peak season for the stationery industry, but the outbreak in the last quarter of the current fiscal affected the performance of the Company. The focused approach towards its product offerings, customers, markets, innovations, market penetration and efficiency will enable it to leverage the opportunities as the effect of pandemic fades.

Given below is the analysis of major items of the financial statements:

Management Discussion and Analysis (Contd.)

Revenue from operations

	(₹ In Lakhs)		
	FY2020	FY2019	Change %
Revenue from operations	63,403.49	68,877.20	(7.95%)
Foreign exchange earned	1901.99	1,663.85	14.31%

Other Income

	(₹ In Lakhs)		
	FY2020	FY2019	Change %
Other Income	81.23	76.70	5.91%

Cost of Material

	(₹ In Lakhs)		
	FY2020	FY2019	Change %
Cost of Material	22,772.37	26,262.51	(13.30%)

Employee benefit expenses

	(₹ In Lakhs)		
	FY2020	FY2019	Change %
Employee benefit expenses	8,330.29	9,316.00	(10.58%)

Finance cost

	(₹ In Lakhs)		
	FY2020	FY2019	Change %
Finance cost	971.93	1,149.76	(15.47%)

Depreciation and Amortisation Expenses

	(₹ In Lakhs)		
	FY2020	FY2019	Change %
Depreciation	1,927.76	1,787.19	7.88%

Other Expense

	(₹ In Lakhs)		
	FY2020	FY2019	Change %
Other Expenses	13,300.61	13,651.58	2.57%

Outlook

Going ahead, we will continue to focus on understanding the customer's behaviour in offering innovative products to meet their needs. Moreover, focus will be more towards investment in the new product development and upgrading the existing ones. The Company will further strengthen its brand journey by offering them premium quality products.

Risk Management

Risk	Impact	Mitigation
Economic slowdown	Downturn in the economy could adversely affect demand for the products.	The Company's presence in the stationery segment plays an important role in mitigating the risk. The product demand is more or less consistent owing to its acceptance across educational and corporate segments.
Business cyclicity risk	Slowdown in the business during peak season can affect the Company adversely.	The Company cautiously tracks the school season and plans its product launches and re-stocks the distribution channel to make the products available during the demand. Besides, its presence in the corporate segment ensures round the year demand of its products.
Brand risk	Impact on the credibility of the brand could impact the product offtake.	The rich experience and expertise has made the Company, the largest manufacturer and the seller of the stationery products in India. The brand has strong credibility and has emerged as one-stop solution for both office as well as school stationery products.
Product portfolio risk	Dependency on a single product may lead to a revenue loss in the event of lower offtake.	The Company's diversified product mix mitigates the risk of single product dependency.
Raw material risk	Unavailability of raw material as well as fluctuating prices can impact profitability.	The Company purchases raw materials from multiple vendors to improve its inventory management and ensure timely availability of raw materials at competitive prices.
Distribution risk	Weak distribution network may lead to reaching out to lower customers, leading to revenue loss.	The Company has been associated with over 1,500 active dealers and distributors who in turn supplies to over 3,00,000 retailers across the country. The deeprooted distribution network of the Company covers all the States of India and Union Territories.

Management Discussion and Analysis (Contd.)

Internal Control Systems

The Company has a proper and adequate system of internal controls. These controls ensure transactions are authorized, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, extensive program of internal audits and management reviews supplements the process of internal financial control framework. The policies, guidelines and procedures are in place for effective management of internal financial controls. The well-defined MIS system further ensures that all expenses are within the budgetary allocations.

Human Resources

People development continues to be an extremely important area in your Company along with employee safety and well-being. Anchoring developmental conversations at every level and ensuring that all managers are skilled in holding developmental conversations has been an area of focus. Performance assessment and management processes are further strengthened by conducting

frequent reviews and feedback. Company has also initiated upskilling programs thus providing employees with numerous opportunities to increase their knowledge, skills and abilities and enables them to grow in their careers.

The Employee Relations/Engagement Agenda continues to be the focus of your Company and several initiatives were rolled out for promoting the core value of being a trusted, fair and caring employer.

Employee Strength as on 31st March 2020 was 1211

Cautionary Statement

Estimate and expectations stated in this Management Discussion and Analysis may be 'forward-looking statements' within the meaning of applicable securities, laws and regulations. Actual result could differ materially from those expressed or implied. Important factors that could make difference to your Company's operations include economic conditions in the Government regulations, tax laws, other statutes and other incidental factors.

REPORT ON CORPORATE GOVERNANCE :

Your Director's present the Company's report on Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the year ended 31st March, 2020.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company believes that Corporate Governance is a prerequisite for attaining sustainable growth in this competitive world. Transparency and accountability are the two basic tenets of Corporate Governance. It involves a set of relationships between a Company's Management, its Board, Shareholders and Stakeholders. It is one of the key elements in improving the economic efficiency of the enterprise. Credibility generated by sound Corporate Governance enables an enterprise in enhancing the confidence of the investors – both domestic and foreign, and in establishing productive and lasting business relationship with all stakeholders.

It is your Company's unending mission to regularly nurture and develop steadfast professionalism, astute accountability and increased disclosures by taking all steps necessary towards superior growth in its value for its stakeholders.

The Board of Directors ('The Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short term and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

BOARD OF DIRECTORS:

At Kokuyo Camlin, the Board is at the core of the Corporate Governance practice. Your Company has an optimum mix of eminent personalities on the Board of Directors with members from diverse experience and expertise.

The Composition of the Board as on 31st March, 2020 is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013. The Board of Directors is chaired by Executive Promoter Chairman and has an optimum combination of Executive, Non - Executive and Independent Directors.

None of the Non-Executive Directors have any material pecuniary relationships or transactions with the Company.

A declaration to this effect is also submitted by all the Non-Executive Directors at the beginning of each financial year.

The Board of Directors, based on the declaration received from the Independent Directors, confirms that in their opinion, the independent directors fulfill the conditions specified in the Companies Act, 2013 and the Listing Regulations and are independent of the management.

The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with rules issued there under and the same is available on the website of the Company at the following link: <https://www.kokuyocamlin.com/company-policies.html>

Mr. Devendra Kumar Arora, Mr. Hisamaro Garugu and Mr. Ramanathan Sriram, Non-Executive Independent Directors of the Company have resigned before the expiry of their tenure, with effect from 11th October, 2019, 16th October, 2019 and 23rd January, 2020 respectively. Accordingly disclosures of detailed reasons for their resignation along with their confirmation that there are no material reasons, other than those provided by them was submitted to the Stock Exchanges.

Mr. Devendra Kumar Arora informed that due to present health condition he has wished to step down from the Board of Directors of the Company and confirmed that there is no material reason other than this.

Mr. Hisamaro Garugu informed that due to ill health for last couple of months he has wished to step down from the Board of Directors of the Company and confirmed that there is no material reason other than this.

Mr. Ramanathan Sriram informed that after serving as an Independent Director for a decade, he has stepped down from the Board and other Committees of Kokuyo Camlin Ltd. in order to reduce his commitments and confirmed that there is no material reason other than this.

DIRECTORS' ATTENDANCE RECORD AND THEIR OTHER DIRECTORSHIPS/COMMITTEE MEMBERSHIPS:

As mandated by Listing Regulations, none of the Directors is a member of more than ten Board level Committees or Chairman of more than five Committees across companies in which he/she is Director. Relevant details of the Board as on 31st March, 2020 are given as follows:

REPORT ON CORPORATE GOVERNANCE : (Contd.)

Name, Designation & DIN of Directors	Category	No. of Board Meetings Attended	No. of Directorships held in other Companies (+)	Name of the Listed Entity in which Directorship held and Category of Director	Attendance at last AGM	No. of Committee positions held in other Companies.	
						Chairman of Committee	Member of Committee
Mr. Dilip D. Dandekar Chairman & Executive Director (00846901)	ED(P)	4	10	Camlin Fine Sciences Limited Chairperson, NED Datamatics Global Services Limited - NED (I)	Yes	Nil	2
Mr. Takuya Morikawa Sr. Vice Chairman (03599830)	NED	4	1	Nil	Yes	Nil	Nil
Mr. Shriram S. Dandekar Vice Chairman & Executive Director (01056318)	ED (P)	4	1	Nil	Yes	Nil	Nil
Mr. Nobuchika Doi Executive Director (03599835)	ED	4	1	Nil	Yes	Nil	Nil
Mr. Takeo Iguchi Executive Director (03599826)*	ED	3	1	Nil	Yes	Nil	Nil
Mr. Shishir B. Desai (01453410)	NED (I)	4	3	1. Paramount Cosmetics (India) Limited - NED (I)	Yes	Nil	Nil
Mr. Ramanathan Sriram (00065069)**	NED (I)	3	Nil	Nil	Yes	Nil	Nil
Mr. Hisamaro Garugu (00579089)***	NED (I)	1	2	Nil	No	Nil	Nil
Mr. Devendra Kumar Arora (05160734)****	NED (I)	1	Nil	Nil	No	Nil	Nil
Mr. Sriram Venkataraman (06790179)	NED (I)	4	1	Nil	Yes	Nil	Nil
Ms. Nandini Chopra (07891312)	NED (I)	4	Nil	Nil	Yes	Nil	Nil
Mr. Kazuo Kubo (08125242)*****	NED	3	2	Nil	Yes	Nil	Nil
Mr. Yasuyuki Kanebako (08580880)&	NED (I)	2	Nil	Nil	N.A.	Nil	Nil

ED - Executive Director / ED (P) – Executive Director (Promoter) / NED – Non-Executive Director / NED (I) – Non-Executive Director (Independent).

*Resigned with effect from 1st November, 2019.

**Resigned with effect from 23rd January, 2020.

*** Resigned with effect from 16th October, 2019.

**** Resigned with effect from 11th October, 2019.

***** Resigned with effect from 16th October, 2019.

& Appointed as Non-Executive Independent Director with effect from 16th October, 2019 for a period of five years by the members of the Company

+ Includes Directorship in Private Limited Companies, Companies under section 8 and Foreign Companies. As on 31st March 2020, none of the Directors are related inter-se.

REPORT ON CORPORATE GOVERNANCE : (Contd.)

The Non-Executive/ Independent Directors are not holding any shares of the Company as on 31st March, 2020

List of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business and sector for it to function effectively and those available with the board

The following skills and competencies are identified for the Company's business:

Sr.No	Areas of Core Skills/Expertise/Competence
1.	Business Development
2.	General Management/ Governance
3.	Financial Skills
4.	Sales and Marketing
5.	Information Technology
6.	Technical and professional skills including legal and regulatory aspects

The above mentioned skills are also available with the Company's Board of Directors. Details of the directors who have such skills / expertise / competence are as under:

Name of the Director	Skills / Expertise / Competence
Mr. Dilip Dandekar	Over 49 years of wide experience in the field of Marketing, Administration and overall Management of the Company.
Mr. Takuya Morikawa	Over 37 years of experience in the field of Projects, Research and Development and Corporate Strategy.
Mr. Shriram Dandekar	Over 36 years of wide experience in the field of Business Expansion, Diversification, Research and Development, Product Development, Business Planning and Marketing.
Mr. Nobuchika Doi	Over 30 years of wide experience in the field of business strategy and marketing, planning, research and development, production technology and distribution management, of stationery products.
Mr. Shishir Desai	Over 40 years of experience as a practicing advocate and solicitor in India.
Mr. Sriram Venkataraman	Wide experience in the field of Business Development and Technology advisory services. He is a guest faculty in renowned management schools both in India and Japan.

Mrs. Nandini Chopra	Over 25 years of experience in financial advisory especially to the consumer and retail sector in India. She also has a wide range of experience in mergers and acquisitions, sales and divestitures, JV advisory, private equity raises, IPOs, debt syndication and valuations.
Mr. Yasuyuki Kanabako	Wide experience in facility planning and engineering to reduce energy consumption and enhance productivity with ME engineering skill and innovative technology in various countries. He also has ample knowledge in quality management.

NUMBER OF BOARD MEETINGS:

During the financial year 2019-20, 4 (Four) Meetings were held and details are given below and the maximum gap between two meetings did not exceed one hundred and twenty days:

Sr.No	Date of Meeting	Board Strength	No. of Directors present
1.	8th May, 2019	12	11
2.	8th August, 2019	12	10
3.	16th October, 2019	12	11
4.	23rd January, 2020	9	9

CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all Board members and Senior Managerial personnel of the Company. The Code of Conduct is available on the website of the Company at www.kokuyocamlin.com.

All the Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct and a declaration to that effect signed by the Chief Executive Officer has been obtained.

Profile of member of the Board of Directors being re-appointed:

i. Mr. Takuya Morikawa

Mr. Takuya Morikawa aged 60 years is Sr. Vice Chairman & Non-Executive Director of the Company. He has a degree in Bachelor of Economics from Kawansei Gakuin University. He is Associated with Kokuyo Group since 1982. He has 37 years of experience in the field of Projects, Research and Development and Corporate Strategy. Presently he is a Director and Senior Corporate Officer of Kokuyo Company Limited.

REPORT ON CORPORATE GOVERNANCE : (Contd.)

Other Directorship – 1

Name Of Company	Position
Kokuyo Co., Limited (Japan)	Director and Senior Corporate Officer

INDUCTION AND FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS:

The Company organizes an induction programme for new Directors and an ongoing familiarisation programme for Independent Directors with respect to the business/ working of the Company. On appointment of a Director, the concerned Director is issued a letter of appointment setting out in detail, the terms of appointment, duties, roles, rights and responsibilities. The Director is also explained the compliances required to be done by him/ her under various Acts, shown a presentation on organisational set up of the Company, functioning of various divisions/ departments, company's market share, governance and internal control processes.

As an ongoing process, the Board of Directors are updated on a quarterly basis on overall economic trends, business performance and the initiatives taken/ proposed to be taken to bring about an overall improvement in the performance of the Company. Further, training programmes are held and presentations are given to the Directors, updating them with statutory changes and compliances applicable to the Company.

The details of the familiarisation program can be accessed from the website www.kokuyocamlin.com.

3. COMMITTEES OF THE BOARD:

The committees constituted by the Board play an important role on the governance structure of the Company. The committees are in line with the Listing Regulations and Companies Act, 2013. The minutes of the Committee meetings are tabled at the Board Meetings and the chairperson of each Committee brief the members about the important deliberations and discussion.

The Minutes of Board Meeting and other committees are captured in accordance with the provisions of the Companies Act, 2013.

COMPOSITION OF COMMITTEES OF DIRECTORS AND THEIR ATTENDANCE AT THE MEETINGS:

Kokuyo Camlin has the following Board Level Committees:

- A) Audit Committee
- B) Remuneration and Nomination Committee
- C) Stakeholder Relationship Committee

D) Corporate Social Responsibility Committee

Various Committees of Directors have been appointed by the Board for taking informed decisions in the best interest of the Company. These Committees monitor the activities falling within their respective terms of reference. The Board's Committees are as follows:

A. AUDIT COMMITTEE

The Audit Committee has played an important role in ensuring the financial integrity of the Company. The Audit Committee's role includes the financial reporting process, Audit process, Related Party Transactions and other applicable laws.

The composition of the Audit Committee is in line with the provisions of section 177 of Companies Act, 2013 and Listing Regulations. Further the Committee invites the Whole time Directors, Chief Executive Officer, Chief Financial Officer, Statutory and Internal Auditor to attend the Audit Committee Meetings. Minutes of the Audit Committee are placed and discussed in the next meeting of the Board.

The composition of the Audit Committee along with the details of the meetings held and attended during the financial year as on 31st March, 2020, are given below.

Meetings, Members and Attendance:

During the financial year 2019-20 the Audit Committee held 4 (four) meetings on 6th May, 2019, 8th August, 2019, 16th October, 2019 and 23rd January, 2020. The time gap between any two meetings was less than one hundred twenty days. The details of attendance of Audit Committee meetings are as under:

Name of Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Shishir Desai	NED (I)	Chairman	4	4
Mr. Sriram Venkataraman	NED (I)	Member	4	4
Mr. Ramanathan Sriram*	NED (I)	Member	4	4
Mr. Takuya Morikawa	NED	Member	4	3
Ms. Nandini Chopra**	NED(I)	Member	-	-
Mr. Yasuyuki Kanebako**	NED(I)	Member	-	-

* Ceased as member with effect from 23rd January, 2020

** Appointed as a member with effect from 23rd January, 2020

REPORT ON CORPORATE GOVERNANCE : (Contd.)

The Board has designated Mr. Ravindra Damle, Vice president (Corporate) & Company Secretary to act as Secretary to the Committee.

Members of the Audit Committee have accounting and financial management expertise. The Chairman of the Committee attended the AGM held on 8th August, 2019 to answer the shareholders' queries.

The role of Audit Committee, the powers exercised by it pursuant to the terms of reference, and the information reviewed by it are in accordance with the requirements as specified in the Listing Regulations, Companies Act, 2013 and other applicable laws, if any. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

Terms of reference:

The terms of reference to this committee, inter alia covers all the matters specified under Regulation 18 of Listing Regulations, as well as in Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors, from time to time. These broadly include

(i) review of financial reporting processes, risk management, internal control and governance processes, (ii) develop an Audit plan for committee, (iii) risk management framework concerning critical operations of the Company, (iv) discussion on quarterly, half yearly and Annual financial statements and the auditor's report, (v) interaction with statutory, internal auditors to ascertain their independence and effectiveness of audit process, (vi) recommendation for appointment, remuneration and terms of appointment of auditors (vii) related party transactions. The Audit Committee has also powers inter alia to investigate any activity within its terms of reference and to seek information from any employee of the Company and seek legal and professional advice.

B. REMUNERATION AND NOMINATION COMMITTEE:

As on 31st March, 2020 the Remuneration & Nomination Committee comprises of Members as stated below. The composition of the Committee is in conformity with the Listing Regulations.

Meetings, Members and Attendance

During the Financial Year 2019-20, the Remuneration & Nomination Committee held 3 (Three) meetings on 6th May, 2019, 9th October, 2019 and 22nd January, 2020.

The details of attendance of the Members are as under:

Name of Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Shishir Desai	NED (I)	Chairman	3	3
Ms. Nandini Chopra	NED (I)	Member	3	3
Mr. Dilip Dandekar	ED	Member	3	3
Mr. Devendra Kumar Arora*	NED (I)	Member	3	1
Mr. Sriram Venkataraman**	NED(I)	Member	3	1

* Ceased as a member with effect from 11th October, 2019

** Appointed as a member with effect from 31st December, 2019

The Board has designated Mr. Ravindra Damle, Vice president (Corporate) & Company Secretary to act as Secretary to the Committee.

Terms of reference:

The terms of reference to this committee, inter alia covers all the matters specified under Regulation 19 of Listing Regulations, as well as in Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors, from time to time. These include:

- Formulation of the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Devising a policy on diversity of Board of Directors;
- 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 of Directors their appointment and removal.
- 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.
- Recommendation of remuneration to the Board of Directors of Senior Management one level below the Chief Executive Officer.

REPORT ON CORPORATE GOVERNANCE : (Contd.)

Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the performance, participation, conduct, effectiveness etc. The performance evaluation of Independent Directors was done by the entire Board of Directors and the Directors subject to evaluation had not participated in the same. The Independent Directors evaluated the performance of Non-Independent Directors and Board as a whole.

