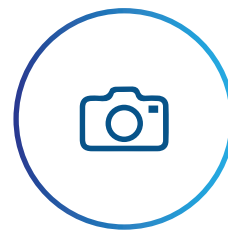




Creative Peripherals

# 16th Annual Report

2019-20



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## Key Drivers Of The Company

### Board of Directors and Key Managerial Persons

<b>Mr. Ketan Patel</b> Chairman & Managing Director	<b>Mrs. Purvi Patel</b> Whole-time Director (Woman Director)	<b>Mr. Vijay Advani</b> Whole-time Director	<b>Mr. Mihir Shah</b> Independent Director
<b>Mr. Suresh Bhagavatula*</b> Independent Director	<b>Mr. Kurian Chandy **</b> Independent Director	<b>Mr. Mandar Joshi#</b> Independent Director	<b>Mr. Piyush Shah##</b> Independent Director
	<b>Mr. Abhijit Kanvinde</b> Chief Financial Officer	<b>Mr. Tejas Doshi</b> Company Secretary & Compliance Officer	

# Mr. Mandar Joshi, Independent Director resigned as on 10th October, 2019

\* Mr. Suresh Bhagavatula, appointed as Additional Independent Director as on 10th October, 2019

## Mr. Piyush Shah, Independent Director resigned as on 25th December, 2019

\*\* Mr. Chandy Kurian, appointed as Additional Independent Director as on 01st February, 2020.

### Audit Committee

<b>Mr. Kurian Chandy</b> Chairman	<b>Mr. Suresh Bhagavatula</b> Member	<b>Mr. Mihir Shah</b> Member	<b>Mr. Tejas Doshi</b> Secretary
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### Stakeholders' Relationship Committee

<b>Mr. Suresh Bhagavatula</b> Chairman	<b>Mr. Mihir Shah</b> Member	<b>Mr. Kurian Chandy</b> Member	<b>Mr. Tejas Doshi</b> Secretary
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### Nomination Remuneration Committee

<b>Mr. Mihir Shah</b> Chairman	<b>Mr. Kurian Chandy</b> Member	<b>Mr. Suresh Bhagavatula</b> Member	<b>Mr. Tejas Doshi</b> Secretary
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### Internal Complaint Committee (Under Sexual Harassment Policy)

<b>Mrs. Madhura Juwlekar</b> Chairperson	<b>Mr. Ketan Patel</b> Member	<b>Mrs. Purvi Patel</b> Member
<b>Mr. Ravindra Lad</b> Member (Human Resources)	<b>Mr. Tejas Doshi</b> Secretary	

## Corporate Social Responsibility Committee

**Mr. Ketan Patel**

Chairperson

**Mr. Mihir Shah**

Member

**Mrs. Purvi Patel**

Member

**Mr. Abhijit Kanvinde**

Member

**Mr. Tejas Doshi**

Secretary

## Statutory Auditor

**M/s Gupta Raj & Co.**

Chartered Accountants

**Add:** 2C, Mayur Apt, Dadabhai Cross Road 3, Vile Parle (West) Mumbai - 56

**Firm Registration No.:** 001687N

**Membership No.:** 112353

## Internal Auditor

**M/s Somaiya & Co.**

Chartered Accountants

**Add:** 205, 2nd Floor, Quantum Towers, Chincholi, Malad (West), Mumbai - 64

**Firm Registration No.:** 121945W

**Membership No.:** 110870

## Secretarial Auditor

**M/s Satyajit Mishra & Co.**

Practising Company Secretaries

**Add:** 404, Kamlacharan, Jawahar Nagar Phatak, Goregaon (West), Mumbai - 62

**Certificate of Practice No.:** 4997

**Membership No.:** 5759

## Registrar and Transfer Agent

**Bigshare Services Private Limited**

**Add:** 1st Floor, Bharat Tin Works, Makwana Road, Marol, Andheri (East), Mumbai - 72

**SEBI Registration No:** INR000001385

**Email ID:** investor@bigshareonline.com

**Website:** www.bigshareonline.com

## Investor Relations

**Bridge Investor Relations Private Limited**

**Add:** 107, B-Wing, Everest Grande, Mahakali Caves Road, Andheri (East), Mumbai - 93.

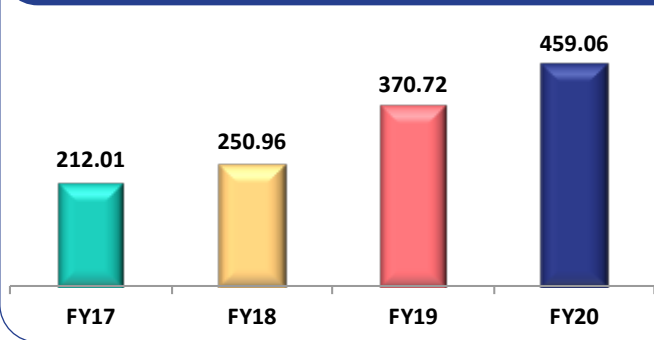
**Website:** www.bridge-ir.com

## Banks

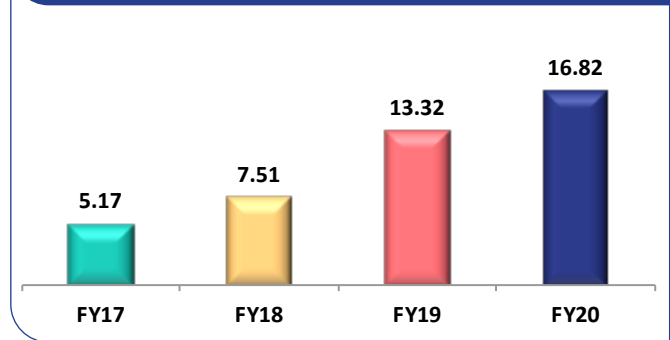


# Highlights & Ratios

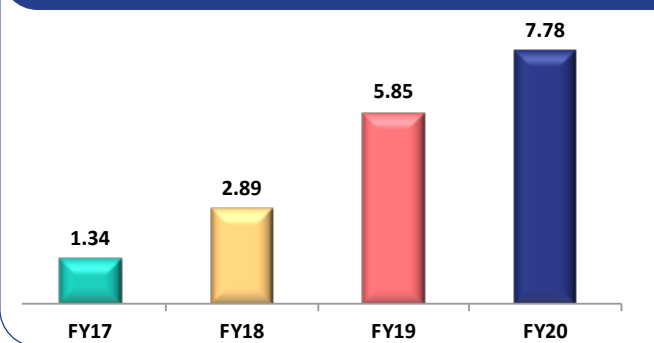
### Revenue (in Cr.)



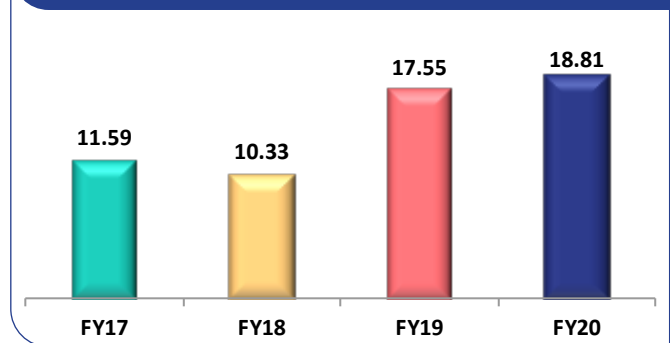
### EBITDA (in Cr.)



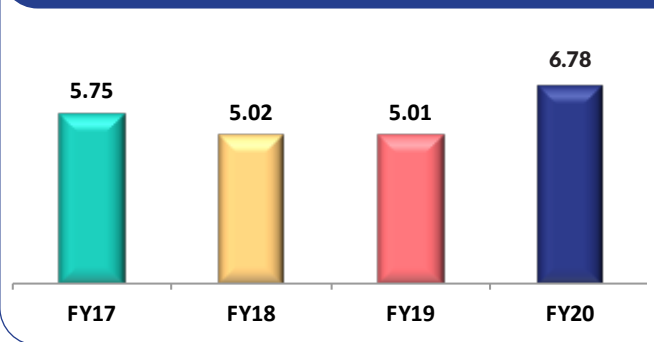
### PAT (Rs. Cr.)



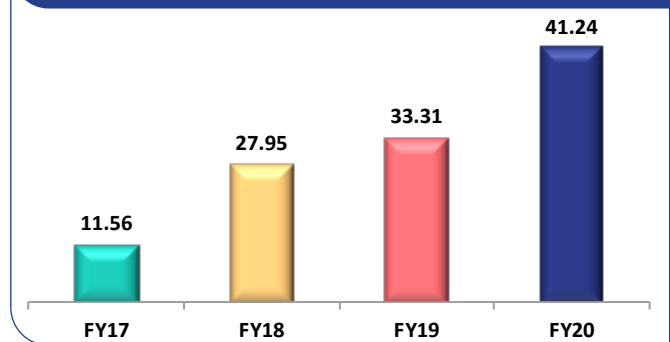
### Return of Equity (%)



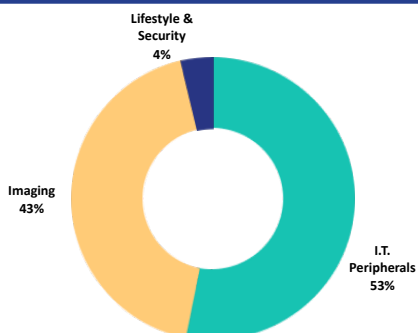
### Earnin per Share (Rs.)



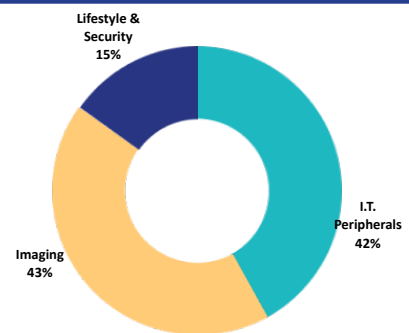
### Shareholders Funds (Rs. Cr.)



### Segmental Revenue Contribution (FY 2019)



### Segmental Revenue Contribution (FY 2020)



## Team Creative

### Executive Directors



**Mr. Ketan Patel**  
Chairman & Managing  
Director



**Mrs. Purvi Patel**  
Whole-time Director (Woman  
Director)



**Mr. Vijay Advani**  
Whole-time Director

### Non-Executive Independent Directors



**Mr. Kurian Chandy**  
Independent Director



**Mr. Suresh Bhagavatula**  
Independent Director



**Mr. Mihir Shah**  
Independent Director

### Key Managerial Personnel



**Mr. Abhijit Kanvinde**  
Chief Financial Officer



**Mr. Tejas Doshi**  
Company Secretary &  
Compliance Officer

### Department Heads



**Mr. Amol Patil**  
National Product Head



**Mr. Upendra Singh**  
National Sales Head



**Mr. Mitesh Shah**  
General Manager

**AOC**

**ASRock**

**BaByliss**  
PARIS



Make It Yours.