Policy for Remuneration to Director/ Key Managerial Personnel

1. Remuneration to Managing/ Whole-time Directors:

- a) The Remuneration to be paid to Managing/ Whole-time Directors, shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Remuneration and Nomination Committee shall make such recommendation to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing/ Whole- time Directors.

2. Remuneration to Non-Executive/ Independent Directors:

- a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Remuneration and Nomination Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

The amount of such remuneration shall be such as may be recommended by the Remuneration and Nomination Committee and approved by the Board of Directors or shareholders, as the case may be.

- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i. The Services are rendered by such Director in his capacity as the professional; and
 - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3. Remuneration to key managerial personnel:

- a) The Remuneration to Key Managerial Personnel shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time in accordance with the Company's Policy.
- c) The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel, to be decided annually or at such intervals as may be considered appropriate.

The details of remuneration are given in form MGT-9 which forms part of the Directors Report. A brief of the Remuneration paid to Directors is given below

A. Directors:

Name of Director	Sitting Fees	Salary Including HRA*	Perqui-site#	(₹ In Lakhs)
				Total
Mr. Dilip Dandekar	N.A.	115.25*	47.01	162.26
Mr. Shriram Dandekar	N.A.	97.32*	39.58	136.90
Mr. Nobuchika Doi	N.A.	46.99	41.98	88.97
Mr. Takeo Iguchi**	N.A.	27.41	26.19	53.60
Mr. Shishir Desai	4.80	N.A.	N.A.	4.80
Mr. Hisamaro Garugu	0.70	N.A.	N.A.	0.70
Mr. Devendra Kumar Arora	0.70	N.A.	N.A.	0.70
Mr. Ramanathan Sriram	4.30	N.A.	N.A.	4.30
Mr. Sriram Venkataraman	4.20	N.A.	N.A.	4.20
Ms. Nandini Chopra	3.20	N.A.	N.A.	3.20
Mr. Yasuyuki Kanabako	0.00	N.A.	N.A.	0.00

*salary including HRA.

**Remuneration was paid to Mr. Takeo Iguchi as an Executive Director upto 31st October, 2019.

#Perquisites interalia, include reimbursement of expenses/allowance for utilities such as gas, electricity, water, furnishing and repairs, medical reimbursement, leave travel concession, club fees, provision of car and driver, telephone/fax facilities, benefit of personal accident insurance scheme etc.

All the Executive Directors are entitled to gratuity and encashment of leave as per the rules of the Company. Further, some of the Executive Directors are also entitled to Company's contribution to provident fund and superannuation.

The Board of Directors at their meeting held on 23rd January, 2020 have appointed Mr. Dilip D. Dandekar as Director in Whole-time employment designated as "Chairman and Executive Director" and Mr. Shriram S. Dandekar as Director in Whole-time employment designated as "Vice-Chairman and Executive Director" for a further period of 2 (Two) years

and 1 (One) year respectively with effect from 1st February, 2020. The necessary agreements have been executed with Mr. Dilip D. Dandekar and Mr. Shriram S. Dandekar.

The aforesaid appointments were approved by the members by way of passing special resolutions through Postal ballot on 27th March, 2020.

B. Manager

Mr. Satish Veerappa, Manager designated as Chief Executive Officer was paid a remuneration of ₹ 138.30 Lakhs during the year.

C. STAKEHOLDER RELATIONSHIP COMMITTEE:

Terms of reference:

The terms of reference to this committee, interalia covers all the matters specified under Regulation 20 of Listing Regulations, as well as in Section 178 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors, from time to time. The Committee was constituted to specifically look into the mechanism of redressing of Shareholders and Investors Complaints concerning transfer of shares, non- receipt of dividend, non-receipt of annual report etc.

Meetings, Members and Attendance

During the Financial Year 2019-20 the Committee held 4 (four) meetings on 6th May, 2019, 8th August, 2019, 16th October, 2019 and 23rd January, 2020.

The details of attendance of Members are as under:

Name of Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Shishir Desai*	NED(I)	Chairman	4	1
Mr. Ramanathan Sriram**	NED (I)	Erstwhile Chairman	4	4
Mr. Shriram Dandekar	ED (P)	Member	4	4
Mr. Hisamaro Garugu***	NED (I)	Member	4	1
Mr. Nobuchika Doi****	ED	Member	4	1

* Appointed as Chairman with effect from 23rd January, 2020.

** Resigned with effect from conclusion of the Board meeting held on 23rd January, 2020.

*** Resigned with effect from 16th October, 2019.

**** Appointed as a member with effect from 31st December, 2019.

The Board has designated Mr. Ravindra Damle, Vice President (Corporate) & Company Secretary to act as Secretary to the Committee.

Complaints received and redressed by the Company during the financial year 2019-20.

During the financial year 2019-20, one complaint was received from the shareholder and the same was redressed by the Company.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):

Meetings, Members and Attendance

During the Financial Year 2019-20 the Committee held 4 (four) meetings on 8th May, 2019, 8th August, 2019, 16th October, 2019 and 22nd January, 2020.

The details of attendance of Members are given below:

Name of Member	Category	Status	No. of Meetings	
			Held	Attended
Ms. Nandini Chopra	NED (I)	Chairperson	4	4
Mr. Nobuchika Doi*	ED	Member	4	4
Mr. Shriram Dandekar	ED (P)	Member	4	4
Mr. Yasuyuki Kanebako**	NED (I)	Member	-	-

* Ceased as a member with effect from 23rd January, 2020.

** Appointed as a member with effect from 23rd January, 2020.

The Board has designated Mr. Ravindra Damle, Vice President (Corporate) & Company Secretary to act as Secretary to the Committee.

Terms of Reference:

Formulate and recommend the CSR policy to the Board which shall indicate the activities to be undertaken by the company, recommend the amount of expenditure to be incurred on the activity and monitor the CSR policy of the Company from time to time. The Company has formulated the CSR Policy in line with Schedule VII of the Companies Act, 2013.

E. INDEPENDENT DIRECTORS MEETING:

In accordance with provisions of the Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Listing Regulations, a meeting of the Independent Directors of the Company was scheduled on 25th March 2020. But due to COVID-19 pandemic and lockdown throughout the country the Independent Directors could not meet physically inspite of relaxation given by the authorities for holding the meeting the Independent Director had their meeting through video conferencing as per original plan. The meeting was attended by all Independent Directors in absence of Non Independent Directors and Members of the Management.

4. GENERAL BODY MEETINGS:

I. DETAILS OF THE ANNUAL GENERAL MEETING HELD DURING THE PRECEDING 3 YEARS AND SPECIAL RESOLUTIONS PASSED THEREAT GIVEN BELOW:

FINANCIAL YEAR	VENUE	DATE & TIME	DETAILS OF SPECIAL RESOLUTION PASSED
2018-19	Walchand Hirachand Hall, IMC Building, Indian Merchants Chamber Marg, Churchgate, Mumbai-400 020	8th August, 2019 at 3.00 p.m.	There was no special resolution passed.
2017-18	Walchand Hirachand Hall, IMC Building, Indian Merchants Chamber Marg, Churchgate, Mumbai-400 020	8th August, 2018 at 3.00 p.m.	1. Appointment of Mr. Dilip D. Dandekar (DIN: 00846901), as a Director in Whole-time employment designated as 'Chairman & Executive Director' for a period of one (1) year effective from 1st February, 2018 and remuneration payable to him. 2. Appointment of Mr. Shriram S. Dandekar (DIN: 01056318), as a Director in Whole-time employment designated as 'Vice Chairman & Executive Director' for a period of one (1) year effective from 1st February, 2018 and remuneration payable to him.
2016-17	Walchand Hirachand Hall, IMC Building, Indian Merchants Chamber Marg, Churchgate, Mumbai-400 020	28th June, 2017 at 3.00 p.m.	Appointment of Mr. Nobuchika Doi (DIN: 03599835), Managing Director designated as 'Chief Executive Officer & Executive Director' for the period from 1st April, 2017 to 31st October, 2017.

II. DETAILS OF POSTAL BALLOT AND SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT GIVE BELOW:

During the year 2019-20, the Company successfully completed the process of obtaining the approval of members by way of postal ballot on two occasions in respect of the following ordinary and special resolutions:

SR. NO.	PARTICULARS OF RESOLUTIONS	PASSED ON
1	Appointment of Mr. Yasuyuki Kanabako (DIN: 08580880), as an Independent Non-Executive Director for the period of five years with effect from 16th October, 2019.	15th December, 2019
2	Appointment of Mr. Dilip D. Dandekar (DIN: 00846901) as Director in Whole-time employment designated as 'Chairman & Executive Director' for a period of two (2) years effective from 1st February, 2020 to 31st January, 2022 and remuneration payable to him.	27th March, 2020
3	Appointment of Mr. Shriram S. Dandekar (DIN: 01056318) as Director in Whole-time employment designated as 'Vice-Chairman & Executive Director' for a period of one (1) year effective from 1st February, 2020 to 31st January, 2021 and remuneration payable to him.	27th March, 2020

The Company had appointed Mr. J. H. Ranade, Practicing Company Secretary (FCS No. 4317, C.P. No. 2520) of M/s. JHR & Associates as scrutinizer for conducting the postal ballot/ e-voting process in a fair and transparent manner.

Mr. Dilip D. Dandekar, Chairman & Executive Director announced the Postal Ballot results as per the scrutinizers report on 17th December, 2019 in respect of the resolution No. 1 and further on 29th March, 2020 in respect of the resolution nos. 2 and 3 and the results were displayed at the Registered Office of the Company, intimated to the Stock Exchanges where the Company's shares are listed and displayed along with the Scrutiniser's report on the Company's website, www.kokuyocamlin.com.

Details of the Voting pattern in respect of Ordinary/Special Resolutions are as under:

Resolution Required : (Ordinary)			Appointment of Mr. Yasuyuki Kanebako (DIN- 08580880) as an Independent Non-Executive Director for the period of Five Years with effect from 16th October 2019.					
Whether promoter/ promoter group are interested in the agenda/resolution?			NO					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3] = {[2]/[1]} * 100	[4]	[5]	[6] = {[4]/[2]} * 100	[7] = {[5]/[2]} * 100
Promoter and Promoter Group	E-Voting	75215950	74665950	99.27	74665950	0	100.00	0.00
	Postal Ballot		550000	0.73	550000	0	100.00	0.00
	Poll		0	0.00	0	0	0.00	0.00
	Total		75215950	100.00	75215950	0	100.00	0.00
Public Institutions	E-Voting	414834	0	0.00	0	0	0.00	0.00
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Poll		0	0.00	0	0	0.00	0.00
	Total		0	0.00	0	0	0.00	0.00
Public Non Institutions	E-Voting	24673022	100151	0.41	98181	1970	98.03	1.97
	Postal Ballot		977299	3.96	977249	50	99.99	0.01
	Poll		0	0.00	0	0	0.00	0.00
	Total		1077450	4.37	1075430	2020	99.81	0.19
Total		100303806	76293400	76.06	76291380	2020	100.00	0.00

Resolution Required : (Special)			Appointment of Mr. Dilip D. Dandekar (DIN: 00846901) as Director in Whole-time employment designated as 'Chairman & Executive Director' for a period of two (2) years effective from 1st February, 2020 to 31st January 2022 and remuneration payable to him.					
Whether promoter/ promoter group are interested in the agenda/resolution?			NO					
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3] = {[2]/[1]} * 100	[4]	[5]	[6] = {[4]/[2]} * 100	[7] = {[5]/[2]} * 100
Promoter and Promoter Group	E-Voting	75215950	74665950	99.27	74665950	0	100.00	0.00
	Postal Ballot		550000	0.73	550000	0	100.00	0.00
	Poll		0	0.00	0	0	0.00	0.00
	Total		75215950	100.00	75215950	0	100.00	0.00
Public Institutions	E-Voting	511491	0	0.00	0	0	0.00	0.00
	Postal Ballot		0	0.00	0	0	0.00	0.00
	Poll		0	0.00	0	0	0.00	0.00
	Total		0	0.00	0	0	0.00	0.00
Public Non Institutions	E-Voting	24576365	107376	0.44	101173	6203	94.22	5.78
	Postal Ballot		32999	0.13	32755	244	99.26	0.74
	Poll		0	0.00	0	0	0.00	0.00
	Total		140375	0.57	133928	6447	95.41	4.59
Total		100303806	75356325	75.13	75349878	6447	99.99	0.01

Resolution Required : (Special)		Appointment of Mr. Shriram S. Dandekar (DIN: 01056318) as Director in Whole-time employment designated as 'Vice-Chairman & Executive Director' for a period of one (1) year effective from 1st February, 2020 to 31st January 2021 and remuneration payable to him.						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
		No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes – Against	% of Votes in favour on votes polled	% of Votes against on votes polled
Category	Mode of Voting							
		[1]	[2]	[3] = {[2]/[1]}*100	[4]	[5]	[6] = {[4]/[2]}*100	[7] = {[5]/[2]}*100
Promoter and Promoter Group	E-Voting	75215950	74665950	99.27	74665950	0	100	0
	Postal Ballot		550000	0.73	550000	0	100	0
	Poll		0	0	0	0	0	0
	Total		75215950	100	75215950	0	100	0
Public Institutions	E-Voting	511491	0	0	0	0	0	0
	Postal Ballot		0	0	0	0	0	0
	Poll		0	0	0	0	0	0
	Total		0	0	0	0	0	0
Public Non Institutions	E-Voting	24576365	106276	0.43	99638	6638	93.75	6.25
	Postal Ballot		32899	0.13	32801	98	99.7	0.3
	Poll		0	0	0	0	0	0
	Total		139175	0.57	132439	6736	95.16	4.84
Total		100303806	75355125	75.13	75348389	6736	99.99	0.01

At present, the Company is not proposing to conduct Postal Ballot for passing a Special Resolution.

Procedure for Postal Ballot:

After receiving the approval of the Board of Directors, the Postal Ballot notice and form along with the explanatory statement, self-addressed business reply envelope were dispatched to the members on:

- 15th November, 2019 to enable them to vote within a period of 30 days, starting from Saturday, 16th November, 2019 at 9:00 a.m. (IST) to Sunday, 15th December, 2019 at 5:00 p.m. (IST). After the last date of receipt of postal Ballot forms, the scrutinizer after due verification submitted his report on 17th December, 2019. Thereafter, the result of Postal Ballot was declared by the Chairman on 17th December, 2019 and the same was intimated to the stock exchanges, put up on the Notice Board at the Registered Office and on the website of the Company.

- 26th February, 2020 to enable them to vote within a period of 30 days, starting from Thursday, 27th February, 2020 at 9:00 a.m. (IST) to Friday, 27th March, 2020 at 5:00 p.m. (IST). After the last date of receipt of postal Ballot forms, the scrutinizer after due verification submitted his report on 28th March, 2020. Thereafter, the result of Postal Ballot was declared by the Chairman on 28th March, 2020 and the same was intimated to the stock exchanges, put up on the Notice Board at the Registered Office and on the website of the Company.

5. MEANS OF COMMUNICATION

Kokuyo Camlin recognises communication as a key element of the overall Corporate Governance framework and therefore emphasises on prompt, continuous, efficient and relevant communication to all external constituencies.

WEBSITE: The Company's website www.kokuyocamlin.com contains a separate section "Investor" for use of investors. The Quarterly, half yearly and Annual Financial Results are

promptly and prominently displayed on website. Notices, Annual Report, Quarterly Shareholding Pattern and other Communication are also available on the website.

FINANCIAL RESULTS: The Quarterly, Half yearly and Annual Results are regularly posted by the Company on its website. These are also submitted to the Stock Exchanges i.e. NSE through NEAPS (NSE Electronic Application Processing System) and BSE (Corporate Compliance and Listing Centre) in accordance with Listing Regulations. The Quarterly, Half Yearly and Annual Results are normally published in Financial Express (English) and Loksattta (Marathi) newspapers within 48 hours of approval.

ANNUAL REPORT: Annual Report containing inter- alia, salient features of the Audited Financial Statements, Director's Report (Including Management Discussion and Analysis), Corporate Governance Report and other important information is circulated to members and others entitled thereof.

CORPORATE FILING: Announcements, Quarterly Results, Shareholding Pattern etc. of the Company are regularly filed by the Company with BSE Ltd. and National Stock Exchange of India Ltd. and are also available on the website of the Company.

There were no presentations made to the institutional investor analysts during the year.

6. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting (Day, Date, Time)	Friday, 4th September, 2020, 11.00 a.m.
Mode	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
Financial Year	1st April, 2019 – 31st March, 2020
Date of Book Closure	31st August 2020 to 4th September 2020 (both days inclusive)
Financial Results Calendar*	First Quarter Results: by 14th August, 2020 Second Quarter Results: by 14th November, 2020 Third Quarter Results: by 14th February, 2021 Fourth Quarter Results: by 30th May, 2021

Listing on Stock Exchanges	BSE Ltd. (Scrip Code: 523207) Phiroze Jeejeebhoy Towers, Dadal Street, Mumbai - 400 001. National Stock Exchange of India Ltd. (Symbol: KOKUYOCMLN) Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.
International Securities Identification Number (ISIN)	INE760A01029
Corporate Identification Number (CIN)	L24223MH1946PLC005434

* Dates indicated above are tentative. Actual dates may depend on relaxation of time as announced by SEBI from time to time under COVID 19 situation.