**DAEWOO**

**EPSON**



**GoPro**

**Honeywell**

**inVUE**



 **Manfrotto**  
Imagine More

**MEPL** 

 **NATIONAL  
GEOGRAPHIC**



**NZXT**

**OLYMPUS**

**Panasonic**

**PHILIPS**

**PRINTRONIX**

**PNY**

The Ultimate Wireless   
**rAPOO**

**SAMSUNG**

**SHARP**

 **Transcend**

**ViewSonic** 





## Events

### Barsana & Nandgaon Holi, 4th – 6th Mar. 2020

Continuing the tradition, Creative participated in Holi festivities at Barsana and Nandgaon this year as well, in March. As a value-added distributor, Creative showcased its range of imaging products at the event, including GoPro and Olympus. Photographers and videographers from across the globe attended the event, giving us the opportunity to showcase features of our products such as dust and water resistance. This was an example of how we bring the right audience, right products and the right platform, together.



### Kick Off 2019 – Annual Sales Meet Hyderabad, 18th – 21st Apr. 2019

Kick Off is an annual sales meet held every year where the emphasis is on growth, strategy and the roadmap for the new financial year. This year, we had the kick off meet at Hyderabad on 18th -21st April 2019. The key agenda and objective of this annual meet is to strengthen core values, sales targets, verticals and know-how about brands and services.



### Creative Connect 2019 Indore, Lucknow, Ludhiana, Chandigarh & Cochin

Creative Connect is a multi-city roadshow to connect with our partner fraternity. It is a way for us to collaborate and build relationships, taking our partner experience to the next level. In 2019, we exhibited a broad variety of our products so that our partners get a first-hand experience and awareness of the product portfolio. This is a first of its kind event, wherein we connected with more than 300 partners across five cities in Phase 1.



## CMDA B2B IT Expo, Pune , 11th – 12th Feb. 2020

CMDA Pune, India's leading trade association, organized its first B2B expo in Pune this year. The idea was to connect with channel partners to showcase new products, technology and emerging trends in IT. Creative Peripherals participated as a single sourcing point for partners and customers, exhibiting all brands under one roof. We showcased products from all our segments – IT & Gaming, Imaging and Security & Lifestyle.



## Mall Event – GoPro Hero 8, Mumbai ,23rd – 24th Nov. 2019

Every year, Creative Peripherals organizes 'mall activation' in metro cities after the launch of new camera line-up. This year, we launched Hero 8 and MAX by GoPro. This activity was organized in one of the premium and high footfall malls in Mumbai – Phoenix High Street, with minimum footfall of 5,000+ walk-ins.



## Secutech

Secutech India enables exhibitors to showcase their latest products and services in the Indian security market. This year was the 8th International Exhibition & Conference for Security, Fire & Safety. Creative Peripherals participated for the first time to showcase Retail Security Solutions by InVue. This expo was the right platform to cater to Large Format Retail, Corporates, System Integrators, Project Consultants, Educational institutes, Hotels, Hospitals and Retail Outlets.



## Chairman's Message To Shareholders



Dear All,

I am pleased to share with you all that the financial year ended 31st March 2020 has been in line with our expectations. Our Company reported a 23.83% year-on-year growth in revenue at Rs. 459.06 cr, while EBITDA and PAT stood at Rs. 16.82 cr and Rs. 7.78 cr, a year-on-year growth of 26.28% and 32.97%, respectively. This growth reflects the Company's commitment and ability to deliver on its plans and overall strategy.

It has been an eventful year for the Company, witnessing several major milestones in our growth trajectory. We updated our portfolio with various

niche and international brands that are relevant to the current consumer trends and have a tremendous potential in the Indian markets. These include PNY, Cooler Master, BaByliss, Panasonic and Epson, to name a few. These brands cover a wide range of industry verticals and cater to diverse applications, from high-performance computing and gaming, to personal grooming. We also expanded our Honeywell portfolio to include networking solutions, which are typically used in smart buildings and smart cities. These additions not only give us deeper penetration into our existing market, but also expand our reach in newer avenues and upcoming high-growth sectors.

Another major milestone during this financial year was the Company's migration from the NSE-Emerge board to the NSE Main board in August 2019. After two years on the NSE-Emerge board, we were ready for this bigger platform, in terms of internal Company practices as well as the opportunities that this platform has to offer. Consequently, we are already witnessing increased visibility for our Company. This comes at an opportune time as we expand our reach to international markets through our subsidiaries in Hong Kong. The subsidiaries will enable us to cater to international markets efficiently.

However, the unforeseen menace of the COVID-19 virus has dealt an unprecedented blow to the economy as a whole. This pandemic has impacted lives and businesses at an alarming level and forced the whole world to pause and take a step back. It has changed our lifestyles and the assumptions of physical and economic well-being which were taken for granted. As majority of our products did not classify as essentials, our business operations had also come to a temporary standstill during the lockdown period. While the lockdown has adversely affected our financials from March 2020 onwards, the entire impact of this business slowdown remains to be seen in the coming quarters. A cautious consumer sentiment is likely to keep demand muted in the near future.

Despite that we at Creative have taken this opportunity to further refine our internal operations and skill sets so that we are better prepared for the market recovery. During the lockdown, we conducted several training sessions for our personnel from deeper understanding of various products of niche brands to soft skills development, team-building and motivational exercises. Moreover, we stepped up in this time of need and started supply of various personal medical products such as thermometers, thermal scanners, pulse oximeters and masks. We have launched these products under our own 'B-Safe' brand.

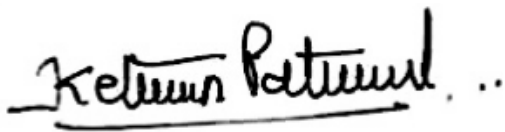
Over the last few months, we had been working tirelessly on developing our very own digital platform to improve operational efficiencies and further enhance our customer-base and experience. In August 2020, our efforts came to fruition when we launched Ckart, our online digital B2B eCommerce platform. Ckart hosts all our customers and allows them to showcase, view and transact their inventory amongst each other. It not only enables trade in products that are already in our portfolio, but also allow customers to trade in products that may not directly be in our portfolio, thereby extending our platform's product reach. Various other features, such as drop-shipment, invoicing and customer-specific site, make this platform an easy-to-use and mutually beneficial proposition for all participants. We expect our customer-base to grow significantly through this platform, while maintaining a lean working capital cycle.

We believe that our industry is undergoing a paradigm shift towards digitization in the way we conduct business. In this dynamic and evolving industry, Ckart is a future-ready solution which would enhance customers' experience and facilitate

growth and expansion. Moreover, it would make Creative a one-stop-shop for all our customers' requirements, translating into higher top line and margins.

Looking ahead to the next phase of our journey, we see three strong growth pillars for our business – market entry and penetration for global niche high-margin brands; licensed manufacturing for Honeywell and other similar brands; and being the digital one-stop-shop for all customers in our supply chain through Ckart. We expect these pillars to drive our growth substantially as well as sustainably. Infact, we recently renewed our contract manufacturing license with Honeywell for another five years, as well as added new geographies into our purview, bringing our distribution reach to 29 countries across APAC and Middle East.

With a strong year behind us, we look forward to rewarding times ahead. The Company is well placed to tap into new opportunities as the markets recover and build further on our roadmap for growth. Despite the setback from the COVID-19 crisis, our aim to be instrumental in the digitization of this sector and our overall vision remains intact. Ckart is a step in that direction. I would like to thank the entire family of Creative Peripherals for the hard work, sincerity and dedication with which they move this Company forward, as well as all the stakeholders, whose support helps us to set and achieve higher benchmarks.

A handwritten signature in black ink that reads "Ketan Patel, ..". The signature is written in a cursive style and is underlined.

Ketan Patel,  
Chairman and Managing Director

## Creating Better Customer Through Experience Through Digitization

We belong to a dynamic and ever-changing industry of IT hardware solutions and distribution. Dynamism and business agility run in the DNA of Creative Peripherals. We believe in staying two steps ahead of the market trends and leading the industry from the front, in terms of new technologies and solutions.

International niche brands from across the world trust Creative with entering and successfully penetrating new markets with niche products. We wish to reach out to the remotest possible households across India to bring them the latest and greatest in technology, to make lives easier and better. In doing so, we work with a large network of partners spread across the length and breadth of the nation. Therefore, it is our utmost interest to cater to that end of the supply chain – our customers – wholesalers, retailers, general traders, and other channel partners. It is through this network that we are able to reach an increasing numbers of end consumers.

Businesses in India and across the world are undergoing a paradigm shift in the way business activities and operations are conducted. Digital technologies and platforms are being used increasingly to improve efficiencies, reduce turn-around times, and automate various aspects of the business.

In line with this trend, we at Creative have developed and launched an online digital B2B eCommerce platform for our customers – Ckart. Ckart is hosted online and enables all our existing and new customers to view, transact and share their products amongst each other and with Creative. This would not only increase visibility and availability of our products, but also facilitate clients to trade in products which are otherwise not on our portfolio, thereby expanding our domain. Other features like drop-shipment and billing management make this platform easy to use and a mutually beneficial solution for everyone in the supply chain.

We believe the future of our industry is digital, and this platform is a huge step in that direction. It would not only make doing business easier for our existing customers, but also attract new potential customers to join our growing community.

## 10 Things to Know About Creative

### 1. Vision

To become a one of the best market entry and distribution specialist and contract manufacturing company wherein global niche brands aspire to be exclusively associated with us and take advantage of our wide presence

### 2. Mission

To evolve as the preferred go-to market specialist for global niche brands wishing to enter and penetrate new emerging markets; To leverage our omni-channel presence and pan-India network for distribution; To offer licensed manufacturing services to global brands, helping them reach new markets; To be the one-stop-shop for all customers in the supply chain, through Ckart – our online digital B2B eCommerce platform.

### 3. Values

- a. Initiative, Accountability, Responsibility
- b. Ethical functioning, Fairness and Transparency
- c. Trust, Good faith, and Integrity

### 4. Strong Leadership

Creative Peripherals And Distribution Limited was established in 1992 by first generation entrepreneur Mr. Ketan Patel, Chairman and Managing Director and Mrs. Purvi Patel, Whole-Time Director. An IIM B alumnus with 30 years of experience in product marketing and people management, Mr. Ketan Patel is in charge of operations of the Company.

### 5. Products

Creative Peripherals operates in three broad segments:

- a. IT/Gaming Products – Creative Peripherals offers a range of IT hardware products. The Company has many exclusive distribution agreements and innovative distribution channels. Some of the brands in this category include Honeywell, Cooler Master, a niche gaming hardware brand, and PNY Technologies, a US based specialist in high performance graphic cards and accessories
- b. Imaging – This category encompasses a range of cameras, tripods and other imaging products and accessories. This category is growing aggressively as trends in photography change rapidly. One of the key drivers in the segment is GoPro.

- c. Lifestyle and Security – The Company’s brand associations in this segment include InVue, a retail security brand, and BaByliss, a premier personal grooming brand with global presence.

## 6. Network

Creative Peripherals & Distribution has a robust distribution network built over 2 decades. The Company has 5,000+ partners spread all over India with 20 branches and over 150 skilled and talented work force. Creative Peripherals is associated with over 20 renowned brands globally which are categorized in three broad divisions IT, imaging and lifestyle and security products.

## 7. Business Model

Creative Peripherals has an integrated and value-added business model. We provide end-to-end solutions, from market research and competition analysis for brands, to import, distribution, sales, and servicing for the brand. Additionally, we suggest and execute marketing strategies and recommend viability in specific regions across India for our clients.

## 8. Key Milestones of FY20

1. In August 2019, the Company successfully migrated NSE-Emerge board to the NSE Main board
2. Launched latest generation of GoPro cameras
3. Signed exclusive distribution agreements with Panasonic, PNY Technologies, Cooler master, BaByliss among others
4. Started contract manufacturing with the first Honeywell certified facility in India
5. Announced plans to launch a digital platform for our customers

## 9. Subsidiary

Creative Peripherals and Distribution Limited has subsidiaries in Hong Kong to ease logistical pressure on Indian operations and look after overseas operations.

## 10. Performance

In 2019-20, Creative’s consolidated sales increased 23.83% to Rs. 459.06 crore while PAT increased 32.97% to Rs. 7.78 crore. The Company derived 42% of its revenues from IT products, 15% from lifestyle and security and 43% from imaging. The Company’s EBITDA margin was 3.66% while ROCE was 19.31% and debt-equity ratio 0.76 with working capital days being ~55 days.

## History of the Company

Creative Peripherals will soon complete three decades in its journey. We started out in 1992 as a trading concern with less than 10 employees. The initial years were a hands-on learning process during which we distributed computer components. One of our first brands during this period was Epson, for which we aggregated dot-matrix printers.

As new government policies came into effect during the 1990s, the domestic market opened up to foreign companies, and international brands could enter India.

- During 2000-10, we took up sub-distribution for Microsoft in Maharashtra and Gujarat. We expanded our geographical reach by opening branches in Pune, Bangalore, and Ahmedabad. We became an Epson Business Partner as well as forayed into the Lifestyle vertical.
- During 2010-16, the Company grew significantly in terms of brand portfolio and verticals. We forayed into the imaging business with Olympus, as well as exclusive photo distribution from Italy-based Vitec Group for ‘Manfrotto’. We signed several new global brands including Samsung and Viewsonic. Our customer-base also expanded with various new IT vendors; we won ‘Best Fulfilment Partner’ award from Reliance Digital.
- In 2016, we won exclusive licenses for Honeywell and GoPro, as well as forayed into retail security domain.
- The year 2017 saw us listing on the NSE-Emerge stock exchange, to take the Company to the next stage of growth. We also signed agreements with TPV Technology India for Philips signage. Our sector presence expanded to gaming products as well, under the Lifestyle segment.
- The last three years have seen the Company grow substantially, building on its foundations.
- In 2018, we expanded our trademark licensing agreement with Honeywell – adding new products (SKUs) and entering into Middle East countries. We also signed an exclusive agreement with InVue Security Products Corp. Other

agreements during that year included Future Tech Electronics for LED TVs for Daewoo, MEPL and Indicoool brands. We also launched GoPro Hero 7 series, which went on to become a huge consumer favorite.

- In 2019, we expanded our gaming products portfolio with ThermalTake, Cooler Master and PNY. Agreements with iBall and Panasonic deepened our IT segment, while BaByliss got us more bandwidth in the Lifestyle vertical. After completing two years on the NSE-Emerge board, we migrated to the NSE Main board in 2019.
- In 2020, we developed and launched Ckart – a digital platform, which is hosted online for our customers. It hosts all our customers and enables them to view, share and transact in their products. We see this as the key trend going forward and are optimistic about the growth it will stimulate for Creative Peripherals.

## **Journey of This Decade – Business Transformation from 2010 to 2020**

Ten years ago, we were a small company and the journey till now has been exhilarating. By consistently growing our top and bottom line throughout this decade, we have demonstrated perseverance to not only sustain but also excel beyond our expectations. We have sought out new avenues of growth by expanding product categories, taking up new niche brands on board, establishing new partnerships, venturing into new geographies and entering new businesses. Along the way, we have navigated various market scenarios by deriving strength from our business understanding and taking timely, informed business decisions.

From a humble beginning in the year 1992 as a distributor of basic computer peripherals, Creative has evolved into a market entry and penetration specialist with pan India presence. This has been an eventful journey marked by strong brand partnerships, creation of new channels and efficient and prudent management.

Initially, Creative's business comprised of volume driven products like monitors, desktops along with other peripheral computer components. Recognising the changing landscape, the Company graduated to providing end to end distribution for niche, experiential brands. This led to emergence of Creative as a market entry and penetration specialist.

We have seen quite a few challenges and disruptions – technology disruptions, unstable currencies, demonetisation, changing consumer choices, growth of e-commerce and the recent COVID-19 virus. Through it all, we have managed to retain our unwavering focus and determination to look for growth opportunities even during the most challenging times.

One of our biggest success stories has to be our brand collaboration with GoPro. It is a global brand offering broad range of imaging products and accessories for professional as well as amateur users. We started our contract with them in 2016-17 to enter Indian market. Creative has been a key enabler for the brand to penetrate market and establish its presence here. GoPro has grown from barely known foreign brand to a well-recognized premium imaging brand in urban India. We provide our expertise to formulate unique marketing strategies, to create brand awareness and promotion. We also have exclusive distribution rights all across India. We have collaborated with various content creators and influencers in a unique attempt to spread brand awareness across all social media platforms. We arrange and manage POS setups and kiosks at various malls. GoPro's sales in India have grown manifold since its association with us.

Our association with Honeywell is also noteworthy. Honeywell is a Fortune 100 multinational conglomerate offering various commercial and consumer products, engineering services and aerospace systems. Honeywell is active across aerospace, automation & control systems, and performance materials & technologies. Our association with Honeywell started in September 2016 to capitalize opportunities seen in Indian market. Creative has provided crucial support and channel for Honeywell to expand their product distribution in India, and eventually across other Asian markets, and recreate "Power of Connect" among consumers. From product designing and contract manufacturing to exclusive distribution and after sales service, Creative does it all.

In order to enhance the Company's geographical reach and client presence across the target market, we have launched CKart, a digital platform for our products as well as clients' products. The digital platform will facilitate viewing, sharing and transacting of clients' inventories amongst each other. One of the advantages would be the availability of full inventory for customers on the platform. Drop shipment will enable delivery directly to client's customer. The Company aims to deliver a one stop shop for all needs of its clients.

## **Key Business Attributes that contributed to the exceptional growth in these 10 years –**

1. Identifying niche and experiential brands
2. Adopt and invest in new age technologies
3. Providing smart connectivity solutions
4. Establish long term partnerships with vendors and partners
5. Focus on customers' needs and requirements

6. Using the integrated business model to our best advantage

Creative Peripherals operates in three broad product categories: IT products; Imaging; Lifestyle and Security. Key brands across these categories include the following:

**1. IT/Gaming Products**

Creative Peripherals offers a range of IT hardware products like printers, supplies (cartridges), PC components (monitors, hard disks, CD writers, CD ROMs), and storage devices offered by multiple vendors. The company's wide spectrum of products offered from multiple vendors helped it achieve economies of scale and provide customers a single sourcing point. The Company has many distribution agreements, such as Honeywell, Cooler Master and PNY, and innovative distribution channels.

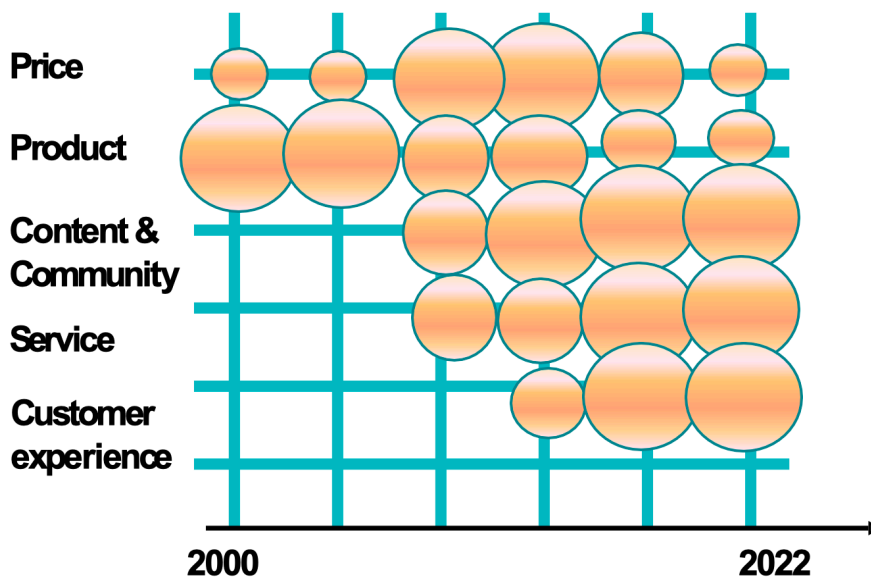
**2. Imaging**

This category encompasses a range of cameras, tripods and other imaging products and accessories. This category is growing aggressively as trends in photography change rapidly. The Company is setting up innovative distribution channels, training employees, helping clients develop content to giving a whole package of experience to the end consumer.

**3. Lifestyle and security**

This segment includes products such as TVs, headphones and other lifestyle products and IT accessories. The Company has expanded its portfolio in the high growth segment. One of the Company's many brand associations is BaByliss, a premier personal grooming brand with global presence. These associations not only diversify and expand portfolio, but also enhance and testify the company's recognition among global brands. In security it strives to cater to the growing needs and demand for retail security products and is expanding in this direction rapidly. A key brand in this segment is InVue.