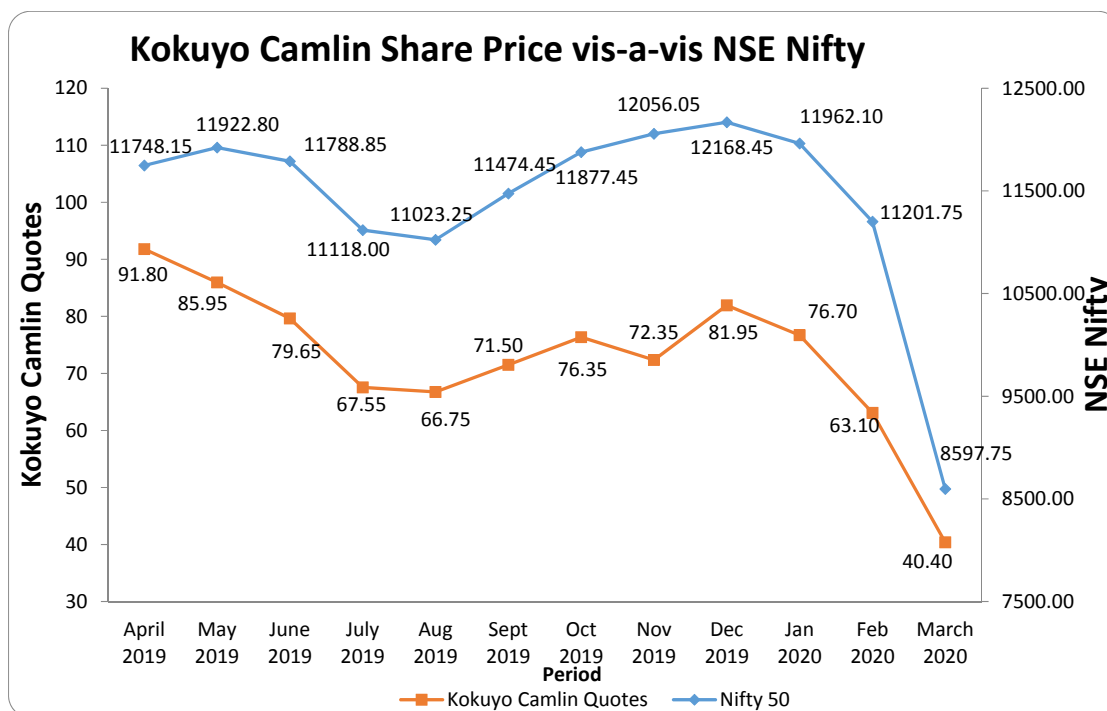
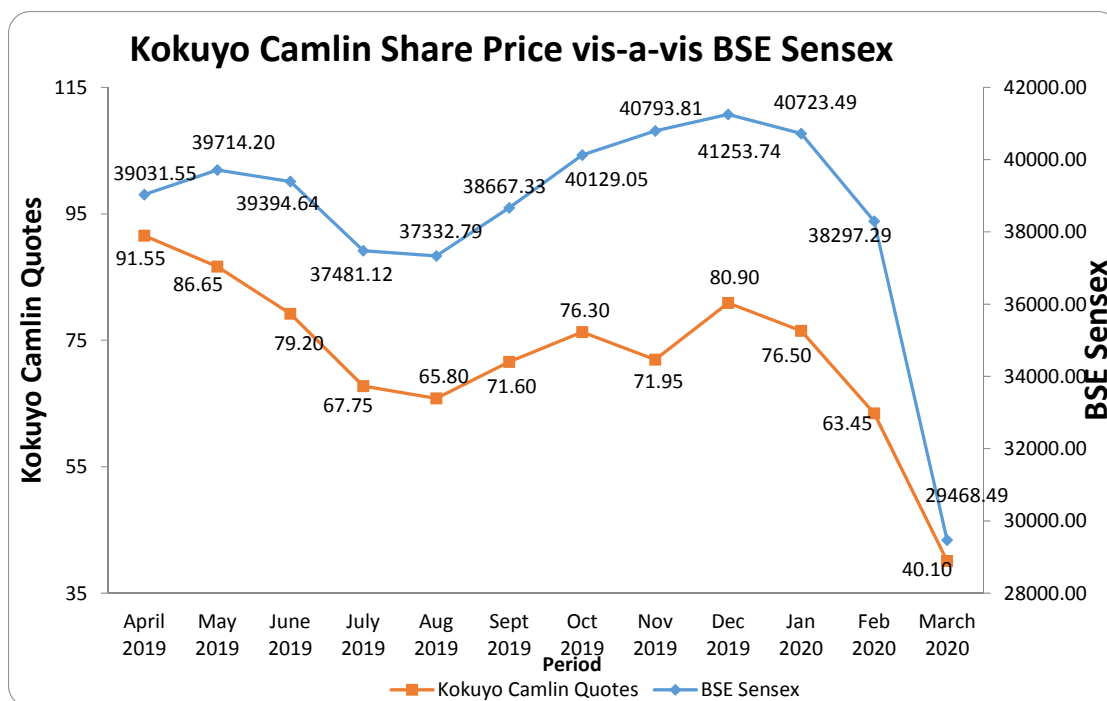
Note: The Annual Listing Fees for the year 2020-21 has been paid to BSE & NSE.

7. STOCK MARKET DATA:

Share Prices (High/Low) for the year at BSE and NSE are as follows:

Month	BSE		NSE	
	High ₹	Low ₹	High ₹	Low ₹
April 2019	104.40	91.20	104.50	91.10
May 2019	97.05	77.05	91.85	76.15
June 2019	90.00	76.00	87.00	76.10
July 2019	80.50	66.00	80.35	65.00
August, 2019	73.70	58.05	74.90	57.80
September, 2019	76.00	62.00	75.45	62.70
October, 2019	78.20	60.05	78.35	59.60
November, 2019	82.10	69.80	82.00	69.55
December, 2019	92.30	69.10	91.20	67.85
January, 2020	93.00	76.40	93.00	76.25
February, 2020	81.00	62.05	81.05	61.10
March, 2020	68.00	36.50	68.10	36.10

8. STOCK PERFORMANCE:



9. REGISTRARS AND SHARE TRANSFER AGENT FOR SHARES:

M/s Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg Vikhroli (West) Mumbai-400083, Tel: (022) 49186270, Fax: (022) 49186060 email id: rnt.helpdesk@linkintime.co.in are acting as Registrar & Transfer Agents (RTA) for handling the shares related matters both in Physical & Dematerialised mode.

Shareholders are advised to send all the correspondence to the RTA. However for the convenience of shareholders, documents relating to shares received by the Company are forwarded to the RTA for necessary actions thereon.

10. SHARE TRANSFER SYSTEM:

The Share Transfers which were received in physical form before 1st April, 2019 were processed by the Registrars and Share Transfer Agents (RTA) and approved by the Committee of Directors in their meeting which normally meets twice in a month and the share certificates were returned within a stipulated time from the date of lodgment, subject to the transfer instrument being valid and complete in all respects.

The Company has discontinued to accept request for physical share transfer from 1st April, 2019 as per SEBI Circular No. SEBI/LAD-NRO-GN/2018/24 dated 8th June, 2018.

11. RECONCILIATION OF SHARE CAPITAL AUDIT:

A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

12. Distribution of Shareholding as on 31st March, 2020:

No. of Shares	No. of Shareholders	Percentage	No. of Shares	Percentage
Up to 5000	17752	96.95	10077892	10.05
5001-10000	304	1.66	2250190	2.24
10001-20000	131	0.72	1883198	1.88
20001-30000	48	0.26	1206760	1.20
30001-40000	17	0.09	602096	0.60
40001-50000	17	0.09	801802	0.80
50001-100000	17	0.10	1240754	1.24
100001 and above	24	0.13	82241114	81.99
Total	18310	100.00	100303806	100.00

13. Category of Shareholding as per 31st March, 2020:

Category of Shareholder	Total No. of Shares	Percentage of Total Shares
Promoter and Promoter Group (A)	75215950	74.99
Public Shareholding (B)		
Financial Institutions	419457	0.42
Nationalised Banks	2125	-
Foreign Portfolio Investors (Corporate)	75000	0.08
Investor Education and Protection Fund	736084	0.73
Bodies Corporate	2841034	2.83
Clearing Member	64964	0.07
Individuals	18991942	18.94
Non – Resident (Non-Rep.)	410077	0.41
Non – Resident (Rep.)	826050	0.82
Hindu Undivided Family	666122	0.66
Unclaimed Shares Suspect Accounts	55001	0.05
Total Public Shareholding (B)	25087856	25.01
Total Shareholding = (A) + (B)	100303806	100.00

14. Dematerialisation of Shares:

The Company's Equity Shares are held in dematerialised form by National Securities Depository Ltd. (NSDL) and Central Depository Services India Ltd. (CDSL) under ISIN No. INE 760A01029. As on 31st March, 2020, 98.81% of the total shares of the Company have been dematerialised.

The Shareholders holding shares in physical form are requested to dematerialise their shares as the Company's shares are required to be compulsorily traded at the stock exchanges in dematerialised form only. The shares of the company are regularly traded at the National Stock Exchange of India Limited and the BSE Limited.

15. UNCLAIMED SUSPENSE ACCOUNT:

In accordance with the requirements of Regulation 34, 39 read with Schedule V(F) of Listing Regulations details of equity shares in Kokuyo Camlin Limited Unclaimed Suspense Account are as follows:

Particulars		No. of shareholders	No. of Equity Shares
Opening Balance	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on 1st April, 2019	31	55001
Add	No. of Shareholders whose shares got transferred during the year and No. of shares transferred	0	0
Less	Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	0	0

Particulars		No. of shareholders	No. of Equity Shares
Less	Number of shareholders whose shares got transferred from suspense account to IEPF during the year	0	0
Closing Balance	Aggregate number of shareholders and outstanding shares lying in the suspense account as on 31st March, 2020	31	55001

The shareholders after verifying from RTA that their shares have been transferred to Unclaimed Suspense Account can make their claim with the Company or RTA. Thereafter, Company on proper verification of the shareholder's identity and address would transfer the shares in their favour.

All the corporate benefits against those shares like bonus shares, split, dividend etc, would also be transferred to Unclaimed Suspense Account of the Company. The voting rights on shares lying in unclaimed suspense account shall remain frozen till the rightful owner claims the shares.

16. SUBSIDIARY COMPANY:

The Company does not have any Subsidiary Company.

17. Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31st March, 2020. The ratings given by CRISIL for short-term borrowings and long-term borrowings of the Company are A1 and A respectively. There was no revision in the said ratings during the year under review.

18. Plant Locations:

Tarapur	M.I.D.C, Boisar, Tarapur, Dist Thane 401506
Patalganga	Plot No. F/8, Additional Patalganga, MIDC, Village Chavane, Tal. Panvel, Dist Raigad, Pin – 410 220
Taloja	M.I.D.C., Taloja, Navi Mumbai - 410 208.
Jammu	Industrial Growth Center, Samba Phasel, Jammu, J&K State.
	101, Gangyal Industrial Area, Phase II, Jammu – 180 004.

19. Address for correspondence:

Registered Office	Hilton House, 48/2, Central Road, MIDC, Andheri (East), Mumbai-400093
Tel. No.	022-6655 7000
Fax No.	022- 2836 6579
Email	investorrelations@kokuyocamlin.com

20. Secretarial Department:

The Company's Secretarial Department headed by the Vice President (Corporate) & Company Secretary is situated at the Registered Office mentioned above. Shareholders/Investors may contact the Company Secretary for any assistance they may need.

Name of the Compliance officer	: Mr. Ravindra Damle
Designation	: Vice President (Corporate) & Company Secretary
Telephone	: 022- 6655 7000
Fax No.	: 022- 2836 6579
Email	: investorrelations@kokuyocamlin.com.

21. DISCLOSURES:**i. Strictures and Penalties:**

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines of SEBI and other regulatory authorities. Consequently, no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authorities on any matter relating to capital markets during the last 3 years.

ii. Compliance with Accounting Standards:

In preparation of the Financial Statements, the Company has followed the Accounting standards applicable to the Company.

iii. CEO/ CFO Certification:

The Chief Executive Officer and Chief Financial Officer of the Company have furnished the requisite Certificates to the Board of Directors as per Listing Regulations.

iv. Internal Control system and their adequacy:

The Company has adequate internal control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditors who audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements.

The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls and risk management.

v. Related Party Transactions:

The Company did not enter into any materially significant related party transactions, which had potential conflict with the interest of the Company at large. The related party transactions entered into with the related parties as defined under the Companies Act, 2013 and as per Listing Regulations during the financial year were in the ordinary course of business and the same have been approved by the Audit Committee/ Board of Directors.

Transactions with the related parties are disclosed under Schedule 41 to the financial statements in the Annual Report. The Board of Directors has approved a policy of related party transactions which has been uploaded on the website of the Company www.kokuyocamlin.com.

During the year under review, the Board of Directors suitably amended the policy on dealing with the related party transactions as deemed necessary to bring it in line with the recent amendments to the Listing Regulations and Companies Act, 2013.

vi. Recommendations of the Committees of the Board:

There were no instances during the financial year 2019-20, wherein the Board had not accepted recommendations made by any Committee of the Board.

vii. Risk Management:

We operate in a dynamic business scenario that gives rise to external and internal risk factors. We have designed an integrated risk management approach called the ERM framework for risk identification, assessment and

reporting. To identify key risks to our business model, during the course of the year we have conducted a risk management exercise that assisted the senior management in identification of key risks and selection of most suited risk management strategies to manage principal risks effectively. The Board has approved the Enterprise Risk Management Policy as part of the ERM framework that covers key business functions, processes and units. As required by the ERM Policy the company initiates risk identification and control testing exercise to provide briefing and reporting to the Board. The ERM policy is implemented through the Risk Management Committee and various department heads who take the risk ownership and monitor the risks on a periodical basis.

The ERM Framework will enable achievement of strategic objectives by identifying, analysing, assessing, mitigating, monitoring and governing any risk or potential threat to these company objectives.

Systematic and proactive identification of risks and mitigation thereof will enable effective and quick decision making and will boost the performance of the organization. The ERM framework will act as a decision enabler which not only seeks to minimize the impact of risks but also enable effective resource allocation based on risk ranking and risk appetite. Strategic decisions will be taken after careful consideration of risks based on secondary risks and residual risks.

viii. Vigil Mechanism (Whistle Blower Policy):

The Company has a vigil mechanism called “Whistle Blower Policy” with a view to provide a mechanism for Directors and employees of the Company to raise concerns of any violations of any legal or regulatory requirement, incorrect or misrepresentation of any financial statement and reports etc. The policy also includes reporting of instances relating to leak of Unpublished Price Sensitive Information. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

All employees have been provided direct access to the Audit committee. Further, the details of the policy are also posted on the website of the Company www.kokuyocamlin.com.

ix. Secretarial Compliance Report

The Company has engaged the services of Mr. J. H. Ranade (CP No. 2520), Partner of M/S. JHR & Associates, Practicing Company Secretaries and Secretarial Auditors of the Company for providing the certificate pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24 (A) of the Listing Regulations and the said certificate was placed before the Board of Directors at their meeting held on 8th July, 2020.

x. Certificate from Practicing Company Secretary

Certificate as required under Part C of Schedule V of the Listing Regulations received from Mr. J. H. Ranade Partner of M/S. JHR & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company 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 statutory authority was placed before the Board of Directors at their meeting held on 8th July, 2020 and is annexed to this Report.

xi. Total fees paid to the Statutory Auditor

Total fees of ₹ 46.07 Lakhs during the financial year 2019-20, for all the services was paid by the Company, to the Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part.

xii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a)	Number of complaints filed during the financial year 2019-2020	:	1
b)	Number of complaints disposed of during the financial year 2019-2020	:	-
c)	Number of complaints pending as on end of the financial year 2019-2020	:	1

xiii. Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons:

The Company has adopted Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Company has complied with all the mandatory requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Corporate Governance Report of the Company for the year ended 31st March, 2020 are in compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The status of adoption of the discretionary requirements as specified in Part E of Schedule II is as under:-

- **Non-Executive Chairman's Office:**

The Chairman of the Company is the Executive Chairman and hence, this provision is not applicable.

- **Shareholders Rights:**

Extract of the Quarterly, Half Yearly and Annual Financial Results of the Company are published in the Newspaper and are also posted on Company's

corporate website www.kokuyocamlin.com. The complete Annual Report is sent to each and every Shareholder of the Company.

- **Modified opinion in Auditors Report**

The Company's financial statement for the year ended 31st March, 2020 does not contain any modified Audit opinion.

- **Separate posts of Chairperson and Chief Executive Officer:**

The Chairman on the Board is an Executive Director. The Company has also appointed Manager designated as the Chief Executive Officer.

- **Reporting of Internal Auditor:**

The Internal Auditor of the Company reports to the CEO and has direct access to the Audit Committee.

For & on behalf of the Board
Dilip D. Dandekar
Chairman & Executive Director

Place: Mumbai
 Date: 8th July 2020

COMPLIANCE WITH CODE OF BUSINESS CONDUCT

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2020.

For Kokuyo Camlin Limited

Place: Mumbai
Date: 8th July, 2020

Satish Veerappa
Chief Executive Officer

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

To,
The Board of Directors
Kokuyo Camlin Limited
We, Satish Veerappa, Chief Executive Officer and Chetan R. Badal, Chief Financial Officer heading the Finance Functions, to the best of our knowledge and belief, hereby certify that:

1. We have reviewed the Balance Sheet as at 31st March, 2020, Profit & Loss Account for the year ended on that date along with all its schedules, notes to accounts as well as cash flow statement and Directors Report for the year and based on our knowledge and information confirm that:
 - a. these statements do not contain any materially untrue statement or omit to state any material fact or contain statements that may be misleading;
 - b. these statements together present true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. Based on our knowledge and information, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We, along with the Company's other certifying officers accept responsibility for establishing and maintain internal controls and have evaluated the effectiveness of internal control system of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which, we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We, along with the Company's other certifying officers, have indicated to the Auditors and the Audit Committee of the Company, the following:
 - a. Significant changes in internal control during the year;
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having significant role in the Company's internal Control System.

SATISH VEERAPPA
CHIEF EXECUTIVE OFFICER

CHETAN BADAL
CHIEF FINANCIAL OFFICER

Place: Mumbai
Date: 8th July, 2020

Certificate from Practicing Company Secretaries Regarding Directors CERTIFICATE

Based on our verification of the records maintained by Kokuyo Camlin Limited L24223MH1946PLC005434 (hereinafter called 'the Company') including declarations / notices received from its Directors and also information / record available on the website(s) of the Ministry of Corporate Affairs, Securities and Exchange Board of India and Stock Exchanges where the equity shares of the Company are listed, we hereby certify that, during the Financial year 2019-20, none of the Directors on the Board of the Company were 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 statutory authority.

This certificate is being issued as per the requirements of Schedule V (C) (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Thane

Date: 8th July, 2020

**For JHR & Associates
Company Secretaries**

**J. H. Ranade
(Partner)**

FCS: 4317, CP: 2520

UDIN:F004317B000427267

Certificate from Practicing Company Secretaries Regarding Compliance of Conditions of Corporate Governance CERTIFICATE

To

The Members of **KOKUYO CAMLIN LIMITED**

We have examined the compliance of conditions of Corporate Governance by Kokuyo Camlin Limited - CIN: L24223MH1946PLC005434 ('the Company') for the year ended on 31st March, 2020 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreements of the said Company with Stock Exchanges ('the Regulations')

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in the Regulations referred above.

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

**For JHR & Associates
Company Secretaries**

**J. H. Ranade
Partner**

(FCS: 4317, CP: 2520)

UDIN:- F004317B000427289

Place: Thane

Date: 8th July, 2020

Business Responsibility Report

The Directors present the Business Responsibility Report of the Company for the financial year ended on 31st March, 2020 pursuant to Regulation 34(2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company.	L24223MH1946PLC005434
2	Name of the Company	Kokuyo Camlin Limited
3	Registered address	48/2, Hilton House, Central Road, MIDC, Andheri (E), Mumbai – 400093
4	Website	www.kokuyocamlin.com
5	E-mail id :	corporate@kokuyocamlin.com
6	Financial Year reported :	1st April 2019 to 31st March, 2020
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Stationery & Art Material Products
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Scholastic Products and Note Books Writing and Marking Instruments Fine Art and Graphics / Fashion and Hobby Colours
9	Total number of locations where business activity is undertaken by the Company	5
a	Number of International Locations (Provide details of major 5)	Nil
b	Number of National Locations	The Company's manufacturing operations are located at five locations i.e. Addl Patalganga, Taloja and Tarapur in Maharashtra, Jammu and Samba in J & K Union Territory.
10	Markets served by the Company – Local/State/National/International	The markets for the Company's products are across India. Globally, it serves markets in SAARC countries, Middle East and Japan.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 100303806
2	Total Turnover (INR) (Net)	₹ 63403.49 lakhs
3	Total profit after taxes (INR)	₹ 435.62 lakhs.
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	₹ 29.11 lakhs 2.00% on PBT 6.68 on PAT
5	List of activities in which expenditure in 4 above has been incurred:-	a) Girl Education-Nanhi Kali b) Setting up of Science labs in Primary/Secondary Schools c) Contribution to Swachh Bharat Kosh

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	N.A
3	Do any other entity/entities (e.g. Suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Currently other entities (suppliers/ distributors, etc.) do not participate in BR initiatives of the Company

Business Responsibility Report (Contd.)