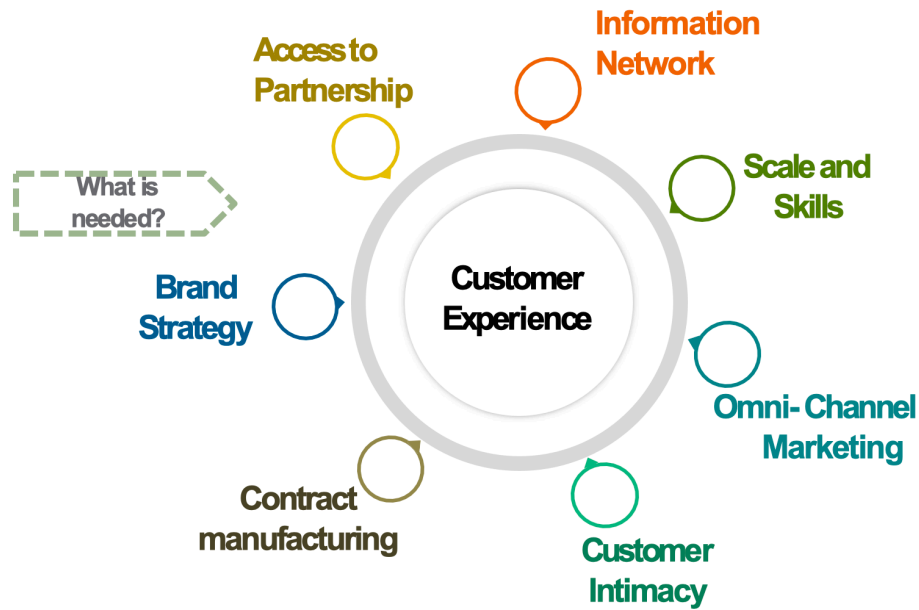
**Value Creation**



**By 2022, Customer Experience would overtake Price & Product as the key brand differentiator**



## Our Value Addition



Creative Peripherals focuses on strong, long-term partnerships with niche brands, where the Company can add value and help the brand grow in the market. This is possible because we invest in deep involvement with the brands' ethos and hand-hold new brands in identifying with the local audiences. This is one of the key factors which differentiates us from other companies in this industry.

We believe that customer experience is becoming the key brand differentiator, versus price and product features, over time. With competitive pricing and similar products becoming the norm, brands would be differentiated based on the community, service and experience they are able to offer to customers.

To be able to do this, a brand would typically need the following aspects to offer a holistic customer experience –

- a. Brand Strategy
- b. Access to Partnerships
- c. Information Network
- d. Scale and Skills
- e. Omni-Channel Marketing
- f. Customer Intimacy
- g. Contract Manufacturing (if required).

This is where Creative comes into the picture and shines. We offer this wholesome suite of services to enable brands to enter and conquer new markets, especially in India, thereby creating unique value addition.

- We help a brand execute its marketing strategy on ground with skilled personnel.
- We engage and participate in events and partnership programs, such as Harley Davidson rallies for GoPro.
- Creative has the right skills set and a young workforce, with the ability and agility to scale up as per a brands requirement.
- The Company has access to all channels of marketing from retailers and wholesalers to general traders and online channels.
- We have long-standing relationships with our customers and deep understanding of what our customers need, to be able to place the brands/products correctly.
- Creative has the experience and resources to undertake contract manufacturing for brands if so required, for example, for Honeywell.

Additionally, our business model comprises market research, strategic planning, pre-sales activities and differentiated sales processes.

These are our strengths which really differentiate us from traditional companies in this sector and represent the culture and vibe of our Company. Going forward, with the launch of our new digital platform, we will facilitate our customers to view, share and transact in new products even more easily. This represents our customer-centric approach and sets the tone for growth in the coming year.

# Notice and Agenda of 16th Annual General Meeting



NOTICE is hereby given that the **SIXTEENTH ANNUAL GENERAL MEETING ("AGM")** of the Members of Creative Peripherals and Distribution Limited will be held on **Tuesday, 29<sup>th</sup> September, 2020** at **11.00 a.m.** through Video Conferencing ('VC'), to transact the following business:

## Ordinary Business:

### 1. Adoption of Accounts

To consider and adopt the:

- a) Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020, together with the Reports of the Board of Directors and Auditors thereon; and
- b) Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2020, together with the Reports of Auditors thereon.

### 2. Dividend

To declare Final Dividend of Rs. 0.5/- per share (@ 5%) for the year ended 31<sup>st</sup> March, 2020.

### 3. Appointment of Director

To appoint a Director in place of Mr. Ketan Patel (DIN 00127633), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

## Special Business:

### 4. Regularisation of Additional Director, Mr. Suresh Bhagavatula (DIN 07475476) by appointing him as an Independent Director of the Company

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149 read with Schedule IV, 152, 160, and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and provisions of Articles of Association of the Company, Mr Suresh Bhagavatula (DIN: 07475476) who was appointed as an Additional Independent Director of the Company by the Board of Directors on 10<sup>th</sup> October, 2019 to hold office for a term of 5 (five) consecutive years w.e.f. 10<sup>th</sup> October, 2019, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation."

### 5. Regularisation of Additional Director, Mr. Kurian Chandy (DIN 00855226) by appointing him as an Independent Director of the Company

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 149 read with Schedule IV, 152, 160, and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and provisions of Articles of Association of the Company, Mr Kurian Chandy (DIN: 00855226) who was appointed as an Additional Independent Director of the Company by the Board of Directors on 01<sup>st</sup> February, 2020 to hold office for a term of 5 (five) consecutive years w.e.f. 01<sup>st</sup> February, 2020, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose him as a candidate for the office of the Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation."

### 6. Revision of Remuneration of Mr. Ketan Patel (DIN 00127633) Chairman and Managing Director of the Company:

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and on recommendation of Nomination and

Remuneration Committee, consent of the Company be and is hereby accorded for the revision of the remuneration of Mr. Ketan Patel for the financial year 2020-21, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time, is bifurcated as below:

Sr. No.	Particulars	Proposed remuneration per annum (in Rs.)
1	Basic Salary	18,20,242
2	HRA	9,10,121
3	Special Allowance	24,51,129
4	Education Allowance	19,200
5	Provident Fund (Employer Contribution)	21,600
6	Gratuity	87,554
7	Festival Bonus	7,000
8	Provision for Performance Bonus	15,00,000
<b>Total</b>		<b>68,16,846</b>

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

#### 7. Revision of Remuneration of Mrs. Purvi Patel (DIN: 02663240), Whole-time Director of the Company:

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and on recommendation of Nomination and Remuneration Committee, consent of the Company be and is hereby accorded for the revision of the remuneration of Mrs. Purvi Patel for the financial year 2020-21, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time, is bifurcated as

Sr. No.	Particulars	Proposed remuneration per annum (in Rs.)
1	Basic Salary	8,14,691
2	HRA	4,07,345
3	Special Allowance	10,86,452
4	Education Allowance	19,200
5	Provident Fund (Employer Contribution)	21,600
6	Gratuity	39,187
7	Festival Bonus	7,000
8	Provision for Performance Bonus	15,00,000
<b>Total</b>		<b>38,95,475</b>

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order

to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

**8. Appointment of Mr. Vijay Advani (DIN 02009626) as Whole-time Director of the Company and revision of his Remuneration:**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, consent of the Company be and is hereby accorded for the appointment of Mr. Vijay Advani (DIN: 02009626) as the Whole-time Director of the Company, for a consecutive period of 5 (Five) years from the expiry of his present term of office, that is w.e.f. 01st April, 2020 upto 31st March, 2025 upon the terms & conditions of appointment including the payment of remuneration, perquisites & other benefits and including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (including its Committee thereof) to alter and vary the terms & conditions of the said appointment/ re-appointment in such manner as may be agreed to between the Board of Directors and Mr. Vijay Advani.

**RESOLVED FURTHER THAT** the Board of Directors (including its Committee thereof) be and is hereby authorised to revise the remuneration of Mr. Vijay Advani for the financial year 2020-21, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time, is bifurcated as below:

Sr. No.	Particulars	Proposed remuneration per annum (in Rs.)
1	Basic Salary	12,75,039
2	HRA	6,37,520
3	Special Allowance	17,11,210
4	Education Allowance	19,200
5	Provident Fund (Employer Contribution)	21,600
6	Gratuity	61,329
7	Festival Bonus	7,000
8	Provision for Performance Bonus	15,00,000
<b>Total</b>		<b>52,32,898</b>

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

By order of the Board of Directors  
Creative Peripherals and Distribution Limited



Tejas Doshi  
Company Secretary & Compliance Officer  
Date: 03<sup>rd</sup> September, 2020  
Place: Mumbai

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 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the 16<sup>th</sup> AGM shall be the Registered Office of the Company.
2. As this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional / Corporate Shareholders (i.e., other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authority letter etc., authorising its representative(s) to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting and e-voting at AGM. The said Resolution/Authority letter shall be sent to the Scrutiniser by email through its registered email address to [cs.smishra@gmail.com](mailto:cs.smishra@gmail.com) with a copy marked to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
4. The Notice of AGM is being sent to those members/beneficial owners whose name appear in the register of members/list of beneficiaries received from the depositories as on Friday, August 28, 2020.
5. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with with the Company/ Depository Participant (DP)/Company's Registrar and Transfer Agent (RTA). Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website at [www.eCreativeIndia.com](http://www.eCreativeIndia.com) websites of the National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of CDSL at <https://www.evotingindia.com> and also at the website of our RTA at [www.bigshareonline.com](http://www.bigshareonline.com).
6. The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed herewith.
7. The dividend on Equity Shares, if declared at the Meeting, will be paid subject to deduction of tax at source within 30 days from the date of declaration to those members whose names appear in the Register of Members and those beneficiaries, whose names are furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as beneficial owners on the Record Date i.e., 26<sup>th</sup> September, 2020.
8. Listing Regulations, has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The companies and the registrar and share transfer agents are required to seek relevant bank details of shareholders from depositories/ investors for making payment of dividends in electronic mode. It is also mandatory to print the bank details on the physical instrument if the payment is made in physical mode. Accordingly, shareholders are requested to provide or update (as the case may be) their bank details with the respective depository participant for the shares held in dematerialised form and with the registrar and share transfer agent in respect of shares held in physical form. For further details about registration process, please contact your depository/ R&TA of the Company.
9. All dividends remaining unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account, are required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, till date the Company has transferred to IEPF the unclaimed and unpaid amount pertaining to dividends declared.. Members may please note that no claim shall lie against the Company in respect of dividend which remain unclaimed and unpaid for a period of seven years from the date it is lying in the unpaid dividend account and no payment shall be made in respect of such claims.
10. Also, in terms of Section 124(6) of the Act, read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more are required to be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Accordingly, equity shares which were/ are due to be so transferred, shall be transferred by the Company to the Demat Account of IEPFA. Upon transfer of such shares, all benefits (like

bonus, etc.), if any, accruing on such shares shall also be credited to the Demat Account of IEPFA and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Details of shares transferred to the Demat Account of IEPFA have been uploaded by the Company on its website at [www.svendgaard.com](http://www.svendgaard.com). Shareholders may kindly check the same and claim back their shares. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA. You are also requested to update your Bank details by writing to the Company's RTA.
12. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form with the depositories. Therefore, shareholders are requested to take action to dematerialize the equity shares of the Company.
13. Members are requested to send in their queries at least a week in advance to the Chief Financial Officer & Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.
14. Pursuant to the provisions of Section 108 and all other applicable provisions of the Act read with the Companies(Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is pleased to provide e-voting facility to all its members, to enable them to cast their votes electronically and has engaged the services of Central Depository Services (India) Limited, (CDSL) as the agency to provide e-voting facility. Instructions for the process to be followed for e-voting are annexed with this Annual Report.
15. During the voting period, members can login to CDSL's voting platform any number of times till they have voted on all the resolutions. Once the vote on a resolutions cast by a member, whether partially or otherwise, the member shall not be allowed to change it subsequently or cast the vote again.
16. Members can opt for only one mode of voting, that is, either by physical Ballot voting at AGM or evoting. In case members cast their votes through both the modes, voting done by evoting shall prevail and votes cast through physical Ballot will be treated as "INVALID".
17. **The e-voting period commences on Saturday, September 26, 2020 at 9:00 a.m. (IST) and ends on Monday, September 28, 2019 at 5:00 p.m. (IST). During this period, members of the Company, holding shares either in physical or dematerialised form, as on the cut-off date, that is, Tuesday, September 22, 2020, may cast their vote electronically.**
18. **Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.**
19. Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrars and Transfer Agents / Depository Participant(s) for sending future communication(s) in electronic form.
20. A member need not use all his / her / its votes nor does he / she / it need to cast all his / her / its votes in the same way.
21. M/s Satyajit Mishra & Co., Practising Company Secretary, (Membership No. FCS 5759, CP No. 4997) have been appointed as the Scrutiniser to scrutinise the voting process in a fair and transparent manner.
22. The Scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman of the Company who shall countersign the same.
23. The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite numbers of votes in favour of the resolutions.

24. The results declared along with the Scrutiniser's Report shall be placed on the Company's website [www.ecreativeindia.com](http://www.ecreativeindia.com) after same has been communicated to the NSE.
25. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

By order of the Board of Directors  
Creative Peripherals and Distribution Limited



Tejas Doshi  
Company Secretary & Compliance Officer  
Date: 03<sup>rd</sup> September, 2020  
Place: Mumbai

## Explanatory Statement Pursuant To Section 102(1) Of The Companies Act, 2013:



### Item No. 4 –

#### Regularisation of Additional Director, Mr. Suresh Bhagavatula (DIN 07475476) by appointing him as an Independent Director of the Company

Mr. Mandar Joshi, ex-Independent Director has been resigned as on 10<sup>th</sup> October, 2019, and to fill his vacancy the Board of Directors have appointed Mr. Suresh Bhagavatula as an additional Independent Director on 10<sup>th</sup> October, 2019 for a tenure of 5 consecutive years w.e.f., 10<sup>th</sup> October, 2019, subject to approval of members in General Meeting. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director.

A brief information of Mr. Suresh Bhagavatula, as required under Secretarial Standards – 2 and Regulation 36 of SEBI (LODR) Regulations, 2015 in respect of the aforesaid director is provided below:

S. No.	Particulars	Details
1.	Brief Resume	Suresh Bhagavatula is an Associate Professor of Entrepreneurship at the Indian Institute of Management Bangalore (IIMB). He is the Chairperson of the Entrepreneurship area. He was the earlier Chairperson of NS Raghavan Centre for Entrepreneurial Learning (NSRCEL). It is one of the earliest incubators in India having started 15 years ago. His research interests are in two overlapping domains - entrepreneurship and social networks. In entrepreneurship, he looks at both low and high technology firms in India. Within the social network domain he is interested in understanding the influence of social capital on performance of entrepreneurs and teams. His research work has been published in top management journals of the world. He was the academic director of many entrepreneurial training programs at IIM Bangalore, including Management Program for Entrepreneurs and Family Businesses, Management Program for Women Entrepreneurs, 10000 Women Program, Women Startup Program, etc. He was one of the co-founders of the organisation HeadStart, which runs a monthly event called Start up Saturday, which is now spread across 12 cities in India.
2.	Date of Birth	11 <sup>th</sup> November, 1968
3.	Qualification	PhD, Vrije Universiteit, Amsterdam, The Netherlands MS, University of Flensburg, Germany BE, Shivaji University, Kolhapur, India
4.	Experience	32 years
5.	Nature of his expertise in specific functional areas	Entrepreneurship, Social Networking, Strategy Management, Planning and developing,
6.	Date of first appointment on the Board	10 <sup>th</sup> October, 2019 as an Additional Independent Director
7.	Shareholding in the company held either by them or on a beneficial basis for any other persons	0 (Nil)
8.	Relationship with other Directors, Manager and other Key Managerial Personnel of the company	N.A. (No relationship with any other Director, Manager or KMP of the Company)



9.	The number of meetings of the Board attended during the year	One out of Three Board Meetings
10.	Other Directorships, Membership/Chairmanship of Committees of other Boards	1. IIMB Innovations (CIN - U73200KA2010NPL053371)

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval via Ordinary Resolution.

#### Item No. 5 –

#### Regularisation of Additional Director, Mr. Kurian Chandy (DIN 00855226) by appointing him as an Independent Director of the Company

Mr. Piyush Shah, ex-Independent Director has been resigned as on 25<sup>th</sup> December, 2019, and to fill his vacancy the Board of Directors have appointed Mr. Kurian Chandy as an additional Independent Director on 01<sup>st</sup> February, 2020 for a tenure of 5 consecutive years w.e.f., 01<sup>st</sup> February, 2020 subject to approval of members in General Meeting. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director.

A brief information of Mr. Kurian Chandy, as required under Secretarial Standards – 2 and Regulation 36 of SEBI (LODR) Regulations, 2015 in respect of the aforesaid director is provided below:

S. No.	Particulars	Details
1.	Brief Resume	Mr. Kurian Chandy is a Chartered Accountant has been a CFO with a listed Indian Company with extensive experience of over 30 years with the more than 25 years in leadership position mainly involving Strategic Planning, Setting up and monitoring systems and processes, Financial Management, Corporate Accounting with reputed organizations. With his experience across leading hotel chains like The Leela, The Orchid and VITS, he knows that focusing and creating of people is an important aspect of business. Here he balanced both costs and benefits, to attract and retain the right talent, to enable growth during a time when the industry was at its toughest phase. His practical hands on approach, with pragmatic decision making have been his trademark style both working for companies and now working on companies. He is a keen communicator with exposure in setting up and working in an ERP (SAP, JDE) environment.
2.	Date of Birth	04 <sup>th</sup> April, 1965
3.	Qualification	Chartered Accountant
4.	Experience	30 years
5.	Nature of his expertise in specific functional areas	Strategic Planning, Setting up and monitoring systems and processes, Financial Management, Corporate Accounting
6.	Date of first appointment on the Board	01 <sup>st</sup> February, 2020 as an Additional Independent Director
7.	Shareholding in the company held either by them or on a beneficial basis for any other persons	0 (Nil)

8.	Relationship with other Directors, Manager and other Key Managerial Personnel of the company	N.A. (No relationship with any other Director, Manager or KMP of the Company)
9.	The number of meetings of the Board attended during the year	One out of One Board Meetings
10.	Other Directorships, Membership/Chairmanship of Committees of other Boards	<ol style="list-style-type: none"> <li>1. Vidli Restaurants Limited (CIN - L55101MH2007PLC173446)</li> <li>2. VITS Hotels Worldwide Private Limited (CIN - U55101MH2010PTC200800)</li> <li>3. Highlife Hotels Private Limited (CIN - U74999MH2018PTC311407)</li> <li>4. SALES MAGIC ADVISORS LLP (LLPIN – AAC-3635)</li> </ol>

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

The Board recommends this Resolution for your approval via Ordinary Resolution.

**Item No. 6 –**

**Revision of Remuneration of Mr. Ketan Patel (DIN 00127633), Chairman and Managing Director of the Company:**

Mr Ketan C Patel founded Creative Peripherals with his wife Ms Purvi Patel in the year 1992. His expertise lies in business development, business strategy, product marketing, business planning, key account management, team management, sales management, entrepreneurship, strategic planning, channel expertise and competitive analysis.

Mr Ketan Patel has an engineering degree. He is a MBA graduate from IIM Bangalore. He is a veteran entrepreneur who is always open to ideas and constantly looking forward to evolve the company and the people in it.

With over 28 years of industry experience, Mr. Ketan Patel is Company's principal entrepreneurial force and strategic visionary. Today Creative Peripherals is a Value Added Distribution firm and entry specialist for all new brands, having its presence in PAN India and representing 25 global brands. Mr. Ketan Patel is a pioneer in the electronics and IT distribution industry. With innovative and forward thinking, he conceptualized many industry initiatives and practices. Over the years, he has developed critical and longstanding relationships with many of the industry's IT, Imaging, Lifestyle and Telecom brands.

A statement containing required information as per section II of Part II of Schedule V of the Companies Act, 2013 is attached as **Annexure I**.

No person, as specified under Section 102(1) (a) of the Act, other than Mr. Ketan Patel and Mrs. Purvi Patel is in any way concerned or interested in this Resolution proposed to be passed.

Further, Mr. Ketan Patel is Not a member of Nomination and Remuneration Committee.

Thus, The Board recommends the Ordinary resolution(s) set forth at item no. 3 & 6 of the Notice for the approval of the members.

**Item No. 7 –**

**Revision of Remuneration of Mrs. Purvi Patel (DIN: 02663240), Whole-time Director of the Company:**

Ms. Purvi Patel is the co-founder of Creative Peripherals and Distribution Ltd., along with her husband Mr. Ketan Patel and has been associated and well versed with Company and its client since over 28 years.

She also has various certificates in software programming and holds Diploma in Pharmacy.