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

No	Particulars	Details
1	DIN Number	03599835
2	Name	Nobuchika Doi
3	Designation	Executive Director

(b) Details of the BR head

No	Particulars	Details
1	DIN Number (if applicable)	-
2	Name	Satish Veerappa
3	Designation	CEO
4	Telephone number	022-66557000
5	e-mail id	satish.veerappa@kokuyocamlin.com

2. Principle-wise (as per NVGs) BR Policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as follows:

P 1:	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P 2:	Businesses should provide goods and services that are safe and contribute to Sustainability throughout their life cycle
P 3:	Businesses should promote the wellbeing of all employees
P 4:	Businesses should respect the interests of, and be responsive towards all stakeholders, Especially those who are disadvantaged, vulnerable and marginalized.
P 5:	Businesses should respect and promote human rights
P 6:	Business should respect, protect, and make efforts to restore the Environment
P 7:	Businesses, when engaged in influencing public and regulatory policy, should do so in a Responsible manner
P 8:	Businesses should support inclusive growth and equitable development
P 9:	Businesses should engage with and provide value to their customers and Consumers in a responsible manner

(a) Details of compliance (Reply in Y/N)

No.	Questions	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
1	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes The policy are in line with applicable legal requirements and are as per ISO and Occupational Health and Safety Assessment systems.								

Business Responsibility Report (Contd.)

4	Has the policy being approved by the Board?	Yes it is signed by the CEO.
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	The implementation and adherence to the Code of Conduct for employees is overseen by the human resource department. The Corporate Social Responsibility Policy is administered by the CSR Committee in line with requirements of the Companies Act, 2013. The CEO is responsible for the implementation of Environment Health and Safety (EHS) policy/ies
6	Indicate the link for the policy to be viewed online	All employee related policies are uploaded on the intranet portal of the Company for communication and implementation. Other policies are uploaded on the Company's website www.kokuyocamlin.com . Relevant policies are also published in the Annual Report.
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Policies are communicated to all relevant stakeholders through Company website, meetings, emails, annual report, etc.
8	Does the company have in house structure to implement policy?	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ices adress stakeholders grievance related to policy/ices?	Yes
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	It is carried out wherever applicable.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles.	NOT APPLICABLE								
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3	The company does not have financial or manpower resources available for the task.									
4	It is planned to be done within next 6 months.									
5	It is planned to be done within the next 1 year.									
6	Any other reason (please specify).									

Business Responsibility Report (Contd.)

3 Governance related to BR

Business responsibility performance will be reviewed, at least annually, by the Board. The BR report is part of Annual report and will be published annually. The Annual report is available on the Company's website: www.kokuyocamlin.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 Businesses should conduct and govern themselves with ethics, transparency and accountability:

The Composition of the Board of Directors of the Company is governed by the Company's Act 2013 and SEBI Regulations 2015. As on March 31, 2020, the Company has 8 directors on its board (including the Chairman), of which 4 are independent, 3 are non-independent, and 1 is non-executive non-independent Director.

The Board along with its Committees provides leadership and strategic guidance to the Company's management while discharging its fiduciary responsibilities thereby ensuring that the management adheres to high standards of ethics, transparency and disclosures. The Board's objective is to create sustainable value for all stakeholders, provide vision to the Company and oversee implementation of the Board's decisions.

To ensure accountability and monitoring, the Board has constituted various committees such as: Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee and Stakeholders' Relationship Committee. The committees meet periodically during the year to review performance and advice on the necessary direction to be taken.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Company, in order to maintain these standards has adopted the 'Code of Conduct', which lays down the principles and standards that should govern the actions of the employees in the course of conduct of business of the Company.

The Company has a 'Whistle Blower policy' which covers serious concerns that could have impact on the operations and performance of the Company

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

The Company's Policy on ethics, bribery and corruption includes within its ambit all the employees, at all

levels and grades, as also the Directors on the Board. The efficacy and performance of the Company's Whistleblower Policy and Code of Ethics are reviewed by the Audit Committee of the Board. The existing Code of Conduct for Board Members and Senior Management Executives covers only the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Stakeholders	Complaints received	Complaints resolved	%
Investors complaints	1	1	100%
Consumers complaints	242	242	100%
Total	243	243	100%

Principle 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

The Company as always continues to believe and incorporate environment friendly initiatives and business practices in its operations. We take best efforts to ensure that our products do not contribute to any environmental concern /risk/opportunities. While designing the product the company ensures that it is safe while using. From sourcing of raw material to the technology we use at our plants we are ensuring that our manufacturing process and technologies are resource efficient and sustainable. We treat the process waste by in-house treatment plants and follow safe disposal procedures.

Principle 3 Businesses should promote the well-being of all employees:

Employee's safety and health is extremely important to the Company. It believes in giving its employees ample opportunities to perform as employee well-being is vital to achieve a profitable growth. Company provides our people with a safe working environment, respecting their human rights, promoting their professional development and creating an inclusive work environment. Human Resource policies and benefits have been articulated in the 'HR Policy Manual'. The manual defines eligibility, entitlement, terms & conditions and associated documentation for each policy.

Company ensures that every woman employee is treated with

Business Responsibility Report (Contd.)

dignity, respect and equality. There is zero tolerance towards sexual harassment and any act of sexual harassment invites serious disciplinary action. The Company has established a policy against Sexual Harassment for its employees. The policy allows any employee to freely report any such act and prompt action will be taken thereon.

Company has strengthened its performance-driven orientation through robust competence mapping, gap identification, training and development. The Company contributes to the medical insurance of its employees and also organizes health check-ups and camps for employees. It is deeply committed to safety of its Employees at workplace.

Safety and skill upgradation programs are provided from time to time to the employees and over a period of time most of the employees are covered under such programs. Employees are encouraged to participate in safety programs and be acquainted with the safety measures. It regularly organizes mock fire drills and Fire Safety training classes at all its locations.

As on 31st March 2020, the total number of permanent employees on the payroll of the Company were 1211 and the total number of employees hired on Temporary/contractual/casual basis were 1347 and 142 third party sales employee. The permanent women employees were 77 and permanent employee with disability is 2. All Factory workers at our unit in Tarapur are members of recognized labour union.

The details of complaints filed during the financial year are as under:

No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labor/ forced labor/ involuntary labor	Nil	Nil
2	Sexual harassment	1	1
3	Discriminatory employment	Nil	Nil

Principle 4: Business should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized:

The Company has identified its internal and external stakeholders and endeavors to maintain healthy

engagement with these stakeholders which allows participation and collaboration wherever possible.

Company recognises employees, business associates viz suppliers, stockists and dealers, customers, shareholders/ investors and communities surrounding our operations and regulatory authorities as key stakeholders.

The Company's website, www.kokuyocamlin.com contains comprehensive information for the stakeholders about the Company. The Company also has designated an exclusive email-id for investor services – investorrelations@kokuyocamlin.com

While developing our CSR strategy we have ensured that all communities benefit from our CSR activities, with special focus on those groups that are socially and economically marginalized.

Principle 5: Businesses should respect and promote human rights:

The Code of conduct is applicable to all employees of the company. The Company follows its policy on Human Rights which are applicable to all employees in the Company. We do not discriminate against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, gender, gender identity/expression, sexual orientation, disability, age, or marital status.

The Company encourages its Business Partners to follow the policy. Company discourages dealing with any supplier/contractor if it is in violation of human rights and also prohibits the use of forced or child labor at all manufacturing units /with business associates. If the company finds any supplier/contractor employing child labour the company discontinues its engagement with the said supplier/contractor.

No Complaint was received pertaining to human rights violation during the reporting period.

Principle 6: Businesses should respect, protect and make efforts to restore the environment:

We are continually investing in new technologies, implementing process improvements and innovating. We have deployed a dedicated team for devising and implementing strategies for managing these risks and opportunities.

EHS Policy of the Company, processes have been deployed to continually improve the environmental performance. The said policy has been deployed across the Company. Company has three Manufacturing Units across India. It has Integrated Management System certification i.e. ISO 9001,

Business Responsibility Report (Contd.)

14000 and 45000, which covers Quality, Environment and Safety Management System. The policy covers only to our plants in India.

Global warming is one of the threat for mankind. To address the same, Company has planned their strategy to focus more on Reduce, Recycle & Re-use. Our Goal is Zero accident, Zero waste, Zero defect and to have safe and secure environment."

Some of our steps are:

- a) We are using plastics for our stationery products, and recycling maximum material which gets released as waste.
- b) All our ETP/STP plants are ZLD i.e. zero liquid discharge, we are using the treated effluent for garden, utilities and processes.
- c) Using the best of rainwater harvesting practices within the industry premises to ensure ground water recharge. We have 50 lakhs litres open water storage pond. The rainwater is collected and then overflow is transferred to stream and then to River.
- d) Every factory is having LED lights to reduce the power consumption.
- e) We have solar water heating system which is used for processing Oil pastels production. It has replaced the electrical heating partially.
- f) We are having 564 KW solar power generation plant to reduce carbon footprints.

The Company makes all efforts to identify environment aspects and manage its environmental impacts and continually improve its environmental performance, driven by our Environment Health & Safety Policy. All manufacturing plants in India are certified to ISO 14001: 2015 – Environment Management System & ISO 45001: 2018 – Occupational Health & Safety Management System. As part of EMS implementation, potential environmental risks are identified and appropriate mitigation strategies to reduce the risk are in place

We do not have any project under Clean development Mechanism (CDM).

We have solar plant of 564 KW capacity, which generates 600 Tons CO₂ emission saving /year.

For emission generation, we have one non IBR boiler where all the emission norms are followed as per MPCB guideline.

1. Has the company undertaken any other initiatives on—clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Clean Technology: We are utilizing maximum day light in our factory, as mentioned above we have solar power plant and Solar water heating system also.

*** Energy Conservation:** Energy efficiency is improved by replacing High power consuming motors with Servo based motors. All Lightings are LED, we have proper energy monitoring system which check any abnormality arisen in a day.

*** Reduction in water use:** We have been able to reduce our water usage by 100% recycling the treated water. We have 50 Lakh Liter Rain Water Harvesting pond. This improves the water density across area.

*** Reduce food waste:** We have educated all the employees for reducing the food waste. All the garden waste and food waste is used as compost for improving Green area.

*** Awareness Program:** Safety week is the biggest event in our plants which creates the awareness on Environment, Safety and Health. Many programs are carried out like Drawing Competition, Slogan Competition, etc.

*** Plantations:** Every year all factories undertake plantation drives to increase green area in and around our factories. Under the heading of IDEAL SCHOOL PROJECT we are monitoring the tree plantation drive and around 5000 saplings are planted per year.

All our manufacturing plants comply with the prescribed permissible limits for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal as per their Regulatory Consents/Authorizations.

As on 31 March, 2020, there is no pending show cause or legal notice received from MPCB/CPCB, to the best of the Company's knowledge and understanding.

Business Responsibility Report (Contd.)

Principle 7: Business when engaged in influencing Public and Regulatory Policy, should do so in a responsible manner:

Company is the member of several Industry bodies and trade Associations. They are listed as under:-

- a. Confederation of Indian Industries (CII);
- b. Federation of Indian Chamber of Commerce and Industries (FICCI);
- c. Indian Merchants Chamber. (IMC);
- d. Maharashtra Chamber of Commerce, Industry & Agriculture (MACCIA);
- e. Chemicals export promotion council (Chemexcil)

Being an industry-house, our major areas of concern are those public policies which deals with industry/business. Therefore, our submissions are related to economic policy changes and other issues, which affect the sustainability and competitiveness of the industry.

These platforms are utilized to update the industry concerns to the relevant government offices through seminars, delegations and memorandum. Through these forums, we also provide our inputs sought by the State & Central Governments from time to time related to current problems faced by the industry, future prospects and policy imperatives required to overcome bottlenecks.

These forums are used to advance the cause of the industry and are not used to take up company specific issues

Principle 8 Businesses should support inclusive growth and equitable development:

The Company undertakes initiatives through the CSR committee of the Board as per the CSR policy of the Company. A brief outline of the policy for undertaking the CSR activities of the Company includes the following:

- Promoting Healthcare, water and sanitation programmes;
- Promoting education, enhancing vocational skills and livelihood enhancement projects;

These projects are in accordance with schedule VII of the Companies Act, 2013 and rules made thereunder.

The aforesaid projects have been carried out by the Company directly and/or through implementing agencies. The details can be found in Annexure IV of the Directors Report.

In several locations Kokuyo Camlin continuously engage with communities surrounding their operations through focused meetings. This is done to gauge the needs, priorities and expectations of the local community. Initiatives are thus designed and delivered in a transparent manner in line with inputs from the community itself. This is done to ensure flow of benefits to communities even if the Company is unable to support the programme in the future. This ensures successful adoption by communities to the extent possible.

Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner:

Understanding our customer is the key to add value. We try to understand what drives value for our customers and offer best quality products with a prime focus of developing memorable customer experience. We take care of the well-being of our customers as well as the society. We take care of environment and implement practices that do not harm our society. We consistently work to improve customer satisfaction. We deliver value proactively by anticipating changes in customer's desired needs.

We disclose all the information on our labels in compliance with the legal requirements and let customers make an informed decision.

There is no case pending against the company regarding unfair trade practice.

As part of our stakeholder engagement strategy, Company engages with its customers and carries consumer surveys for different products every year to know the customer satisfaction level so that necessary steps may be taken to enhance customer satisfaction levels. Our marketing team routinely carries out these surveys and gives inputs to business on taking remedial action, if required.

Independent Auditors' Report

To The Members of
Kokuyo Camlin Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kokuyo Camlin Limited ("the Company"), which comprise the balance sheet as at 31 March 2020, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit and 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 Act. Our responsibilities under those SAs 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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.

The key audit matter	How the matter was addressed in our audit
Impact of COVID 19 on Going concern (refer note 45 - to the financial statements) On 11 March 2020, the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic. The Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from 22 March 2020 onwards. The lockdowns and restrictions imposed on various activities due to COVID-19 pandemic have posed challenges to the business of the Company. The impact of the COVID-19 pandemic and the measures put in place to control the spreading of the virus, have created a number of events and conditions which may have indicated uncertainties including related to going concern for the Company. The Company has assessed the impact of existing and anticipated effects of COVID-19 on the business operations and future cash flows and has prepared a range of scenarios to estimate cash flows from operating activities and the related financing requirements and sources thereof. Based on the above, the financial statements of the Company for the year ended 31 March 2020 have been prepared on a going concern basis. In view of the uncertainties outlined above, we identified this as a key audit matter.	Our audit procedures included: • Obtained an understanding of the key controls relating to the Company's forecasting process. • Assessed and challenged the key assumptions used by the Company in preparing the income statement and cash flow forecast including revenue, fixed and operating costs, capital expenditure and funding requirements based on our understanding of the Company's business. • Compared the future expected cash flows in the cash flow forecast with the Company's business plan approved by the Board of Directors. • Performed sensitivity analysis to the cash flow forecast by considering plausible changes to the key assumptions adopted by the Company and its impact on the going concern assessment. • Obtained details of borrowings approved/received subsequent to the year end and tested with underlying documentation. • Assessed disclosures made in the financial statements with regard to the impact of Covid 19 on the going concern assessment.
Revenue recognition (refer note 3.01 and 44 - to the financial statements) Revenue from the sale of goods is recognised when the control of the goods has passed to the customers, which is on dispatch/delivery of the goods. There is a risk that revenue may be overstated to achieve performance targets at the reporting period end. Revenue is measured net of discounts, incentives and rebates earned by customers on the Company's sales. The estimation of discounts, incentives and rebates is significant and considered to be complex and requires significant degree of judgment. There is a risk that revenue may be overstated through incorrect estimation of the discounts, incentives and rebates recognised to achieve performance targets at the reporting period end.	Our audit procedures included: • Accounting policies: Assessed the Company's accounting policies with respect to revenue recognition, discounts and rebates by comparing with applicable accounting standards. • Control testing: Tested the design, implementation and operating effectiveness of the Company's controls over recording revenue and estimating and recording the amount of provisions for schemes and discounts

Accordingly, revenue recognition is a key audit matter.	- Tests of details: Tested, by selecting statistical samples, underlying documentation/ records for sales transactions recorded during the year and on either side of the year end to determine whether revenue has been recognised in the correct period. - Tested, by selecting statistical samples, the underlying documentation for discounts, incentives and rebates recorded and disbursed during the year. - Assessed the Company's computations for accrual of discounts, incentives and rebates, on a sample basis, and compared the accruals made with the approved schemes and underlying documents. - Assessed manual journals posted to revenue to identify unusual or irregular items. - Compared past trends of payments and reversals of provisions for discounts, incentives to evaluate the historical accuracy of provisions made. - Considered the adequacy of the Company's disclosures in respect of revenue.
Provisioning for slow moving inventory (refer note 10 - to the financial statements) The Company makes provisions for slow moving / non-moving inventories based on certain specific percentages assigned to the inventory ageing exceeding 2 years. The Company also makes specific provisions for slow moving items ageing upto 2 years. Due to the significant number of stock keeping units (SKUs) in the various categories of inventories, significant judgment is required by the Company in determining the inventory provisioning. There is a risk that inventory may be overstated on account of inappropriate provisioning for non-moving inventories. Accordingly, provisioning for inventory is a key audit matter.	Our audit procedures included: - Accounting policies: Assessed the Company's accounting policies for inventory provisioning. - Control testing: Tested the effectiveness of the Company's controls over the assessment and recording of slow moving inventory provision. - Tests of details: Tested the sales of slow moving inventory during the period and assessed the Company's plans for future disposal of such stocks. - Tested the estimated future sales values, less estimated costs to sell against the carrying value of the inventories. - Compared the historical trend of Company's estimates against actual outcomes to assess the impact of provision of slow moving inventory. - Tested the inventory written off against the provisions recorded. - Considered the adequacy of the Company's disclosures in respect of provisions for inventory.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

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

Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 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, the Management and Board of Directors are 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 the Board of Directors 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:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast

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

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

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

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

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 auditors' 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 (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) 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 (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on

its financial position in its financial statements - Refer Note 32 and 33 to the financial statements;

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Vijay Mathur

Partner

Membership No: 046476

ICAI UDIN: 20046476AAAACW7925

Mumbai
8 July 2020

Annexure A to the Independent Auditors' Report on Ind AS financial statements

(Referred to our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets and investment properties.
- (b) The Company has a regular programme of physical verification of its fixed assets and investment properties by which the property, plant and equipment and investment properties are verified by the management according to a programme designed to cover all the items over one year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified all its fixed assets and investment properties during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties of land and buildings and investment properties as disclosed in note 4 and note 5 of the financial statements, are held in the name of the Company.
- ii. The inventories, except goods in transit and stocks lying with third parties, have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified. The discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with in the books of accounts.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order 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 186 of the Act with respect to investments made. The Company has not granted any loans or provided any guarantees or security to parties covered under section 185 and 186 of the Act.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits to which the directives issued by the Reserve Bank of India or the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under apply. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account relating to manufacture of stationery items maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same with a view to determine whether they are complete or accurate.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, duty of customs, Goods and Service Tax, Income Tax, Cess, Professional tax, Labor welfare fund and other material statutory dues have generally been regularly

deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, duty of customs, Goods and Service Tax, Income Tax, Cess, Professional tax, Labor welfare fund and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income-tax, Sales-tax, Service tax, Duty of customs, duty of excise, Goods and Service tax and Value added tax which have not been deposited with the appropriate authorities on account of any dispute, except as follows:

Name of the Statute	Nature of dues	Amount Demanded ₹ in lakhs	Amount Paid ₹ in Lakhs	Period to which the amount relates	Forum where dispute is pending
The Income tax Act, 1961	Income tax	107.55	-	AY 2014-15	Mumbai High Court
The Income tax Act, 1961	Income tax	14.67	-	AY 2006-07	Income tax Appellate Tribunal
The Income tax Act, 1961	Income tax	139.45	-	AY 2014-15 And AY 2017-18	Assessing officer
Central Excise Act, 1944	Excise duty (including interest and penalty, if applicable)	53.6	32.97	1990-95	Mumbai High court
Central Excise Act, 1944	Excise duty (including interest and penalty, if applicable)	9.05	-	Jan 1991 to June 1991	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
Central Sales Tax Act, 1956 and Local Sales Tax Act	Sales tax (including interest and penalty, if applicable)	677.73	193.87	1995-96, 1998-99 to 2001-02, 2004-05 to 2005-06, 2007-08, 2009-10 to 2013-14, 2014-15 2015-16	First Appellate
Central Sales Tax Act, 1956 and Local Sales Tax Act	Sales tax (including interest and penalty, if applicable)	39.7	37.92	1996 to 1998 and 2000-2001 to 2008-09	Sales Tax- Tribunal

viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank during the year. The Company did not have any loans or borrowings during the year from debenture holders or from the government.