She looks after overseeing the working capital and she is heading the HR / Administration, Logistics. She also looks after the product design and conception, Process set up & Public Relation activities. She has been the backbone and an integral part of the Company.

A statement containing required information as per section II of Part II of Schedule V of the Companies Act, 2013 is attached as **Annexure I**.

No person, as specified under Section 102 (1) (a) of the Act, other than Mrs. Purvi Patel and Mr. Ketan Patel is in any way concerned or interested in this Resolution proposed to be passed.

Further, Mrs. Purvi Patel is Not a member of Nomination and Remuneration Committee.

Thus, The Board recommends the ordinary resolution(s) set forth at item no. 7 of the Notice for the approval of the members.

#### **Item No. 8 -**

#### **Appointment of Mr. Vijay Advani (DIN 02009626) as Whole-time Director of the Company and revision of his Remuneration:**

Mr. Vijay Advani is associated with Creative Peripherals & Distribution Limited since 2006. Prior to joining Creative peripherals, he has associated with General Electronics and he has a total experience of over 35 Years. He takes care of the entire sales division.

Mr. Vijay Advani is a Commerce Graduate. He has been instrumental as Sales Director of Creative Peripherals from last 14 Years. He was able to drive various IT brands, which were new entrants in Indian market, to a great success. Under his supervision many brands have been successful in India having started with no presence in India. His expertise lies in business planning & execution and key account management. His focus and determination still remains unmatched.

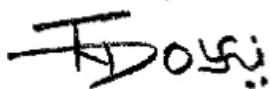
A statement containing required information as per section II of Part II of Schedule V of the Companies Act, 2013 is attached as **Annexure I**.

No person, as specified under Section 102 (1) (a) of the Act, other than Mr Vijay Advani, is in any way concerned or interested in this Resolution proposed to be passed.

Further, Mr. Vijay Advani is Not a member of Nomination and Remuneration Committee

Thus, The Board recommends the ordinary resolution(s) set forth at item no. 8 of the Notice for the approval of the members.

**By order of the Board of Directors  
Creative Peripherals and Distribution Limited**



**Tejas Doshi  
Company Secretary & Compliance Officer  
Date: 03<sup>rd</sup> September, 2020  
Place: Mumbai**

## Annexure I

### A statement containing required information as per section II of Part II of Schedule V of the Companies Act, 2013

<b>General Information:</b>			
i. Nature of Industry	Pan India Distributor of I.T., Imaging, Lifestyle and Security of world renowned brand products.		
ii. Date of commencement of Commercial production:	This clause is not applicable as the Company is currently having distribution segment only. The date of incorporation is 22/09/2004.		
iii. Financial performance based on given indicators:	The Company's annual turnover for FY 2019-20 stood at Rs. 459.06 crores. As compared with FY 2014-15, it's CAGR on revenue is 20.0%. Profit after tax is Rs. 7.78 crores and its CAGR as compared from FY 2014-15 is 59% which shows a robust growth of the Company. As compared to previous year, the growth rate of revenue is 23.83% and Profit after tax is 32.97% which clearly shows a significant growth of Company as compared to last year. Return on capital employed for the financial year 2019-20 is 19.31% vs. 18.82% for the previous year 2018-19 and Return on Equity for the financial year 2019-20 is 18.81% vs. 17.55% for the previous year 2018-19. Debt-equity ratio for FY 2019-20 stood at 0.76 which clearly classifies the Company as low-leverage Company which is the clear indicator of long-term stability of the Company. The other major ratios are also incorporated in the report for reference purpose.		
<b>Information about the appointee:</b>	<b>Mr. Ketan Patel</b>	<b>Ms. Purvi Patel</b>	<b>Mr. Vijay Advani</b>
i. Background details:	Mr. Ketan Patel is the Promoter and Managing Director of our Company. He has been the Director of the Company since incorporation and is also one of the subscribers of MOA of our Company. He holds a diploma in Computer Technology from Board of Technical Examinations, Maharashtra State, degree in Management Programme for Entrepreneurs and Family Businesses from Indian Institute of Management, Bangalore. He has an experience of about more than 18 years in Value Added Distribution industry.	Mrs. Purvi Patel is the Whole Time Director of our Company. She has been designated as Whole Time Director of our Company with effect from February 28, 2017. She holds Diploma in Pharmacy. She also has various certificates in software programming, including DTP. She is the backbone and an integral part of the Company.	Mr. Vijay Advani is the Whole-time Director of our Company. He has been designated as Whole Time Director of our Company with effect from February 28, 2017. He holds a degree in Bachelor of Commerce from University of Bombay. Under his supervision many brands have been prosperous previously which had no presence in India. He was able to drive various IT brands, which were new entrants in Indian market, to a great success. He has an experience of about more than 10 years in Value Added Distributors Industry.
ii. Date of Birth	01 <sup>st</sup> August, 1970	19 <sup>th</sup> January, 1971	24 <sup>th</sup> January, 1964
iii. Education Qualification	Diploma in Computer Technology MBA from IIM Bangalore	Diploma in Pharmacy	Commerce Graduate
iv. Past remuneration for FY 2019-20:	Rs. 58,33,496 p.a.	Rs. 31,77,700 p.a.	Rs. 41,43,544 p.a.

v.	Job profile and suitability:	Entire management and affairs of the Company	Administration, Marketing and Human Resource Management	Business Planning, expansion and execution and key account management
vi.	Proposed remuneration for FY 2020-21 :	Rs. 68,16,846 p.a.	Rs. 38,95,475 p.a.	Rs. 52,32,898 p.a.
vii.	Pecuniary relationship directly/indirectly with the Company or managerial personnel if any:	No pecuniary relationship directly/indirectly with the Company or any managerial personnel	No pecuniary relationship directly/indirectly with the Company or any managerial personnel	No pecuniary relationship directly/indirectly with the Company or any managerial personnel
viii.	Disclosure of relationships between directors inter-se	Husband of Mr. Purvi Patel - Whole-time Director of Company	Wife of Mr. Ketan Patel - Chairman and Managing Director of Company	No Relationship
ix.	The number of meeting of Board attended during the year	Nine out of Ten Board Meetings 90% Attendance	Nine out of Ten Board Meetings 90% Attendance	Ten out of Ten Board Meetings 100% Attendance
x.	Shareholding in the Company	79,39,520 Equity Shares	59,200 Equity Shares	400 Equity Shares
xi.	Other Directorships	1. Secure Connection Private Limited  2. Rinavaa Technologies Private Limited  3. Shilpa Global Private Limited  4. Creative Peripherals and Distribution Limited (Hong Kong Subsidiary Company)  5. Secure Connection Limited (Hong Kong Subsidiary Company)	1. Shilpa Global Private Limited  2. Click Retail Private Limited	1. Click Retail Private Limited  2. Rinavaa Technologies Private Limited
<b>Other Information:</b>				
i.	Reasons of loss or inadequate profits:	The Company does not have any loss or inadequate profit during the FY 2019-20.		
ii.	Steps taken or proposed to be taken for improvement:	N.A.		
iii.	Expected increase in productivity and profits in measurable terms:	The Company is having consistent meeting with other major international brands to be partner with us for long run & there is probability that Company will succeed to get the distribution rights with the others brands too in forthcoming financial year to boost revenue and profit of the Company.		

To,

The Members,

### **Creative Peripherals and Distribution Limited**

Your Directors have pleasure in presenting the Sixteenth Annual Report on business and operations along with the Audited Financial Statements for the year ended March 31, 2020.

#### **WHO WE ARE AND WHERE WE WILL BE:**

Founded in 1992, Creative Peripherals was originally incorporated on September 22, 2004 as a Private Limited Company. We are now into the 29<sup>th</sup> year of our journey and now have emerged as market entry and penetration specialists in a wide range of segments, covering a variety of IT, Imaging, Lifestyle and Security products. Information Technology lies at the core of the Company's business. The sector has grown and evolved over the last 27 years since it emerged after the Government liberalized the Indian economy. It prompted and shaped industrial growth and transformed the lifestyle of the average Indian by successfully changing the notion of a luxury item to one of necessity.

We have carved a niche for ourselves through our value-added service offerings. In addition to distribution, we handhold new and niche brands in their market entry by conducting extensive market research, pre-sales and marketing activities for the success of the brand as well as to enable the channel partners to leverage their expertise and bottom line. Creative Peripherals works closely with partners across all channels including Large Format Retail (LFR), e-commerce/online and specialized retailers. The Company is one of the few large distributors who conduct specialized training modules, events and promotional activities at the ground level with channel partners along with workshops and demos for resellers. This is possible due to a good mix of young, dynamic, dedicated and experienced corporate and sales teams which constantly track latest market developments to build a closer market connect.

The objective of the Company is to grow sustainably while staying connected to its roots. Currently, the Company is operating nationwide through its 20+ branches, warehouses and service centres. Our strategy is to optimize our core technology solutions business while expanding and investing in higher-margin high-growth-potential product segments. Over the recent past, we have been further optimizing our operating model and intend to continue doing so with the objective of cementing our reputation as a one-stop shop. Our bouquet of 20+ brands covers multiple verticals and aims to capture a considerable market share in each of the product categories, which will help our channel partners as well as thin out any market risks arising out of fluctuations in the market share of various brands. As we expand, we expect to benefit from higher economies of scale.

Another noteworthy pillar of our Company is the brand licensing business. For Honeywell, our relationship runs deeper than traditional distribution. We undertake contract manufacturing for several Honeywell products and have recently started distribution in the Middle East. Potentially expanding the licensing business will continue to be one of our focus areas.

During this financial year, the Company migrated from the NSE-SME platform to the NSE Main board, after fulfilling all required criteria. This migration is symbolic of our commitment to sustainable growth and expansion.

Our industry is at a crossroads where we are witnessing a paradigm shift towards online technologies, from traditional means of doing business. A rising number of businesses are conducting activities online due to various reasons including cost and time savings, convenience, and a wider reachability. We believe that more and more services will go online and become platform-based in the near future.

In line with this, we have developed a digital platform for all our customers. This online B2B platform will host our entire 5,000-strong customer-base and allow them to view, share and transact their products amongst each other. It will even allow customers to deal in products which are not on Creative Peripherals' portfolio, thereby expanding our product domain. The platform is feature-rich with options for invoicing, drop-shipments, and hosting a client's micro-site on the platform. We expect this platform to not only improve working capital and profitability, but also increase our customer-base with minimal increase in manpower.