- ix. According to the information and explanations given to us, the Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose which they were raised.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly

convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Vijay Mathur

Partner

Membership No: 046476

ICAI UDIN: 20046476AAAACW7925

Mumbai

8 July 2020

Annexure B to the Independent Auditors' report on the financial statements of Kokuyo Camlin Limited for the year ended 31 March 2020.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Kokuyo Camlin Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as "the Act").

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 and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 were established and maintained and whether 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 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 such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 internal 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 controls 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.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Vijay Mathur

Partner

Mumbai

8 July 2020

Membership No: 046476

ICAI UDIN: 20046476AAAACW7925

Balance Sheet

as at 31 March, 2020

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
Non-current assets			
(a) (a) Property, plant and equipment	4	15,746.25	16,368.43
(b) Right of use assets	4	2,001.32	-
(b) Investment property	5	2.73	2.73
(c) Other intangible assets	4	82.42	118.25
(d) Financial assets			
(i) Investments	6	548.04	638.23
(ii) Loans	7	234.82	209.64
(iii) Other financial assets	8	14.72	46.64
(e) Income tax assets (net)		325.13	132.13
(f) Other non-current assets	9	383.47	2,462.49
Total non - current assets (A)		19,338.90	19,978.54
Current assets			
(a) Inventories	10	18,362.60	19,920.60
(b) Financial assets			
(i) Trade receivables	11	7,550.76	11,751.04
(ii) Cash and cash equivalents	12	487.30	500.70
(iii) Bank balances other than (ii) above	13	52.73	548.97
(iv) Loans	14	14.77	25.38
(c) Other current assets	15	2,312.51	2,745.85
Total current assets (B)		28,780.67	35,492.54
TOTAL ASSETS (A + B)		48,119.57	55,471.08
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	1,003.04	1,003.04
(b) Other equity	17	23,916.92	23,884.94
Total equity (C)		24,919.96	24,887.98
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	2,168.66	2,724.48
(ii) Other financial liabilities	19	47.97	310.34
(b) Provisions	20	613.47	492.48
(c) Deferred tax liabilities (net)	37	349.39	98.52
Total Non - current liabilities (D)		3,179.49	3,625.82
Current liabilities			
(a) Financial Liabilities			
(i) Short term borrowings	21	9,659.59	14,067.03
(ii) Trade payables	22		
total outstanding dues of micro enterprises and small enterprises;		9.76	267.95
total outstanding dues of creditors other than micro enterprises and small enterprises.		7,073.74	8,624.26
(iii) Other financial liabilities	23	2,265.01	2,801.92
(b) Other current liabilities	24	864.35	1,014.99
(c) Provisions	25	147.67	181.13
Total current liabilities (E)		20,020.12	26,957.28
TOTAL EQUITY AND LIABILITIES (C+D+E)		48,119.57	55,471.08

The attached notes 1 to 46 form an integral part of these financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022
Vijay Mathur
Partner
Membership No: 046476

Satish Veerappa
Chief Executive Officer

Ravindra Damle
V P (Corporate) and Company Secretary

Shishir B. Desai
Director
(DIN-01453410)

For and on behalf of the Board of Directors of
Kokuyo Camlin Limited
CIN : L24223MH1946PLC005434

Chetan Badal
Chief Financial Officer

Dilip Dandekar
Chairman and Executive Director
(DIN-00846901)

Shriram Dandekar
Vice Chairman & Executive Director
(DIN-01056318)

Mumbai
8 July 2020

Statement of Profit and Loss

For the year ended 31 March 2020

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 March 2020	Year ended 31 March 2019
REVENUE			
I Revenue from operations	26	63,403.49	68,877.20
II Other income	27	81.23	76.70
III Total Income (I + II)		63,484.72	68,953.90
IV EXPENSES			
(a) Cost of materials consumed	28	22,772.37	26,262.51
(b) Purchases of stock-in-trade	28	14,367.79	18,226.82
(c) Changes in stock of finished goods, work-in-progress and stock-in-trade	28	935.52	(3,714.10)
(d) Employee benefits expense	29	8,330.29	9,316.00
(e) Finance costs	30	971.93	1,149.76
(f) Depreciation and amortization expense	4	1,927.76	1,787.19
(g) Other expenses	31	13,300.61	13,651.58
Total Expenses (IV)		62,606.27	66,679.76
V Profit before tax (III - IV)		878.45	2,274.14
VI Tax Expense	36		
(a) Current tax		84.25	476.04
(b) Deferred tax		251.93	275.62
(c) Prior years - Income tax		106.65	2.15
Total tax expense (VI)		442.83	753.81
VII Profit after tax (V - VI)		435.62	1,520.33
VIII Other comprehensive income / (Loss)		(403.26)	(462.38)
(i) Items that will not be reclassified subsequently to profit or loss			
(a) Remeasurements of the defined benefit plans		(314.15)	(61.92)
(b) Fair value changes on equity instruments		(90.17)	(415.32)
(ii) Income tax relating to items that will not be reclassified to profit or loss		1.06	14.86
IX Total comprehensive income for the year		32.36	1,057.95
X Earnings per share (Face value INR Re. 1/- each):	39		
(1) Basic earnings per share		0.43	1.52
(2) Diluted earnings per share		0.43	1.52

The attached notes 1 to 46 form an integral part of these financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022
Vijay Mathur
Partner
Membership No: 046476

Satish Veerappa
Chief Executive Officer

Ravindra Damle
V P (Corporate) and Company Secretary

Shishir B. Desai
Director
(DIN-01453410)

For and on behalf of the Board of Directors of
Kokuyo Camlin Limited
CIN : L24223MH1946PLC005434

Chetan Badal
Chief Financial Officer
Dilip Dandekar
Chairman and Executive Director
(DIN-00846901)

Shriram Dandekar
Vice Chairman & Executive Director
DIN-01056318)

Mumbai
8 July 2020

Statement of Cash Flows

For the year ended 31 March 2020

(₹ in Lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax for the year	878.45	2,274.14
Adjustments for :		
Depreciation	1,895.65	1,787.19
Amortisation of right of use assets	32.11	-
Unrealised foreign exchange loss/(gain)	29.64	(46.25)
Finance costs	971.93	1,149.76
Interest income	(28.25)	(68.54)
Profit on sale of investments	-	(4.62)
Provision for doubtful receivables	79.12	39.29
Provision for capital advances	-	8.64
Provision for doubtful advances / (reversal) (net)	5.62	(0.83)
(Profit) / Loss on sale of property, plant and equipment(net)	(52.92)	(0.66)
Amortisation of prepayments of leasehold land	-	32.05
Total	3,811.35	5,170.17
Working capital adjustments		
- Decrease / (increase) in trade receivables	4,121.17	(839.68)
- Decrease / (increase) in other current assets	427.72	(1,122.80)
- Decrease / (increase) in inventories	1,558.00	(4,045.07)
- (Increase) / decrease in other non-current assets	(41.93)	9.89
- Decrease in loans	(25.18)	(15.28)
- (Decrease) / increase in trade payables	(1,838.35)	1,510.79
- (Decrease) / increase in provisions	(226.62)	316.14
- (Decrease) / increase in other current liabilities	(956.64)	561.09
Total	3,018.17	(3,624.92)
Cash generated from operating activities	6,829.52	1,545.25
Tax (paid)/refund	(375.00)	(786.98)
Net cash generated from operating activities	6,454.52	758.27
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,381.91)	(2,586.78)
Proceeds from sale of property, plant and equipment	77.15	2.95
Deposits (placed)	(121.84)	(2,100.00)
Deposits matured	650.00	1,564.54
Unpaid dividend account	-	2.51
Interest received	38.86	53.78
Proceeds from sale of investments	-	4.62
Net cash used in investing activities	(737.74)	(3,058.38)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment) / proceeds of short term borrowings (net)	(4,407.45)	1,802.38
Proceeds of term borrowings	-	2,295.00

Statement of Cash Flows

For the year ended 31 March 2020

(₹ in Lakhs)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
(Repayment) of term borrowings	(350.66)	(582.97)
Dividend transferred to investors education fund	-	(2.51)
Interest and other finance cost paid	(971.85)	(1,149.76)
Repayment of principal towards lease liability	(0.14)	-
Interest paid on lease liability	(0.08)	-
Net Cash (used in) / generated from financing activities	(5,730.18)	2,362.14
Net (Decrease)/ increase in cash and cash equivalents	(13.40)	62.03
Cash and cash equivalents at the beginning of the year	500.70	438.67
Cash and cash equivalents at the end of the year	487.30	500.70

Notes :-

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows"
- Cash and cash equivalents at the end of the year

	As at 31 March 2020	As at 31 March 2019
Balance with banks		
in current accounts	343.68	287.54
in EEFC accounts	107.64	50.89
Deposits with original maturity of less than three months	31.90	150.00
Cash on hand	4.08	12.27
	487.30	500.70

- Debt reconciliation statement in accordance with IND AS 7

	As at 31 March 2020	As at 31 March 2019
Opening balances		
Long term borrowings (including current maturities)	3,271.98	1,559.95
Short term borrowings	14,067.03	12,264.65
Cash movement		
Long term borrowings	(350.66)	1,712.03
Short term borrowings	4407.45	1802.38
Closing balance		
Long term borrowings (including current maturities)	2,921.32	3,271.98
Short term borrowings	9,659.59	14,067.03

The attached notes 1 to 46 form an integral part of these financial statements.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022
Vijay Mathur
Partner
Membership No: 046476

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Chief Executive Officer

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For and on behalf of the Board of Directors of
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Chetan Badal
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Vice Chairman & Executive Director
DIN-01056318)

Dilip Dandekar
Chairman and Executive Director
(DIN-00846901)

Mumbai
8 July 2020

Statement of Changes in Equity

for the year ended 31 March 2020

(a) Equity Share Capital

Particulars	Note No.	31 March 2020	31 March 2019
Balance at the beginning of the year	16	1,003.04	1,003.04
Changes in equity share capital during the year		-	-
Balance at the end of the year		1,003.04	1,003.04

(b) Other equity

Particulars	Reserves and surplus			Items of Other comprehensive income	Total equity
	Capital reserve	Share premium	General reserve	Retained earnings	
Balance at 1 April 2018	52.70	17,901.56	1,966.30	1,919.60	22,826.99
Profit for the year	-	-	-	1,520.33	1,520.33
Other comprehensive income for the year					
Equity Instruments through Other Comprehensive Income (net of tax)	-	-	-	-	-413.76
Remeasurements of defined benefit plan (net of tax)	-	-	-	(48.62)	(48.62)
Balance at 31 March 2019	52.70	17,901.56	1,966.30	3,391.31	23,884.94
Adjustment on account of transition to new lease standard, net of taxes (refer note 38)	-	-	-	(0.38)	(0.38)
"Restated balance as at beginning of the reporting period (1 April 2019)"	-	-	-	-	23,884.56
Profit for the year	-	-	-	435.62	435.62
Other comprehensive income for the year					
Equity Instruments through Other Comprehensive Income (net of tax)	-	-	-	-	-89.11
Remeasurements of defined benefit plan (net of tax)	-	-	-	(314.15)	(314.15)
Balance at 31 March 2020	52.70	17,901.56	1,966.30	3,512.40	23,916.92

The attached notes 1 to 46 form an integral part of these financial statements.

For B S R & Co. LLP

Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur

Partner

Membership No: 046476

Satish Veerappa
Chief Executive Officer

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**For and on behalf of the Board of Directors of
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DIN:01056318

Mumbai
8 July 2020

Notes

to the Financial Statements for the year ended 31 March, 2020

1 BACKGROUND OF THE COMPANY

Kokuyo Camlin Limited (the "Company") was incorporated in India in 1946 as "Camlin Private Limited" under the Indian Companies Act, 1913. Subsequently, the Company was converted into a Public Limited Company in 1988 as Camlin Limited and was listed on BSE Ltd (BSE) and listed on National Stock Exchange of India Ltd (NSE) in the year 2008. In the year 2011, Kokuyo S&T Co. Ltd, (now Kokuyo Company Limited) a Japanese corporation engaged in the business of stationery acquired a majority stake in the Company and presently holds 74.44% shares in the Company. The registered office of the Company is located at 48/2, Hilton House, Central Road, MIDC, Andheri (East), Mumbai, India.

Kokuyo Camlin Limited manufactures, and trades in scholastic products, writing instruments, notebooks, marker pens, inks, fine-art colours and accessories, hobby colours, pencils and other stationery products.

2 BASIS OF PREPARATION

(a) Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act.

The financial statements for the year ended 31 March 2020 have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 8th July 2020.

Details of the Company's significant accounting policies are disclosed in Note 3.

(b) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are mentioned in lakhs and rounded off to 2 decimals unless, otherwise stated.

(c) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

- 1 Certain financial assets and liabilities (including derivative instruments and equity investments) - measured at fair value
- 2 Net defined benefit (asset)/liability - fair value of plan assets less present value of defined benefit obligations

(d) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, including any impacts arising from COVID-19 pandemic (refer note (e) below). Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Notes

to the Financial Statements for the year ended 31 March, 2020

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- Note 3.01 and 44 – recognition of schemes and rebates;
- Note 3.09 and 37 – recognition of deferred tax assets: availability of future taxable profit against which minimum alternate tax can be used;
- Note 3.11 and 10 – recognition and measurement of provision for inventories;
- Note 3.14 and 40 – measurement of defined benefit obligations: key actuarial assumptions;
- Notes 3.15 and 32 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 3.04 and 3.13– impairment of financial and non financial assets.
- Note 3.02 and 3.03 – management estimate for useful life of plant and machinery, electrical installation and intangible assets.
- Note 42 - fair value measurement of financial instruments

(e) In view of the lockdown in many of the States/Union Territories across the country due to the outbreak of COVID pandemic, operations in many of our locations (manufacturing, warehouses, offices, distribution facilities etc.) were shut down from second half of March 2020. While COVID has adversely impacted the sales performance in various geographies particularly in the Metros and Tier 1 cities, we continue to closely monitor the situation and take appropriate action, as necessary to scale up operations, in due compliance with the applicable regulations. With the lockdown in many States/Union Territories across the country, the supply chains have been put under stress which has resulted in loss of business and temporary pressure on cash flows/ liquidity / profitability margins due to lower collection of receivables, operating expenses payment obligations towards vendors and statutory authorities, etc. The management of the company expects the operations to gradually improve in the coming weeks, with a possibility of the intermittent disruptions based on the evolving situation and varying government guidelines and permissions. However, the assets of the company have not been impacted and all are in working condition. The Company has adequate capital and banking limits to take care of immediate requirement of funds. The company is servicing all the statutory debts and other financial obligations in timely manner. With a view to effectively manage the cash flows, the Company has also approached its bankers and got sanction of additional working capital which has been approved by the board in May 2020. The company does not foresee any challenge in realizing/recovering its assets. As per our current assessment no significant impact on carrying amounts of inventories, trade receivables and other assets is expected, and we continue to monitor changes in future economic conditions. The eventual outcome of the impact of the global health pandemic may be different from those estimated as on the date of approval of these financial results.

(f) Current vs 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;

Notes

to the Financial Statements for the year ended 31 March, 2020

- iv. the asset/liability is expected to be realised/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 realisation in cash and cash equivalents"

(g) Fair value measurement

The Company measures certain financial instruments, such as derivatives and equity investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- A. In the principal market for the asset or liability, or
- B. In the absence of a principal market, in the most advantageous market for the asset or liability.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

- A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Further information about the assumptions made in measuring fair value is included in the following notes.

- Note 5 - Investment property
- Note 42 - Financial instruments

Notes

to the Financial Statements for the year ended 31 March, 2020

3 SIGNIFICANT ACCOUNTING POLICIES

3.01 Revenue recognition

Revenue from Contracts with Customers

Revenue represents amounts received and receivable from third parties for goods supplied to the customers and for services rendered. Revenue is recognised when control of the goods has been transferred to the customer, which happens on dispatch/delivery of the goods. Revenue is measured as the amount of consideration which the Company expects to receive, net of returns and allowances, trade/cash discounts and volume rebates. Accumulated experience is used to estimate and accrue for the discounts (using the most likely method) and returns considering the terms of the underlying schemes and agreements with the customers. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice. A liability is recognised where payments are received from customers before transferring control of the goods being sold.

Interest income

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

Dividend:

Dividend is recognised as revenue when the right to receive dividend payment has been established.

3.02 Property, plant and equipment

(i) Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable taxes (net of Cenvat, VAT and GST), after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) borrowing costs for long-term construction projects if the recognition criteria are met.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipments.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Notes

to the Financial Statements for the year ended 31 March, 2020

(iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, if any, over their estimated useful lives using the straight line method in the manner and at the rates prescribed by Part 'C' of Schedule II of the Act, except as stated below. Depreciation is charged on a monthly pro-rata basis for assets purchased or sold during the year.

The Company has used the following rates to provide depreciation on its fixed assets.

The Company has used the following rates to provide depreciation on its fixed assets.

	Useful life as Per Schedule II	Useful life as Per Company's Policy	Reasons
Site development	30 years	30 years	
Buildings & sheds	30 years and 60 years	30 years and 60 years	
Plant & Machinery & Electrical Installation	7.5 years to 15 years	7.5 years to 25 years	Management's estimation based on internal technical evaluation
Office equipment	3 to 6 years	3 to 6 years	
ERP Hardware	5 years	5 years	
Furniture & Fittings	10 years	10 years	
Vehicles	8 to 10 years	8 to 10 years	

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

3.03 Intangible assets

Intangible assets comprise application software purchased / developed, which are not an integral part of the related hardware, and are amortised using the straight line method over a period of the software license, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

The useful lives of intangible assets are as mentioned below:

	Useful life as Per Schedule II	Useful life as Per Company's Policy	Reasons
Licenses and software	5 years	10 years	Management's estimation based on internal technical evaluation
ERP software	5 years	5 years	

3.04 Impairment of non financial assets

The Company's non financial assets are tested for impairment at each reporting date to determine whether there are events or changes in circumstances which indicate that the carrying amount may not be recoverable. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired.

Notes

to the Financial Statements for the year ended 31 March, 2020

The recoverable amount is higher of the asset's/cash-generating unit's net selling price or value in use, i.e. the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss is recognised in the statement of profit and loss if the carrying amount of an asset/cash-generating unit exceeds its estimated recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognised. The carrying amount of an 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 recognised for the asset in prior years.

3.05 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

3.06 Borrowing cost

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.

3.07 Leases

Effective April 1, 2019 the company has applied Ind AS 116 which replaces Ind AS 17 Leases. Refer note 3.07 Significant accounting policies - Assets taken on lease in the Annual report for the year ended March 31, 2019, for policy for lease accounting as per Ind AS 17.

On inception of a contract, the Company (as a lessee) assesses whether it contains a lease. A contract is, or contains a lease when it 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.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Notes

to the Financial Statements for the year ended 31 March, 2020

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including insubstance fixed payments. The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease liability have been presented under other financial liabilities and Right of use asset have been separately presented in the Balance Sheet and lease payments are presented as follows in Company's statement of cash flows:

- short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from financing activities; and
- payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

3.08 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both but not for sale in the ordinary course of business, or for use in the production or supply of goods or services or for administrative purpose. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

3.09 Income-tax

Income tax expense comprises of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in 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.

Notes

to the Financial Statements for the year ended 31 March, 2020

Minimum Alternate Tax ('MAT') under the provisions of Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is a convincing evidence that the Company will pay normal tax in future. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company.

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting 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 relating to items recognised outside profit or loss are recognised as a part of these items (either in other comprehensive income or in equity).

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

3.10 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.11 Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.

Notes

to the Financial Statements for the year ended 31 March, 2020

- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on moving weighted average basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.
- Provision is made for obsolesce, slow moving inventories and other anticipated losses, wherever considered necessary.

3.12 Financial instruments

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

(i) Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

(ii) Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

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

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset 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.

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

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(iii) Classification and Subsequent Measurement: Financial liabilities

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

(iv) Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk.

(v) Derecognition of financial assets and financial liabilities:

Financial assets

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

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

Financial Liabilities

The Company derecognises a financial liability when the contractual obligations are discharged or cancelled, or expire.

The Company also derecognises financial liabilities when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the

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to the Financial Statements for the year ended 31 March, 2020

modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(vi) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value through Statement of Profit and Loss.

(vii) 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.

3.14 Employee benefits

(i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Compensated absences

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured by a qualified Actuary at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

(iii) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iv) Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future

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to the Financial Statements for the year ended 31 March, 2020

refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to the retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(v) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is 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. Re-measurement are recognised in profit or loss in the period in which they arise.

3.15 Provisions and contingent liabilities

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

Provisions are measured at the present value, wherever the Company can estimate the time of settlement, of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provisions due to 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 or a reliable estimate of the amount cannot be made. Where the likelihood of outflow of resources is remote, no provision or disclosure is made."

3.16 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

3.17 Government grants

The Company is entitled to 'Scheme of budgetary support' under Goods and Service Tax Regime in respect of eligible manufacturing units located in specified regions. Such grants are measured at amount receivable from the government and are recognised as other operating revenue when there is a reasonable assurance

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(₹ in Lakhs)

that they will be received and the Company will comply with all necessary conditions attached to the grant.

Income from such grants is recognised on a systematic basis over the periods to which they relate

3.18 Research and Development

Expenditure on research activities is recognised in profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit and loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment loss.

3.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Chief operating decision maker's function is to allocate the resources of the entity and assess the performance of the operating segment of the Company.

4 PROPERTY, PLANT AND EQUIPMENT

Description	Site development	Buildings and shed	Plant and machinery	Office Equipment	ERP hardware	Furniture and fixtures	Motor vehicles*	Total
Gross block								
As at 1 April 2018	966.14	6,168.69	10,256.02	531.56	82.58	172.13	166.31	18,343.43
Add: Additions during the year	19.74	266.38	1,964.36	66.50	-	48.40	25.57	2,390.95
Less: Disposal/adjustments during the year	-	-	127.22	2.59	-	0.03	-	129.84
As at 31 March 2019	985.88	6,435.07	12,093.16	595.47	82.58	220.50	191.88	20,604.54
Add: Additions during the year	30.78	102.21	1,072.39	21.42	-	19.43	-	1,246.23
Less: Disposal/adjustments during the year	-	13.02	91.79	55.51	-	-	-	160.32
As at 31 March 2020	1,016.66	6,524.26	13,073.76	561.38	82.58	239.93	191.88	21,690.45
Depreciation for the year								
As at 1 April 2018	32.93	250.54	2,009.92	196.02	44.78	70.06	36.93	2,641.18
Add: Depreciation for the year	33.49	228.55	1,297.04	90.05	22.40	25.74	25.21	1,722.48
Less: Depreciation on deletion	-	-	125.05	2.47	-	0.03	-	127.55
As at 31 March 2019	66.42	479.09	3,181.91	283.60	67.18	95.77	62.14	4,236.11
Add: Depreciation for the year	34.73	236.45	1,416.60	87.26	15.40	29.19	24.55	1,844.18
Less: Depreciation on deletion	-	4.35	78.94	52.80	-	-	-	136.09
As at 31 March 2020	101.15	711.19	4,519.57	318.06	82.58	124.96	86.69	5,944.20
Net block								
As at 31 March 2019	919.46	5,955.98	8,911.25	311.87	15.40	124.73	129.74	16,368.43
As at 31 March 2020	915.51	5,813.07	8,554.19	243.32	-	114.97	105.19	15,746.25

*Motor vehicles with a carrying amount of ₹ 105.19 lakhs as at 31 March 2020 (31 March 2019: Rs 129.74 lakhs) are provided as security against loans taken.

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(₹ in Lakhs)

Intangible assets

Description	ERP software	Licenses and software	Total
Gross block			
As at 1 April 2018	247.40	46.47	293.87
Add: Additions during the year	-	32.58	32.58
As at 31 March 2019	247.40	79.05	326.45
Add: Additions during the year	3.00	12.64	15.64
As at 31 March 2020	250.40	91.69	342.09
Amortisation For the year			
As at 1 April 2018	143.24	0.25	143.49
Add: Amortisation for the year	59.46	5.25	64.71
As at 31 March 2019	202.70	5.50	208.20
Add: Amortisation for the year	43.36	8.11	51.47
As at 31 March 2020	246.06	13.61	259.67
Net block			
As at 31 March 2019	44.70	73.55	118.25
As at 31 March 2020	4.34	78.08	82.42

Right of use assets (refer note no.38)

Description	Land
Gross block	
As at 1 April 2019 *	2,032.83
Add: Additions during the year	0.60
As at 31 March 2020	2,033.43
Amortisation for the year	
As at 1 April 2019	-
Add: Amortisation for the year	32.11
As at 31 March 2020	32.11
Net block	-
As at 31 March 2020	2,001.32

* Reclassified from non current assets and current assets (refer note no.9 and 15)

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

5 INVESTMENT PROPERTY

	31 March 2020	31 March 2019
Freehold land	2.73	2.73
(Fair value)		
As at 31 March 2020 - ₹ 33.66 lakhs		
As at 31 March 2019 - ₹ 57.68 lakhs		

Fair value hierarchy

Fair value of investment property has been determined by external, independent architects / chartered valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The Fair value measurement of the property has been categorised as Level 3 fair value based on the inputs to the valuation technique used.(refer Note 2(g))

Description of valuation technique used

The Company obtains Independent Valuations of its investment property as at the year end. The fair value of the investment property have been determined by architect / chartered valuers, who have considered the prevalent prices mentioned in the ready reckoner for similar and comparable properties.

6 INVESTMENTS

	31 March 2020	31 March 2019
Investments in Equity Instruments (fully paid up)		
Quoted equity shares at fair value through OCI		
800,000 (31 March 2019 : 800,000) equity shares of Re. 1 each in Camlin Fine Sciences Limited	312.00	398.00
Unquoted equity shares		
2,150 (31 March 2019 : 2,150;) Equity shares of ₹ 100/- each in Excella Pencils Limited at fair value through OCI	236.04	240.23
247,950 (31 March 2019 : 247,950) Equity shares of ₹ 10 each in ColArt Camlin Canvas Private. Limited at fair value through OCI	24.80	24.80
Less: Provision for diminution in value of investment	(24.80)	(24.80)
	-	-
	548.04	638.23
Aggregate amount of quoted investments - at cost	9.73	9.73
Aggregate amount of quoted investments - at market value	312.00	398.00
Aggregate amount of unquoted investments - at cost	26.95	26.95
Aggregate amount of impairment in value of investment	24.80	24.80

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to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

7 LOANS

	31 March 2020	31 March 2019
(Unsecured, Considered good)		
Security deposits		
- Related parties	-	6.00
- Others	234.82	203.64
	234.82	209.64

8 OTHER FINANCIAL ASSETS

	31 March 2020	31 March 2019
Fixed Deposits maturing after twelve months *	14.72	46.64
	14.72	46.64

*Lodged as security with Government Departments ₹ 14.72 lakhs (31 March 2019 : ₹ 46.64 lakhs).

9 OTHER NON-CURRENT ASSETS

	31 March 2020	31 March 2019
Unsecured, considered good		
Prepaid expenses (refer note below) *	18.09	2,018.88
Capital advances	365.38	443.61
Unsecured, considered doubtful		
Capital advances	10.74	10.74
Provision for doubtful advances	(10.74)	(10.74)
	383.47	2,462.49

* Prepaid expenses includes cost of leasehold land of ₹ 2,000.78 lakhs which is now regrouped as right of use assets. (refer note no.4)

10 INVENTORIES

(At lower of cost or net realisable value)

	31 March 2020	31 March 2019
Raw materials (includes in transit ₹ 159.72 lakhs(31 March 2019: ₹ 75.84 lakhs))	1,939.96	2,184.37
Packing materials (includes in transit ₹ 133.76 lakhs (31 March 2019: ₹ 147.97 lakhs))	2,483.93	2,885.19
Spares and tools	166.65	143.46
Work-in-progress	1,801.48	2,099.92
Finished goods	6,917.48	7,445.80
Stock-in-trade (includes in transit ₹ 3.79 lakhs (31 March 2019 Nil))	5,053.10	5,161.86
	18,362.60	19,920.60

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

During the year ended 31 March 2020, an amount of ₹ 699.34 lakhs (31 March, 2019, ₹ 743.55 lakhs) was charged to the statement of profit and loss on account of write-down of inventories including damaged and slow moving inventory. The provision as on 31 March, 2020 is ₹ 943.86 lakhs (31 March 2019, ₹ 1,138.00 lakhs).

11 TRADE RECEIVABLES

	31 March 2020	31 March 2019
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	7,550.76	11,751.04
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	216.91	138.04
	7,767.67	11,889.08
Provision for doubtful debts - credit impaired	(216.91)	(138.04)
	7,550.76	11,751.04

- (i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- (ii) The Company's exposure to credit and currency risk and loss allowances related to trade receivables are disclosed in note 42.

12 CASH AND CASH EQUIVALENTS

	31 March 2020	31 March 2019
Balances with banks		
In current accounts	343.68	287.54
In EEFC accounts	107.64	50.89
Deposits with original maturity of less than three months *	31.90	150.00
Cash on hand	4.08	12.27

*Lodged as security with Government Departments ₹ 31.90 lakhs (31 March 2019 : Nil).

13 OTHER BANK BALANCES

	31 March 2020	31 March 2019
Deposits with maturity of more than three months but less than twelve months *	52.73	548.97
	52.73	548.97

*Lodged as security with Government Departments ₹ 52.73 lakhs (31 March 2019 : ₹ 48.97 lakhs).

14 LOANS

	31 March 2020	31 March 2019
Unsecured, considered good		
Interest accrued on deposits	14.77	25.38
	14.77	25.38

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

15 OTHER CURRENT ASSETS

Unsecured

	31 March 2020	31 March 2019
Advances to related parties (refer note 41)	0.13	0.04
Advances to suppliers	480.01	779.02
Less : doubtful advances	(21.54)	(15.92)
	458.47	763.10
Prepaid expenses (refer note below) *	144.40	192.13
Deposits, balances and input credits for other taxes and duties	1,527.42	1,721.00
Other advances	182.09	69.58
	2,312.51	2,745.85

* Prepaid expenses includes cost of leasehold land of Rs 32.05 lakhs which is now regrouped as right of use assets. (refer note no.4)

16 EQUITY SHARE CAPITAL

	31 March 2020	31 March 2019
Authorised		
200,000,000 (31 March 2019: 200,000,000) Equity Shares of Re. 1/- each	2,000.00	2,000.00
Issued, Subscribed & Paid-up		
100,303,806 (31 March 2019: 100,303,806) Equity Shares of Re 1/- each, fully paid	1,003.04	1,003.04

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

	31 March 2020		31 March 2019	
	No of shares	Amount	No of shares	Amount
At the beginning of the year	100,303,806	1,003.04	100,303,806	1,003.04
Outstanding at the end of the year	100,303,806	1,003.04	100,303,806	1,003.04

Terms/rights attached to equity shares

The Company has only one class of equity shares with a par value of Re. 1/- per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian Rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to number of equity shares held by the shareholders.

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

Shares held by the Holding/ultimate Holding Company and/or their Subsidiaries/Associates.

Out of the equity shares issued by the company, shares held by its Holding Company are as under

	31 March 2020		31 March 2019	
	No of shares	Amount	No of shares	Amount
KOKUYO CO., Limited. Japan (a company incorporated in Japan)	74,665,950	74.44%	74,665,950	74.44%

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

Other than Kokuyo Co. Ltd, there are no shareholders holding more than 5% shares in the Company.

17 OTHER EQUITY

	31 March 2020	31 March 2019
Capital reserve		
Balance, beginning and end of the year	52.70	52.70
Securities premium account		
Balance, beginning and end of the year	17,901.56	17,901.56
General reserve		
Balance, beginning and end of the year	1,966.30	1,966.30
Surplus in the statement of profit and loss	3,391.31	1,919.60
Balance, beginning of the year	(0.38)	-
Less : Adjustment on account of transition to the new lease standard (net of taxes) (refer note 38)	3,390.93	1,919.60
Restated opening balance	435.62	1,520.33
Add :Profit for the year	(314.15)	(48.62)
Add: Remeasurement of defined benefit plan during the year	3,512.40	3,391.31
Balance, end of the year		
Other Comprehensive Income	573.07	986.83
Balance, beginning of the year	(89.11)	(413.76)
Add: Fair value gain/(loss) on equity instruments (net of taxes)	483.96	573.07
Balance at the end of the year	23,916.92	23,884.94

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to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

Capital reserve

Capital reserve represents the grant received from government for set up of plant in specific area.

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer.

Retained earnings

This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Other comprehensive income

This Reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at Fair Value through Other Comprehensive Income, net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

Capital management

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, securities premium and all other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

	31 March 2020	31 March 2019
Total Debt (Bank and other borrowings)	12,580.91	17,339.01
Less : Liquid Investments including bank deposits	455.40	1,003.03
	12,125.51	16,335.98
Equity	24,919.96	24,887.98
Debt to equity (net)	0.49	0.66

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

18 BORROWINGS

	31 March 2020	31 March 2019
Non-current borrowings from bank		
Unsecured	2,159.49	2,709.49
Secured	9.17	14.99
Total non-current borrowings	2,168.66	2,724.48
Current maturities of non-current borrowings		
Unsecured	746.84	539.54
Secured	5.82	7.96
Total current borrowings	752.66	547.50
Total borrowings from bank	2,921.32	3,271.98
Less: Amount included under other financial liabilities (refer note 23)	(752.66)	(547.50)
	2,168.66	2,724.48

Long term borrowing comprise

- (a) External Commercial borrowing (ECB) in USD from Sumitomo Mitsui Banking Corporation with carrying amount of ₹ 550.52 lakhs (31 March 2019 - ₹ 1,081.63 lakhs)

The terms of the loan are as follows:

1. Rate of Interest is based on LIBOR plus agreed spread.
2. Repayable in 8 equal half yearly installments starting from 2 September 2017 with last installment payable on 2 March 2021.

- (b) External Commercial borrowing (ECB) in USD from Mizuho Bank, Ltd with carrying amount of ₹ 2,355.81 lakhs (31 March 2019 - ₹ 2,173.89 lakhs)

The terms of the loan are as follows:

1. Rate of Interest is based on LIBOR plus agreed spread. Interest payable quarterly starting from 24 January 2019.
2. Repayable in 12 equal quarterly installments starting from 25 January 2021 with last installment payable on 24 October 2023.

- (c) The secured loan from HDFC bank is a vehicle loan with carrying amount of ₹ NIL (31 March 2019 - ₹ 2.62 lakhs)

1. Rate of Interest is 10.25 %p.a.
2. Repayable in monthly installments starting from December 2014 with last installment payable on 7 November 2019.
3. Secured against hypothecation of vehicle.

- (d) The secured loan from HDFC bank is a vehicle loan with carrying amount of ₹ 14.99 lakhs (31 March 2019 - ₹ 20.33 lakhs)

1. Rate of Interest is 8.50 %p.a.
2. Repayable in monthly installments starting from September 2017 with last installment payable on 5 August 2022.
3. Secured against hypothecation of vehicle.