## FINANCIAL HIGHLIGHTS

The highlights of the Standalone Financial Results are:

(Amount in Rs. Lakhs, except EPS)

Particulars	March 31, 2020	March 31, 2019
Total Income	45,248.37	37,071.60
Less: Expenses	(44,005.09)	(36,244.18)
<b>Profit Before Tax</b>	<b>1,243.29</b>	<b>827.42</b>
Less: Exceptional Items	0	0
Less: Extraordinary Items	0	0
Less: Tax Expenses	(338.84)	(242.65)
<b>Profit after Tax</b>	<b>904.45</b>	<b>584.77</b>
Other Comprehensive Income	(1.68)	(3.54)
<b>Total Comprehensive Income for the year</b>	<b>902.77</b>	<b>581.23</b>
Balance brought forward	1,581.34	1,010.96
<b>Amount available for Appropriation</b>	<b>2,484.10</b>	<b>1,592.19</b>
Add: Share Premium Account	1,170.00	1,170.00
Less: Allotment of Bonus Equity Shares	(580.00)	0
Less: Dividend Paid	(18.01)	(9.00)
Less: Dividend Distribution Tax Paid	(3.70)	(1.85)
<b>Balance carried to Balance Sheet</b>	<b>3,052.40</b>	<b>2,751.34</b>
Earnings per Share (Basic)	7.78	5.01
Earnings per Share (Diluted)	7.78	5.01

## BUSINESS PERFORMANCE

The year gone by has been really profitable. The Company's revenue increased to Rs.45,248.37 Lakhs as compared to Rs.37,071.60 Lakhs in the previous year marking an increase by Rs. 8,176.77 Lakhs.

The Company's Net Profit after Tax stood at Rs. 904.44 Lakhs as compared to Rs. 584.77 Lakhs in the previous year registering an increase of by Rs. 319.67 Lakhs.

## DIVIDEND

Considering financial growth and future prospects of your Company, Board of Directors in their Board Meeting held on 25<sup>th</sup> June, 2020, has recommended a Final Dividend of 5% on face value per share for the financial year ending at 31<sup>st</sup> March, 2020, subject to approval of shareholders in Annual general meeting to be held for Financial Year 2019-20.

*Further, with also keeping in mind for plough back of profit, your promoter directors, holding 68.95% of overall paid up equity share capital of the Company, have opted out from their rights to have dividend. So, the above said dividend will be distributed to Public Shareholders only, who hold 31.05% of total paid up equity share capital.*

## TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013, do not apply as there was no dividend which were unclaimed or unpaid since last seven years.

## TRANSFER TO RESERVES

The whole profit after tax has been transferred to Surplus in the Statement of Profit & Loss.

## SHARE CAPITAL

At the beginning of the year, the Authorised Share Capital of the Company was Rs.8,00,00,000/- divided into 80,00,000 Equity Shares of Rs. 10/- . During the year, on 12<sup>th</sup> June, 2019, the Company increased its Authorised Share capital to Rs.14,00,00,000/- divided into 1,40,00,000 Equity Shares of Rs. 10/- each by approval of members of the Company through Postal Ballot.

At the beginning of the year, the Issued, Subscribed and Paid Up Equity Share Capital of the Company was Rs. 5,80,00,000/- divided into 58,00,000 Equity Shares of Rs. 10/-. During the year, on 12<sup>th</sup> June, 2019, the Company has issued and allotted Bonus Equity Shares in ratio of 1:1 by approval of members of the Company through Postal Ballot. After the said Bonus Allotment, the Issued, Subscribed and Paid Up Equity Share Capital of the Company is Rs.11,60,00,000 divided into 1,16,00,000 of Rs. 10/- each.

## DEPOSITORY SYSTEM

The Company has entered into an agreement with the National Securities Depository Limited (NSDL) as well as the Central Depository Services (India) Limited (CDSL) to enable shareholders to hold shares in dematerialized form. The Company also offers simultaneous dematerialisation of the physical shares lodged for transfer.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board consists of Executive and Non-executive Directors including Independent Directors along with Key Managerial Personnel who have vast experience in the core business activity of the Company. The composition of the Board is in consonance with Corporate Governance norm specified in the SEBI Regulations with the Stock Exchange.

During the year under review,:

1. Mr. Mandar Joshi, Independent Director resigned as on 10<sup>th</sup> October, 2019
2. Mr. Suresh Bhagavatula, appointed as Additional Independent Director as on 10<sup>th</sup> October, 2019
3. Mr. Piyush Shah, Independent Director resigned as on 25<sup>th</sup> December, 2019
4. Mr. Chandy Kurian, appointed as Additional Independent Director as on 01<sup>st</sup> February, 2020.

Remuneration paid to Executive Directors, Independent Directors & KMPs are mentioned in Corporate Governance Report annexed with this Directors' Report.

## BOARD MEETINGS

During the year, Ten Meetings of Board of Directors were convened and held and 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 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in accordance with the provisions of Section 134 (3) (c) and 134(5) of the Companies Act, 2013:

1. That in preparation of the Annual Accounts for the year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
2. That the directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2020 and the profits of the Company for the year under review;
3. That proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding



the assets of the Company and for preventing and detecting fraud and other irregularities;

4. That the annual accounts for the year ended March 31, 2020, have been prepared on a 'going concern basis.'
5. That proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively.
6. That proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

## **STATUTORY AUDITORS**

As per Section 139 of the Act read with the Companies (Audit and Auditors) Rule, 2014, the members of the Company in its 15<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2019, approved the appointment of M/s Gupta Raj & Co., Chartered Accountants (ICAI Registration No.001687N) as the Statutory Auditors of the Company for a period of 5 years from the conclusion of 15<sup>th</sup> Annual General Meeting till the conclusion of 20<sup>th</sup> Annual General Meeting of the Company.

As per amendment of Companies Act, 2013, read with Notification no. G.S.R. 432(E) dated 7th May, 2018 of Ministry of Corporate Affairs, the ratification of appointment of Auditors in every Annual General meeting during term of five years have been dispensed with.

## **INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROLS**

The Company has in place well defined and adequate internal controls commensurate with the size of the Company and the same were operating effectively throughout the year. The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Apart from in-house Internal Audit function, to strengthen and maintain transparency, the Company has also appointed M/s Somaiya & Co., Chartered Accountants, Mumbai, as Internal Auditors of the Company in accordance with Section 138 of the Companies Act, 2013, to examine the effectiveness of internal control system.

## **DECLARATION BY INDEPENDENT DIRECTORS**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and SEBI Listing Regulations 2015. Further, The Independent Directors are not liable to retire by rotation.

## **AUDIT COMMITTEE**

During the year, Four Meetings of Audit Committee were convened and held and details of which are given in the Corporate Governance Report. Your Directors ensures that Audit Committee meets regularly to review reports, including significant audit observations and follow-up actions thereon. The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on financial statements, including the financial reporting system, related parties transactions, compliance to accounting policies and procedures.

## **NOMINATION AND REMUNERATION COMMITTEE**

During the year, Three Meetings of Nomination and Remuneration Committee was convened and held and details of which are given in the Corporate Governance Report. Your Directors ensures that the Company follows a Policy on Remuneration of Directors and Senior Management Employees. The policy shall be approved by the Nomination & Remuneration Committee and the Board. The main objective of the said policy is to ensure that the level and composition

of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and Senior Management employees.

The policy of the Company on Director's appointment and remuneration is uploaded on to the Company's website and the same is available at <http://ecreativeindia.com/>

## **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

During the year, One Meeting of Stakeholders' Relationship Committee was convened and held and details of which are given in the Corporate Governance Report. The role of the Committee is explained in detail in the Corporate Governance Report enclosed herewith. During the year, under review, Company has complied with all compliances as mandated by various government authorities and Company has not received any complaint from its Investor or shareholders or any individuals.

## **PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE**

During the year, Four Meeting of Internal Compliant Committee (under Sexual Harassment Policy) were convened and held and details of which are given in the Corporate Governance Report. The Company has a Policy on "Prevention of Sexual Harassment of Women at Work Place" and matters connected therewith or incidental thereto covering all the aspects as contained under the 'The Sexual Harassment of Women at Work Place (Prohibition, Prevention and Redressal) Act, 2013'. Your Directors state that during the year under review, no cases were filed pursuant to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or other policies. The policy provides for adequate safeguards against victimization of employees who avail of mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee. The policy of vigil mechanism is available on the Company's website.

The policy of the Company on Vigil Mechanism / Whistle Blower is uploaded on to the Company's website at <http://ecreativeindia.com/>

## **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of Securities of Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulation 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other Committees of the Board, which covers various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, responsibilities, obligations and governance.

The performance evaluation of the Directors was carried out by the entire Board.

## **FAMILIARIZATION PROGRAMME**

The familiarization programme aims to provide Independent Directors with the industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. This programme also seeks to update the Directors on the roles, responsibilities, rights and duties under various Acts and other statutes.

## **CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS**

The policy of the Company on Criteria of making payments to Non-executive Directors is uploaded on to the Company's website and the same is available at <http://ecreativeindia.com/>

## **BOARD EVALUATION**

In compliance with the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the Board carried out annual evaluation of its own performance, that of its Committees and individual directors.

The performance of the Board and its committees and individual directors were evaluated by the Board after seeking inputs from all the Directors on the basis of criteria, such as composition and structure of the Board, quality of deliberations, effectiveness of the procedures adopted by the Board, participation of the Board and committee meetings and governance reviews etc.

## **DEPOSITS**

Your Company has not accepted any deposit and as such no amount of principal and interest were outstanding as at the Balance Sheet date.

## **HUMAN RESOURCES**

### **A. Employee Relations**

We believe that success of Company depends on the talent and dedication of our employees and we strive to attract, hire, develop and retain outstanding employees. In view of this, we have laid down a comprehensive set of policies aiming at attracting, retaining and motivating employees. We believe significant benefits are realized from having a strong and seasoned management team with many years of experience in technology distribution and related industries. We consider relations with our employees to be good.

### **B. Trade Relations**

The Company maintained healthy, cordial and harmonious industrial relations at all levels. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry.

This accord incorporates novel elements such as introducing wide range of products, nurturing healthy competition, giving pocket friendly credit cycles, timely clearance of dues, easy accessibility to product heads, etc. Your Company will continue in its endeavour to build and nurture strong links with trade allies, based on mutuality, respect and co-operation with each other and with consistent consumer interest.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is given hereunder:

### **A. Conservation of energy**

Your Company is primarily engaged in Marketing and Trading activities and has not consumed energy of any significant level and hence no additional investment is required to be made for reduction of energy consumption. However, the Company will continue with its efforts to conserve the energy.

## B. Technology absorption

The Company's operations do not require significant absorption of technology.