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

19 OTHER FINANCIAL LIABILITIES

	31 March 2020	31 March 2019
Derivative liabilities (refer note 42 (c) (vi))	47.12	310.34
Lease liabilities	0.85	-
	47.97	310.34

20 PROVISIONS

	31 March 2020	31 March 2019
Compensated absences - (refer note no. 40)	613.47	492.48
	613.47	492.48

21 BORROWINGS

Unsecured

	31 March 2020	31 March 2019
Loans repayable on demand		
From bank		
Overdraft/working capital demand loan	5,890.02	8,730.75
Bills payable*	3,769.57	5,336.28
	9,659.59	14,067.03

* for discounting of trade payables

22 TRADE PAYABLES

	31 March 2020	31 March 2019
total outstanding dues of micro enterprises and small enterprises;	9.76	267.95
total outstanding dues of creditors other than micro enterprises and small enterprises.	7,073.74	8,624.26
	7,083.50	8,892.21

The disclosures relating to Micro and Small Enterprises as defined under "The Micro , Small and Medium Enterprises Development Act 2006" is given under note 35

23 OTHERS FINANCIAL LIABILITIES

	31 March 2020	31 March 2019
Current maturities of long term borrowings - banks		
- Unsecured (refer note 18)	746.84	539.54
- Secured (refer note 18)	5.82	7.96
Employee dues	469.04	903.21
Security deposits	804.74	909.34
Capital creditors	70.66	268.93
Interest accrued but not due	19.23	20.81
Payable to customers	148.68	152.13
	2,265.01	2,801.92

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

24 OTHER CURRENT LIABILITIES

	31 March 2020	31 March 2019
Advance from customers	17.23	7.50
Statutory liabilities	276.67	309.94
Accrued expenses	554.09	693.96
Others	16.36	3.59
	864.35	1,014.99

25 PROVISIONS

	31 March 2020	31 March 2019
Provisions for employee benefits		
Gratuity - (Refer note 40)	74.66	56.67
Compensated absences - (Refer note 40)	73.01	124.46
	147.67	181.13

26 REVENUE FROM OPERATIONS

	31 March 2020	31 March 2019
Revenue from sale of products (refer note 3.01 and note 44)	63,297.15	68,684.28
Other operating revenues	106.34	192.92
Total revenue from operations	63,403.49	68,877.20

27 OTHER INCOME

	31 March 2020	31 March 2019
Interest on bank deposits	28.25	68.54
Profit on sale of Investments	-	4.62
Profit on sale of property, plant and equipment (net)	52.92	0.66
Miscellaneous receipts	0.06	2.88
	81.23	76.70

28 COST OF MATERIALS CONSUMED

	31 March 2020	31 March 2019
Opening stock of materials	5,069.56	4,806.71
Add: Purchases	22,126.70	26,525.36
Less: Closing stock of materials	(4,423.89)	(5,069.56)
	22,772.37	26,262.51
Purchase of stock-in-trade		
Stationery items	14,367.79	18,226.82
	14,367.79	18,226.82

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

Changes in the inventories of finished goods, work-in-process and stock-in-trade

	31 March 2020	31 March 2019
Stocks as at beginning of the year		
Work in process	2,099.92	1,368.24
Stock-in-trade	5,161.86	3,545.58
Finished goods	7,445.80	6,079.66
	14,707.58	10,993.48
Less :		
Closing stock as at year end		
Work in process	1,801.48	2,099.92
Stock-in-trade	5,053.10	5,161.86
Finished goods	6,917.48	7,445.80
	13,772.06	14,707.58
	935.52	(3,714.10)

29 EMPLOYEE BENEFITS EXPENSE

	31 March 2020	31 March 2019
Salaries, wages and bonus	7,369.47	8,512.49
Contribution to Provident, Gratuity and other funds (refer note 40)	554.48	467.86
Staff and labour welfare	406.34	335.65
	8,330.29	9,316.00

30 FINANCE COSTS

	31 March 2020	31 March 2019
Interest on bank borrowings	517.38	577.02
Interest on delayed payment of taxes	51.29	24.46
Other borrowing costs	403.18	548.28
Interest on lease liabilities	0.08	-
	971.93	1,149.76

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

31 OTHER EXPENSES

	31 March 2020	31 March 2019
Power and fuel	830.22	881.08
Job work charges	2,549.92	2,475.84
Repairs		
- Building	0.06	0.50
- Machinery	214.86	225.38
- Others	316.09	351.48
Rent	1,346.51	1,298.11
Rates and taxes	75.05	79.09
Net losses/(gains) in respect of translations of foreign currencies	103.97	151.86
Insurance	125.64	74.02
Advertisement and sales promotion	1,443.01	1,637.02
Transport & forwarding charges	2,345.17	2,531.38
Commission and service charges on sales	1,055.65	1,216.83
Travelling & conveyance	1,157.96	1,145.06
Provision for doubtful debts	79.37	123.13
Less: Bad debts written off	(0.25)	(83.84)
Provision for doubtful debts	79.12	39.29
Provision for doubtful advances	5.62	7.81
Payment to auditors*	41.23	25.94
Miscellaneous expenses (refer note 46)	1,610.53	1,510.89
	13,300.61	13,651.58
* payment to auditors		
Audit fees (including Quarterly limited review)	24.00	20.75
Tax audit fees	2.00	1.50
Fees for other services	12.76	1.80
Expenses reimbursed	2.47	1.89
	41.23	25.94

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

32 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

	31 March 2020	31 March 2019
a Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	197.77	152.54
b Claims against the Company not acknowledged as debts in respect of (to the extent not provided for)		
(i) Income tax	155.01	122.22
(ii) Indirect tax cases*	780.09	665.37
(iii) Other matters	20.42	18.86
* Tax paid under protest as at 31 March 2020: ₹ 36.22 lakhs (31 March 2019 - ₹ 36.22 lakh).		
c Bank Guarantees		
Bank guarantees as on 31 March 2020 is ₹ 72.33 lakhs (31 March 2019: ₹ 64.93 lakhs)		

33 EXCISE REMISSION AND BUDGETARY SUPPORT AT JAMMU :

- The Jammu and Kashmir High Court delivered a judgment dated 23 December 2010 quashing the Excise Notification No. 19/2008-CE, applicable to the undertakings set up in Jammu, which restricted the quantum of excise duty remission and upheld the entitlement to total exemption from excise duty. In view of the legal advice confirming the Company's right to such total exemption on the grounds laid down in the judgment of the High Court, rebate of excise duty being the duty on assessable value of goods, net of Cenvat Credit has been recognized in the books of accounts till January 2013. The cumulative amount of remission so recognized upto 31st January 2013 is ₹ 1,146.67 lakhs.
- A writ petition was filed by the Company praying the quashing of the impugned notification in its case. Pending final disposal of the petition filed by the Company, the Hon'ble High Court had modified the earlier interim order, in March 2013. Consequently the Hon'ble High Court had directed the department to release 50% of the amount due to the manufacturers, subject to the approval of Jurisdictional Commissioner of Excise for manufacturers' solvency. Post such order the Company has claimed excise rebate as per the earlier quashed notification from February 2013 to 30th June 2017
- The Company undertook substantial expansion of its facility in Jammu in the year 2017 and sought approval for eligibility of the unit for availing exemption in terms of Notification No. 01/2010- CE dated 06.02.2010 which was approved by the authorities for a period of 10 years from the date of expansion i.e. 30.06.2017.

However, in December 2019, the Company has received a demand notice of ₹ 148.93 lakhs, towards Goods and Service Tax (GST) rebate claim in-terms of above notification for the period July 2018 to June 2019. The Company has filed an appeal against the said order on 4 March 2020 before the appellate authority, Central Goods and Service Tax. Further, Company has not received actual disbursement of rebate amount as mentioned above though same was approved by the appropriate authority.

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

34 EXPENDITURE ON RESEARCH AND DEVELOPMENT :

Revenue expenses incurred on Research and Development expense comprises of the following:

Sr No.	31 March 2020	31 March 2019
1 Employee cost	415.55	423.31
2 Cost of materials	1.71	0.06
3 Other expenses	17.88	13.56
	435.14	436.93

35 DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro, small and medium enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2020 has been made in the financial statements based on information received and available with the Company.

	31 March 2020	31 March 2019
1 the amounts remaining unpaid to micro, small and medium suppliers as at the end of the year		
- Principal	9.76	267.95
- Interest	0.08	6.83
2 the amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006);	Nil	Nil
3 the amounts of the payments made to the suppliers beyond the appointed day during each accounting year;	151.73	674.97
4 the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	1.25	6.55
5 the amount of interest accrued and remaining unpaid at the end of each accounting year;	8.16	6.83
6 the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purposes of disallowances as a deductible expenditure under the MSMED Act, 2006;	Nil	Nil

36 TAX EXPENSE

(a) Amounts recognised in profit and loss

	31 March 2020	31 March 2019
I. Current income tax expense		
Current year	84.25	476.04
Tax adjustments relating to prior years	106.65	2.15
	190.90	478.19
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	195.00	275.62
Effect of changes in tax rates (refer note 37)	(238.24)	-
Tax adjustments relating to prior years	295.16	-
Deferred tax expense	251.93	275.62
Tax expense for the year	442.83	753.81

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

(b) Amounts recognised in other comprehensive income

	31 March 2020			31 March 2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(314.15)	0.00	(314.15)	(61.92)	13.30	(48.62)
Fair value changes on equity instruments	(90.17)	1.06	(89.11)	(415.32)	1.56	(413.76)
	(404.32)	1.06	(403.26)	(477.24)	14.86	(462.38)

(c) Reconciliation of effective tax rate

	31 March 2020	31 March 2019
Profit before tax	878.45	2,274.14
Company's domestic tax rate %	33.38	34.94
Tax using the Company's domestic tax rate	293.26	794.70
Non-deductible tax expenses	(28.56)	(43.04)
Adjustment for deferred taxes (previous period)	295.16	-
Effect of reversal of opening deferred tax liability post change in income tax rate	(238.24)	-
Changes in estimates	-	-
Prior year tax expense	106.65	2.15
Others	14.55	-
	442.83	753.81

The Company's effective tax rates for the year ended 31 March 2020 is 50.41% and for year ended 31 March 2019 is 33.15% respectively.

37 DEFERRED TAXES :

Deferred Tax Assets	Deferred Tax Assets / (liabilities) 1 April 2019	Recognised in Statement of Profit and Loss	Recognised in OCI	Net deferred tax assets/(liabilities) 31 March 2020
Expenses allowed on payment basis	455.70	(296.49)	-	159.21
Others	498.37	(161.36)	-	337.01
Provision for doubtful debts/advances	57.56	25.63	-	83.19
Indexation benefit on investment property	1.14	0.07	-	1.21
MAT Credit entitlement	182.77	(52.26)	-	130.51
Deferred Tax Assets	1,195.54	(484.41)	-	711.13
Deferred Tax Liabilities				
Tangible and intangible assets	(1,240.78)	232.48	-	(1,008.30)
Fair valuation of investments	(53.28)	-	1.06	(52.22)
	(1,294.06)	232.48	1.06	(1,060.52)
Net tax assets / (liability)	(98.52)	(251.93)	1.06	(349.39)

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

The Company has evaluated the option of lower tax rates allowed under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Considering the MAT credit available, the Company has elected not to exercise the option permitted under Section 115 BAA for the current year. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate and accordingly reversed net deferred tax liability of Rs 238.24 lakhs. Further, deferred tax includes tax adjustments relating to prior years of Rs 295.16 Lakhs.

Deferred Tax Assets	Deferred Tax Assets / (Liability) 1 April 2018	Recognised in Statement of Profit and Loss	Recognised in OCI	Net deferred tax assets/(liabilities) 31 March 2019
Expenses allowed on payment basis	171.45	270.96	13.30	455.70
Unabsorbed depreciation	334.50	(334.50)	-	-
Others	432.78	65.59	-	498.37
Provision for doubtful debts/advances	69.75	(12.19)	-	57.56
Indexation benefit on investment property	1.08	0.06	-	1.14
MAT Credit entitlement	255.91	(73.14)	-	182.77
Deferred Tax Assets	1,265.47	(83.22)	13.30	1,195.54
Deferred Tax Liabilities				
Tangible and intangible assets	(1,048.38)	(192.40)	-	(1,240.78)
Fair valuation of investments	(54.84)	-	1.56	(53.28)
	(1,103.22)	(192.40)	1.56	(1,294.06)
Net tax assets / (liability)	162.25	(275.62)	14.86	(98.52)

38 LEASES:

As a Lessee (Ind AS 116)

- (a) The Company has implemented Indian Accounting Standard for Leases ("Ind AS 116") with effect from April 1, 2019 using the modified retrospective approach. The application of Ind AS 116 has resulted into recognition of 'Right-of-Use' asset with a corresponding Lease Liability in the Balance Sheet. The effect of initial recognition as Ind AS 116 is as follows:-

Particulars	As on 01 April 2019
Lease liability	0.98
Right of use (ROU) assets	0.60
Right of use (ROU) assets (reclassified from prepaid expense)	2,032.83
Net impact on retained earnings	0.38
Deferred tax assets	0.13

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

- (b) Impact of adoption of Ind AS 116 for the year ended March 31, 2020 is as follows:-

Impact of adoption of Ind AS 116 on Statement of Profit and Loss	31 March 2020
Increase in Finance Cost by	0.08
Increase in Depreciation by	32.11
Decrease in Rent by	(32.19)
Net Impact on Statement of Profit & Loss	0.00

- (c) Lease expenses recognized in Statement of Profit and loss, not included in the measurement of lease liabilities:-

Particulars	31 March 2020
Expenses related to short term leases	1,346.51

- (d) Maturity analysis of lease liabilities-contract undiscounted cash flows:-

Particulars	31 March 2020
Less than one year	0.14
One to five years	0.70
More than five years	0.42
Total undiscounted lease liabilities at 31 March 2020	1.26
Discounted lease liabilities included in the statement of financial position at 31 March 2020	0.92
Current lease liability	0.07
Non-Current lease liability	0.85

- (e) The weighted average incremental borrowing rate of 9% for borrowings has been applied for measuring the lease liability at the date of initial application.
- (f) The total cash outflow for leases for year ended 31 March 2020 is ₹ 0.22 lakhs
- (g) Reconciliation between operating lease commitments disclosed in financials as at March 31, 2019 applying Ind AS 17 and lease liabilities recognised in the statement of financial position as at April 1, 2019 i.e. date of initial application.

Reconciliation:	Amount
Operating lease commitments as at 31st March 2019 as disclosed under IND AS 17	1.41
Discounted using the incremental borrowing rate at 1st April 2019	0.43
Lease liabilities recognised in the balance sheet at the date of initial application	0.98

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

Disclosures under IND AS 17 (for the year 2018-19)

(a) Future minimum rentals payable under non-cancellable operating lease

Particulars	31 March 2019
Not later than one year	0.14
Later than one year and not later than five years	0.56
More than five years	0.71
Total	1.41

39 EARNINGS PER SHARE (BASIC AND DILUTED):

	31 March 2020	31 March 2019
Net Profit available for equity shareholders	435.62	1,520.33
1. Number of equity shares outstanding at the beginning of the year	100,303,806	100,303,806
2. Number of shares issued during the year	-	-
Weighted average of numbers of equity shares outstanding at the end of the year (Nos.)	100,303,806	100,303,806
Earnings per equity share (Face value of Re. 1/- each)- Basic	0.43	1.52
Earnings per equity share (Face value of Re. 1/- each)- Diluted	0.43	1.52

40 EMPLOYEE BENEFITS :

Defined Contribution Plans

Company's contributions paid/payable during the year to provident fund, ESIC and superannuation fund are recognised in the statement of profit and loss. The contributions charged to the statement of profit and loss is ₹ 483.26 lakhs (31 March 2019 ₹ 414.41 lakhs)

Defined Benefit Plans

Company's liabilities towards gratuity and leave encashment are determined on actuarial basis using the projected unit credit method, which consider each period of service as giving rise to an additional unit of benefit and measure each unit separately to build up the final obligation. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

Description of the Plan

The Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by LIC of India. Under the plan, employees at retirement are eligible for benefit, which will be equal to 15 days salary for each completed year of service. Thus, it is a defined benefit plan and the aforesaid insurance policy is the plan asset.

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

a Actuarial assumptions:

	31 March 2020	31 March 2019
Discount rate	6.83%	7.69%
Rate of increase in salary	5.00%	5.00%
Expected return on plan assets	6.83%	7.69%
Attrition rate	For Service 4 years and below- 20% ,5 years and above - 2.5%	For Service 4 years and below- 20% ,5 years and above - 2.5%

b Reconciliation of benefit obligation:

	31 March 2020	31 March 2019
Present value of benefit obligations at the beginning of the year	1,277.55	1,189.48
Interest cost	98.24	93.02
Current service cost	66.36	60.21
Benefit paid from the fund	(132.86)	(114.79)
Actuarial (gain) / loss on obligations recognized in other comprehensive income	310.62	49.63
Present value of defined benefit obligation at the end of the year	1,619.91	1,277.55

As at 31 March 2020, the weighted average duration of defined benefit obligation was 8 years. (31 March 2019 : 6 years)

c Reconciliation of fair value of plan assets:

	31 March 2020	31 March 2019
Fair value of plan assets at the beginning of the year	1,220.88	1,203.85
Expected return on plan assets	93.88	94.14
Contributions by the employer	366.86	49.97
Benefit Paid	(132.86)	(114.79)
Actuarial gain / (loss) on plan assets recognized in other comprehensive income	(3.53)	(12.29)
Fair Value of Plan Assets at the end of the year	1,545.23	1,220.88

Expected Contribution

The expected contribution for defined benefit plan for the next financial year will be in line with the contribution for the period and is expected by the management to be ₹ 300.00 lakhs (31 March 2020 ₹ 366.88 lakhs)

d Balance sheet reconciliation

	31 March 2020	31 March 2019
Opening net liability/(asset)	56.67	(14.37)
Expenses recognized in the Statement of Profit and Loss	70.72	59.09
Expenses recognized in Other Comprehensive Income	314.15	61.92
Employer's contribution	(366.88)	(49.97)
Net liability/(asset) recognised in Balance sheet	74.66	56.67

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

e Expenses recognized in the Statement of profit and loss under the head employee benefits expenses

	31 March 2020	31 March 2019
Current service cost	66.36	60.21
Net interest cost	4.36	(1.12)
Expenses recognized in the Statement of profit and loss	70.72	59.09

f Expenses recognised in Other Comprehensive Income for the year

	31 March 2020	31 March 2019
Actuarial losses on obligation for the period	310.62	49.63
Actuarial losses on plan assets	3.53	12.29
Expenses recognized in the other comprehensive income	314.15	61.92

g Sensitivity Analysis

	31 March 2020	31 March 2019
Defined Benefit Obligation		
Discount Rate		
a. Discount Rate - 100 basis points	105.48	59.90
b. Discount Rate + 100 basis points	(92.85)	(52.72)
Salary Increase Rate (considered taking into account inflation, seniority, promotion and other relevant factors)		
a. Rate - 100 basis points	(95.22)	(54.48)
b. Rate + 100 basis points	106.36	60.92
Employee Turnover		
a. Rate - 100 basis points	(13.41)	(12.09)
b. Rate + 100 basis points	11.93	10.77

Note on Sensitivity Analysis

- 1 Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is shown in the table above.
- 2 The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

h Expected future cash flows

The expected future cash flows in respect of gratuity as at Balance Sheet dates will be as follows :

	31 March 2020	31 March 2019
Projected benefits payable in future years from the date of reporting		
1st following year	194.51	513.00
2 nd following year	143.86	69.04
3 rd following year	351.86	108.17
4 th following year	107.48	87.52
5 th following year	99.30	74.02
Sum of years 6 to 10	542.09	383.86
Sum of years 11 and above	1,325.18	836.78

Other long term employee benefit - Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and actuarial gains and losses are charged to the Statement of profit and loss. The following table provides details in relation to compensated absences.

	31 March 2020	31 March 2019
Expense for the year	146.43	363.47
Closing balance	686.48	616.94

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

41 RELATED PARTIES:

Related party disclosures , as required by Indian Accounting Standard 24 (Ind AS 24) are given below :

a Name of related parties and nature of relationship

- 1 Kokuyo Co. Limited Holding Company

b Name of related parties with whom there were transactions during the year

Fellow Subsidiary

- 2 Kokuyo Commerce (Shanghai) Co., Limited
- 3 Kokuyo Vietnam Trading Co. Limited
- 4 Kokuyo Co.Limited, Hong Kong
- 5 Kokuyo Riddhi Paper Products Private Limited
- 6 Kokuyo International (M) SDN BHD

Entities over which KMPs /directors and/or their relatives are able to exercise significant influence

- 7 Excella Pencils Limited
- 8 Camlin Fine Sciences Limited
- 9 Nilmac Packaging Industries Private Limited
- 10 Triveni Pencils Limited
- 11 Mayur Colours Limited
- 12 Dandekar Inks & Adhesives Limited

c Key Management Personnel and their Relatives

Name of the Person	Nature of Relationship
Key Management Personnel	
Mr. Dilip Dandekar	Chairman & Executive Director (C& ED)
Mr. Shriram Dandekar	Vice Chairman & Executive Director (VC & ED)
Mr. Nobuchika Doi	Executive Director
Mr. Takeo Iguchi*	Executive Director
Mr. Satish Veerrappa	Chief Executive Officer
Mr. Chetan Badal	Chief Financial Officer
Mr. Ravindra Damle	V.P. (Corporate) & Company Secretary
Relatives	
Mr. Subhash. Dandekar	Chairman Emeritus and brother of C & ED
Mrs. Aditi Dighe	General Manager and daughter of C& ED
Mr. Rahul Dandekar	General Manager and son of C& ED

*Takeo Iguchi ceased to be a Director w.e.f. 1st November 2019.

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

d Transactions with Holding Company

		31 March 2020	31 March 2019
Purchase of goods	Kokuyo Co. Limited	204.33	112.78
	Total	204.33	112.78
Sale of goods	Kokuyo Co. Limited	735.67	303.41
	Total	735.67	303.41
Reimbursement of expenses paid	Kokuyo Co. Limited	1.28	5.57
	Total	1.28	5.57
Reimbursement of expenses received	Kokuyo Co. Limited	30.00	20.52
	Total	30.00	20.52

Balances with Holding Company

		31 March 2020	31 March 2019
Net amount receivable	Kokuyo Co. Limited	39.64	66.16
	Total	39.64	66.16

e Transactions with Fellow subsidiary company

Particulars	Name of entity	31 March 2020	31 March 2019
Purchase of goods	Kokuyo Vietnam Trading Co. Limited	3.28	6.70
	Kokuyo Riddhi Paper Products Pvt. Ltd.	193.23	138.30
	Total	196.51	145.00
Sale of goods	Kokuyo Co. Limited, Hong Kong	-	15.26
	Kokuyo Commerce (Shanghai) Co. Limited	-	6.77
	Kokuyo Vietnam Trading Co. Limited	-	8.50
	Total	-	30.53
Purchase of fixed assets	Kokuyo International (M) SDN BHD	8.32	-
	Total	8.32	-

Balances with Fellow subsidiary company

Particulars	Name of entity	31 March 2020	31 March 2019
Net amount payable	Kokuyo Riddhi Paper Products Pvt. Ltd.	108.86	31.75
	Total	108.86	31.75
Net amount receivable	Kokuyo Commerce (Shanghai) Co. Limited	-	6.77
	Total	-	6.77

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

f Transactions with entities over which KMPs / directors and/or their relatives are able to exercise significant influence

Particulars	Name of entity	31 March 2020	31 March 2019
Receiving services	Dandekar Inks & Adhesives Limited	4.58	13.74
	Nilmac Packaging Industries Privatae Limited	679.94	819.91
	Excella Pencils Limited	1,127.78	1,105.91
	Total	1,812.30	1,939.56
Reimbursement of expenses	Excella Pencils Limited	24.31	39.05
	Nilmac Packaging Industries Private Limited	11.77	28.73
	Camlin Fine Sciences Limited	0.15	0.45
	Total	36.23	68.23

Balances with entities over which KMPs / directors and/or their relatives are able to exercise significant influence

Particulars	Name of entity	31 March 2020	31 March 2019
Net amount payable	Excella Pencils Limited	9.26	16.78
	Nilmac Packaging Industries Private Limited	5.23	45.99
	Dandekar Inks & Adhesives Limited	-	1.03
	Total	14.49	63.80
Net amount receivable	Camlin Fine Sciences Limited	0.13	0.04
	Total	0.13	0.04

g Remuneration to Key Management Personnel and their relatives

Particulars	Name of entity	31 March 2020	31 March 2019
Remuneration	Mr. Dilip Dandekar	162.26	162.55
	Mr. Shriram Dandekar	136.90	137.17
	Mr. Nobuchika Doi	88.97	87.78
	Mr. Takeo Iguchi *	53.60	89.12
	Mr. Satish Veerappa	138.30	183.29
	Mr. Chetan Badal	79.60	92.03
	Mr. Ravindra Damle	46.00	53.35
	Ms. Aditi Dighe	25.70	18.45
	Mr. Rahul Dandekar	23.64	21.89
	Total	754.97	845.63

*Takeo Iguchi ceased to be a Director w.e.f. 1st November 2019.

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

42 FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2020	Carrying amount				Fair Value			
	FVTOCI	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current								
(i) Investments	548.04	-	-	548.04	312.00	-	236.04	548.04
(ii) Loans	-	-	234.82	234.82	-	-	-	-
(iii) Others financial asset	-	-	14.72	14.72	-	-	-	-
Current								
(iv) Trade receivables	-	-	7,550.76	7,550.76	-	-	-	-
(v) Cash and cash equivalents	-	-	487.30	487.30	-	-	-	-
(vi) Bank balances other than (v) above	-	-	52.73	52.73	-	-	-	-
(vii) Loans and advances	-	-	14.77	14.77	-	-	-	-
	548.04	-	8,355.10	8,903.14	312.00	-	236.04	548.04
Financial liabilities								
Non-Current								
(i) Borrowings	-	-	2,168.66	2,168.66	-	-	-	-
(ii) Other financial liabilities	-	47.12	0.85	47.97	-	47.12	-	47.12
Current								
(i) Short term borrowings	-	-	9,659.59	9,659.59	-	-	-	-
(ii) Trade payables	-	-	7083.50	7083.50	-	-	-	-
(iii) Other financial liabilities	-	-	2,265.01	2,265.01	-	-	-	-
	-	47.12	21177.61	21224.70	-	47.12	-	47.12

Notes

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(₹ in Lakhs)

31 March 2019	Carrying amount				Fair Value			
	FVTOCI	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Non-Current								
(i) Investments	638.23	-	-	638.23	398.00	-	240.23	638.23
(ii) Loans	-	-	209.64	209.64	-	-	-	-
(iii) Others financial asset								
- Derivative assets	-	-	-	-	-	-	-	-
- Fixed deposits	-	-	46.64	46.64	-	-	-	-
Current				-	-	-	-	-
(iv) Trade receivables	-	-	11,751.04	11,751.04	-	-	-	-
(v) Cash and cash equivalents	-	-	500.70	500.70	-	-	-	-
(vi) Bank balances other than (v) above	-	-	548.97	548.97	-	-	-	-
(vii) Loans and advances	-	-	25.38	25.38	-	-	-	-
	638.23	-	13,082.37	13,720.60	398.00	-	240.23	638.23
Financial liabilities								
Non-Current								
(i) Borrowings	-	-	2,724.48	2,724.48	-	-	-	-
(ii) Other financial liabilities - Derivative Liabilities	-	310.34	-	310.34	-	310.34	-	310.34
Current								
(i) Short term borrowings	-	-	14,067.03	14,067.03	-	-	-	-
(ii) Trade payables	-	-	8,892.21	8,892.21	-	-	-	-
(iii) Other financial liabilities	-	-	2,801.92	2,801.92	-	-	-	-
	-	310.34	28,485.64	28,795.98	-	310.34	-	310.34

B. Measurement of fair values

Fair value hierarchy/Valuation technique

No financial instruments are recognised and measured at fair value, except derivative contracts which are measured at fair value through Statement of profit and loss and certain investments in equity instruments which are measured at fair value through OCI. These derivative contracts are currency and interest rate swap contracts that are not traded in an active market. Their fair valuation is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates and quotes received from the banks. Since all significant inputs required to fair value these derivative contracts are observable, the instruments are classified as level 2.

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. The carrying amounts of loans, trade receivables, trade payables, cash and cash equivalents, other bank balances, other financial assets, are considered to be the same as their fair values due to their short term nature.

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

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

"The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:"

Investments in quoted equity shares are measured at fair value through other comprehensive income using quoted market price as at reporting date. These instruments are classified as level 1. For investments in non quoted equity shares the Company obtained Independent Valuations of underlying assets of the entity to determine the fair value of Land and Building and arrived at fair value of its investments. These instruments are classified as level 3.

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

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 maximize the use of observable market data and rely as little as possible on company 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.

Valuation techniques and significant unobservable inputs (for level 2 and level 3 instruments)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Un-quoted investments	Valuation of underlying assets of the entity	Market rate used for valuation	10% increase (decrease) would result in increase (decrease) in fair value by Rs 23.60 lakhs
Other financial liabilities -Derivative Liabilities	"The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves and an appropriate discount factor."	Not applicable	Not applicable

Reconciliation of fair value measurement of investment in unquoted equity instrument classified as FVTOCI (Level 3):

The following table shows a reconciliation from the opening balances to closing balances for Level 3 fair value.

	31 March 2020	31 March 2019
Opening balances	240.23	243.54
Remeasurement recognised in OCI	(4.19)	(3.31)
Closing balances	236.04	240.23

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

C Financial risk management

Risk management framework

The Company's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risks. The Company's senior management and key management personnel have the ultimate responsibility for managing these risks. The Company has a process to identify and analyse the risks faced by the Company, to set appropriate risk limits and to control and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

i Management of the 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. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large. All trade receivables are reviewed and assessed for default on a regular basis. The historical experience of collecting receivables, supported by the level of default, is that the credit risk is low.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. The Company assesses and manages credit risk based on the Company's credit policy. Under the Company's credit policy, each new customer is analyzed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company's trade receivables are geographically dispersed. The Management do not believe there are any particular customers or group of customers that would subject the Company to any significant credit risks in the collection of accounts receivable.

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

The maximum exposure to credit risk for trade receivables of the Company is as follows:

	31 March 2020	31 March 2019
Export	(31.65)	-
Domestic	(185.26)	(138.04)
Total	(216.91)	(138.04)

Following is the movement in Provision for Expected credit loss on trade receivables:

	31 March 2020	31 March 2019
Opening balance	138.04	182.68
Impairment loss recognised	79.12	39.29
Amounts written off	(0.25)	(83.93)
Closing balance	216.91	138.04

Cash and cash equivalents

The Company is also exposed to credit risks arising on cash and cash equivalents and term deposits with banks. The Company believes that its credit risk in respect of cash and cash equivalents and term deposits is insignificant as funds are invested in term deposits at pre-determined interest rates for specified period of time. For cash and cash equivalents and other bank balances, only high rated banks are accepted.

Other Financial Assets:

The Company periodically monitors the recoverability and credit risks of its other financial assets including employee loans, deposits and other receivables. The Company evaluates 12 month expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, the Company considers life time expected credit losses for the purpose of impairment provisioning.

Following is the movement in Provision for Expected credit loss on Other non-current and current assets:

	31 March 2020	31 March 2019
Loss allowance at the beginning of the year	26.67	18.86
Changes in allowance during the year	5.62	7.81
Loss allowance as at the end of the year	32.29	26.67

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to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

ii Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. The Company maintains a cautious funding strategy. This is the result of cash generated from the business. Cash flow from operating activities provides the funds to service the working capital requirement. The Company also has adequate borrowings limits/funding from long term/short term sources, additionally Company has obtained additional borrowing limits from banks subsequent to year end. Accordingly, low liquidity risk is perceived.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1- 5 years	More than 5 years
As at 31 March 2020					
Non-derivative financial liabilities					
Term Loans (including current maturities)	2,921.32	2,921.32	752.66	2,168.66	-
Short term borrowings	9,659.59	9,659.59	9,659.59	-	-
Trade payables	7,083.50	7,083.50	7,083.50	-	-
Other financial liabilities	2,265.01	2,265.01	2,265.01	-	-
Lease liabilities	0.85	0.85	-	0.35	0.50
Derivative financial liabilities					
Currency and interest rate swap contracts	47.12	47.12	-	47.12	-
As at 31 March 2019					
Non-derivative financial liabilities					
Term Loans (including current maturities)	3,271.98	3,271.98	547.50	2,724.48	-
Short term borrowings	14,067.03	14,067.03	14,067.03	-	-
Trade payables	8,892.21	8,892.21	8,892.21	-	-
Other financial liabilities	2,801.92	2,801.92	2,801.92	-	-
Derivative financial liabilities					
Currency and interest rate swap contracts	310.34	310.34	-	310.34	-

iii Market risk - Currency risk

The Company's operations result in it being exposed to foreign currency risk on account of trade receivables, trade payables and borrowings. The foreign currency risk may affect the Company's income and expenses, or its financial position and cash flows. The objective of the Company's management of foreign currency risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of these risks is explained below:

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to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

The Company's exposure to foreign currency risk at the end of the reporting period expressed in lakhs, are as follows:

Particulars	31 March 2020		31 March 2019	
	Foreign currency Amount	Amount in INR	Foreign currency Amount	Amount in INR
Loan from - Banks (Unsecured and Hedged)				
USD	39.05	2,952.90	46.85	3,255.52
Less: Currency swap		2,952.90		3,255.52
Net exposure		-		-
Receivables				
USD	7.18	541.27	15.83	1,094.98
YEN	258.77	180.23	113.43	70.92
Payables				
YEN	561.91	391.37	1,074.07	671.51
USD	0.17	13.21	1.59	123.55

Particulars	31 March 2020		31 March 2019	
	Foreign currency Amount	Amount in INR	Foreign currency Amount	Amount in INR
Net exposure				
USD	7.01	528.06	14.24	971.43
JPY	(303.14)	(211.14)	(960.64)	(600.59)

A 10% strengthening/weakening of the respective foreign currencies with respect to functional currency of the Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statement of financial position.

Effect in INR	Profit or (loss)/ Equity	
	31 March 2020	31 March 2019
Currencies (increase in rate by 10%)		
USD	52.81	97.14
JPY	(21.11)	(60.06)
	31.69	37.08

If the rate is decreased by 10% then there will be decrease in profit and equity of ₹ 31.69 lakhs for the year ended 31 March 2020 and increase in profit and equity of ₹ 37.08 lakhs for the year ended 31 March 2019.

iv Market risk - Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowings (excluding commercial paper)

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to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

with floating interest rates. For all long-term borrowings with floating rates, which are in foreign currency, the risk of variation in the interest rates is mitigated through interest rate swaps and hence, considered fixed rate borrowings. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Interest rate exposure:

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings
Term loan and short term borrowings	9,674.58	9,659.59	14.99
External Commercial borrowings	2,906.33	-	2,906.33
Total as at 31 March 2020	12,580.91	9,659.59	2,921.32
Term loan and short term borrowings	14,089.98	14,067.03	22.95
External Commercial borrowings	3,249.03	-	3,249.03
Total as at 31 March 2019	17,339.01	14,067.03	3,271.98

Interest rate sensitivities for unhedged exposure (impact on profit on increase of interest rate by 100 bps):

Particulars	As at 31 March 2020	As at 31 March 2019
Term loan and short term borrowings	(96.60)	(140.67)
External commercial borrowings (hedged against interest rate swap)	-	-

If the rate is decreased by 100 bps profit will increase by an equal amount. Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

v Market risk - Other market price risks

The Company is exposed to equity price risk, which arises from Fair Value through Other Comprehensive Income (FVOCI) equity securities which are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. For such investments, classified as FVOCI, a 2% increase in the BSE index at 31 March 2020 would have increased equity by ₹ 6.24 lakhs (31 March 2019 : ₹ 7.96 Lakhs); an equal change in the opposite direction would have decreased equity by ₹ 6.24 lakhs (31 March 2019 : ₹ 7.96 lakhs).

vi Derivative instruments :

Currency and Interest Rates Swaps Contracts:

Derivatives for hedging currency and interest rates, outstanding are as under:

Particulars	Purpose	Currency	As at 31 March 2020	As at 31 March 2019	Cross Currency
Currency and interest rate swaps	ECB*	USD	39.05	46.85	INR

*External Commercial Borrowings

Mark-to-market on above derivative contracts ₹ 47.12 Lakhs (31 March 2019 : ₹ 310.34 lakhs) is recognised as derivative liability under 'Other financial liabilities' in the balance sheet.

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

43 SEGMENT REPORTING

The Company is in the business of manufacturing, trading and selling of stationery. It manufactures art material, marker pens, inks, pencils and others stationery products. The Management is of the view that the risks and returns for these products are not significantly different. Accordingly, the Company has a single reportable segment i.e. 'Consumer products' as per Ind AS 108 'Operating Segments' which is reviewed by Chief Operating Decision Maker (CODM). Further, export sales are not significant and there is no reportable secondary segment.

44 IND AS 115 – REVENUE FROM CONTRACTS WITH CUSTOMERS

(A) The Company is in the business of manufacturing, trading and selling of stationery. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery depending on the contractual terms with the customers. Accruals for discounts/ incentives are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established and the Company does not give significant credit period resulting in no significant financing component.

(B) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	As at 31 March 2020	As at 31 March 2019
Revenue from contracts with customer as per Contract price	71,640.58	78,441.10
Less: Discounts, incentives, rebates	7,478.33	9,072.67
Less:- Sales Returns /Credits / Reversals	865.10	684.15
Revenue from contracts with customer as per statement of profit and loss	63,297.15	68,684.28

Disaggregation of revenue from contract with customers

Particulars	As at 31 March 2020	As at 31 March 2019
Geography		
Domestic	60,796.44	67,020.43
Exports	2,500.71	1,663.85
Total	63,297.15	68,684.28
Sales channel		
Distributors or dealers(including exports)	58,215.16	64,503.33
Modern trade	5,081.99	4,180.95
	63,297.15	68,684.28

(C) Contract liability (advance from customers)

Particulars	As at 31 March 2020	As at 31 March 2019
Advance from customers	17.23	7.50

Notes

to the Financial Statements for the year ended 31 March, 2020

(₹ in Lakhs)

45 GOING CONCERN - IMPACT OF COVID-19

The Company faces significant economic uncertainties due to COVID-19 which have impacted the operations of the Company adversely starting from the month of March 2020 onwards. Management has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections and has prepared a range of scenarios to estimate financing requirements. Subsequent to the reporting date, management has secured additional financing to fulfil its short term working capital requirements. Based on the above, the financial statements of the Company for the year ended March 31, 2020 have been prepared on a going concern basis.

46 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act 2013, the Company has formed a Corporate Social Responsibility (CSR) Committee. The CSR Committee approved CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, have been identified to incur CSR expenditure.

Particulars	As at 31 March 2020	As at 31 March 2019
Amount required to be spent by the Company	28.51	18.17
Amount spent		
Construction/acquisition of any asset	-	-
On purposes other than above		
Contribution to NGOs	27.11	16.44
Contribution to Central Government	2.00	2.00
Total amount spent in cash	29.11	18.44

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476

Satish Veerappa
Chief Executive Officer

Ravindra Damle
V P (Corporate) and Company Secretary

Shishir B. Desai
Director
(DIN-01453410)

Mumbai
8 July 2020

For and on behalf of the Board of Directors of
Kokuyo Camlin Limited
CIN : L24223MH1946PLC005434

Chetan Badal
Chief Financial Officer

Shriram Dandekar
Vice Chairman & Executive Director
DIN-01056318)

Dilip Dandekar
Chairman and Executive Director
(DIN-00846901)



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A SUBSIDIARY OF KOKUYO CO. LTD., JAPAN

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