## C. Foreign Exchange Earnings and Outgo

(Amount in Rs. Crores)

Particulars	For the Year ended on March 31, 2020	For the Year ended on March 31, 2019	For the Year ended on March 31, 2018
Foreign Exchange Earnings	105.54	79.60	40.39
Foreign Exchange Outgo	311.53	198.84	108.68

## EXTRACT OF THE ANNUAL RETURN

In accordance with Section 134 (3) (a) and as provided under subsection (3) of Section 92 of the Companies Act, 2013 an extract of the Annual Return in prescribed form MGT - 9 is appended as **Annexure - A** to the Board's Report.

## RELATED PARTY TRANSACTIONS

During the year, Company has made several related party transactions which were in the ordinary course of business and on an "arm's length" basis. The particulars of contracts or arrangements entered into by the Company with related parties as referred in sub-section (1) of section 188 of the Companies Act, 2013, in prescribed Form No. AOC-2, is appended as **Annexure - B** to the Board's Report.

## MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis as required under the Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulation is annexed herewith as **Annexure - C** and forms part of the Boards' Report.

## SECRETARIAL AUDIT

The Board of Directors have appointed M/s. Satyajit Mishra & Co., Practising Company Secretary, Mumbai, to conduct Secretarial Audit for the financial year 2019-20 under Section 204 of the Companies Act, 2013 as part of good corporate governance and transparency. The Secretarial Audit Report in form MR-3, for the financial year 2019-20, forms part of the Directors' Report as **Annexure - D**.

Further the Secretarial Audit Report doesn't contain any adverse remark or comments.

## CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements as stipulated under the Listing Regulations. A separate section on corporate governance along with a certificate from the Secretarial Auditor confirming the compliance is annexed as **Annexure - E** and forms part of this Annual Report.

## SUBSIDIARY COMPANIES

Your Company has 2 Subsidiary Companies, both are based at Hong Kong, namely Creative Peripherals and Distribution Limited (100% wholly owned Subsidiary) and Secure Connection Limited (70% Investment).

A statement containing salient features of the subsidiary in the prescribed format of (Form AOC-1) is annexed and marked as **Annexure - F**.

## **CORPORATE SOCIAL RESPONSIBILITY**

Your Company has the policy of giving back to the society and has carried a host of CSR activities this year. In line with the requirement of Section 135 of the Companies Act, 2013, your Company having a Corporate Social Responsibility Committee. The details of Committee is provided in Corporate Governance Report. The CSR Policy of the Company is available on its website at [www.ecreativeindia.com](http://www.ecreativeindia.com).

During the year, the Company has spent Rs. 13.5 Lacs on CSR activities as annexed herewith **Annexure - G** to this report. A detailed discussion on CSR Projects and initiatives are included as a separate section in the Annual Report.

## **HUMAN RESOURCES**

Your Company continues to be assured by competence and commitment of the people.

The working climate of your Company continues to remain harmonious with focus on improving Productivity, Quality and Safety. Health and Safety of the employees and our associates we work with remains as our paramount importance. Your Company ensures that operations are carried out as per the safety guidelines and procedures in place which are regularly updated. The Company has 155 employees as on March 31, 2020.

Efforts are continuously made to strengthen organizational culture in order to attract and retain best talent in the Industry. The Board appreciates the commitment and support of the employees and look forward to their continued support.

## **INTERNAL FINANCIAL CONTROLS**

The Company has an internal controls system commensurate with size, scale and complexity of its operations. In order to enhance controls and governance standards, the Company has adopted Standard Operating Procedures which ensures that robust internal financial controls, exist in relation to operations, financial reporting and compliance.

In addition, the internal audit functions, monitors and evaluates the efficiency and adequacy of the internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Periodical reports on the same are also presented to the Audit Committee. Compliance is in place as regards to statutory and regulatory requirements.

The internal control systems of the Company are monitored and evaluated by Auditors and reviewed by Management and Audit Committee of the Board of Directors.

## **OTHER POLICIES UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

In accordance with the provisions of Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has formed policy for determination of materiality for disclosures of events or information. The same has been hosted on the website of the Company at the [www.ecreativeindia.com](http://www.ecreativeindia.com).

## **LOANS, GUARANTEES & INVESTMENTS**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

## **MATERIAL CHANGES AND COMMITMENTS**

No material changes have took Place affecting the financial position of the Company from the date of closure of financial year till the date of signing of this report.

## **CHANGE IN NATURE OF BUSINESS**

There has been no change in nature of business of the Company, during the period, under review.

## CHANGE IN ACCOUNTING TREATMENT

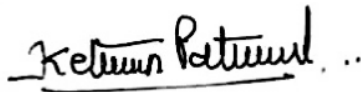
During the year, your Company has adopted IND-AS Accounting Standards accounting treatments since Company has been migrated from NSE SME Exchange to NSE Main Board Exchange.

## APPRECIATION

Your Directors are thankful to the Vendors, Customers, Bankers, National Stock Exchange, Registrar and Transfer Agent, Merchant Bankers, Depositories, Central and State governments together with their departments, the local authorities for their continued guidance, support and co-operation. Your Company has been able to operate efficiently because of the culture of professionalism, creativity, integrity and continuous improvement in all functions and areas as well as the efficient utilisation of the Company's resources for sustainable and profitable growth. To them goes the credit for all of the Company's achievements.

And to you, our Shareholders, we are deeply grateful for the confidence and faith that you have always reposed in us.

For and on behalf of the Board of Directors  
Creative Peripherals and Distribution Limited



Ketan Patel

Chairman & Managing Director

DIN 00127633

Date: 25<sup>th</sup> June, 2020

Place: Mumbai

Registered Office:

Creative Peripherals and Distribution Limited

Registered Office: 3<sup>rd</sup> & 4<sup>th</sup> Floor, Plot No. 137AB,  
Kandivali Co Op Industrial Estate Limited,  
Charkop, Kandivali West, Mumbai – 400 067

Website: [www.ecreativeindia.com](http://www.ecreativeindia.com)

Email ID: [cs@ecreativeindia.com](mailto:cs@ecreativeindia.com)

# ANNEXURE A-FORM MGT-9 (ANNUAL RETURN)

## Extract of Annual Return

as on the financial year ended on 31<sup>st</sup> 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 DETAILS:

i	CIN	L52392MH2004PLC148754
ii	Registration Date	22 <sup>nd</sup> September, 2004
iii	Name of the Company	<b>Creative Peripherals and Distribution Limited</b> (Earlier known as Creative Peripherals and Distribution Private Limited)
iv	Category/Sub-category of the Company	Company Limited by shares
v	Address of the Registered office & contact details	<b>Regd Office Address:</b> 3 <sup>rd</sup> & 4 <sup>th</sup> Floor, Plot No. 137AB, Kandivali Co Op Industrial Estate Limited, Charkop, Kandivali West, Mumbai – 400 067 <b>Contact Person:</b> Tejas Doshi (Company Secretary & Compliance Officer) <b>Email ID:</b> <a href="mailto:cs@ecreativeindia.com">cs@ecreativeindia.com</a> <b>Tel No.:</b> +91 22 5061 2700
vi	Whether listed company	Yes (NSE Listed)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited <b>Add:</b> 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Near Keys Hotel, Marol, Andheri – East, Mumbai – 400059   <b>Email ID:</b> investor@bigshareonline.com <b>Website:</b> www.bigshareonline.com <b>Tel No.:</b> 022 62638205

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1.	Imaging Products	46909	42.85%
2.	IT Products and Peripherals	46511	42.00%
3.	Security, Lifestyle, Telecom and other Products	46524	15.15%

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

Sr. No.	Name of Company	Country of Company	CIN /GLN	Holding / Subsidiary / Associate Company	% of Share holding
1.	Creative Peripherals and Distribution Limited	Hong Kong	NA (Foreign Company)	Subsidiary Company	100.00 %
2.	Secure Connection Limited	Hong Kong	NA (Foreign Company)	Subsidiary Company	70.00 %

#### 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
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF *	39,69,760	-	39,69,760	68.44%	79,39,520	-	79,39,520	68.44%	-
b) Central Govt or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	-	-	-	-	-	-	-	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	29,600	-	29,600	0.51%	59,200	-	59,200	0.51%	-
<b>SUB TOTAL:(A) (1)</b>	<b>39,99,360</b>	<b>-</b>	<b>39,99,360</b>	<b>68.95%</b>	<b>79,98,720</b>	<b>-</b>	<b>79,98,720</b>	<b>68.95%</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>39,99,360</b>	<b>-</b>	<b>39,99,360</b>	<b>68.95%</b>	<b>79,98,720</b>	<b>-</b>	<b>79,98,720</b>	<b>68.95%</b>	<b>-</b>

<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Government	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-



g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	1,40,800	-	1,40,800	2.43%	45,891	-	45,891	0.40	-2.03%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	4,05,640	400	4,06,040	7.00%	4,43,486	800	4,44,286	15.18	-3.17%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	7,88,800	-	7,88,800	13.60%	17,61,273	-	17,61,273	15.18%	+1.58%
c) Others (specify)									
Hindu Undivided Family	1,79,800	-	1,79,800	3.10%	7,55,065	-	7,55,065	6.51%	+3.41%
Clearing Member	2,85,200	-	2,85,200	4.92%	5,94,630	-	5,94,630	5.13%	+0.21%
<b>SUB TOTAL (B)(2):</b>	<b>18,00,240</b>	<b>400</b>	<b>18,00,640</b>	<b>31.05%</b>	<b>36,00,480</b>	<b>800</b>	<b>36,01,280</b>	<b>31.05%</b>	<b>-</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>18,00,200</b>	<b>440</b>	<b>18,00,640</b>	<b>31.05%</b>	<b>36,00,480</b>	<b>800</b>	<b>36,01,280</b>	<b>31.05%</b>	<b>-</b>
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>57,99,600</b>	<b>400</b>	<b>58,00,000</b>	<b>100%</b>	<b>1,15,99,200</b>	<b>800</b>	<b>1,16,00,000</b>	<b>100%</b>	<b>-</b>

(ii) Shareholding of Promoters -

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% change in shareholding during the year
1.	Mr. Ketan Patel	39,69,760	68.44%	0	79,39,520	68.44%	0	0
2.	Mrs. Purvi Patel	29,600	00.51%	0	59,200	00.51%	0	0
<b>Total</b>		<b>39,99,360</b>	<b>68.95%</b>	<b>0</b>	<b>79,98,720</b>	<b>68.95%</b>	<b>0</b>	<b>0</b>

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (30/03/2019)/ end of the year (31/03/2020)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	Mr. Ketan Patel (Chairman and Managing Director)	39,69,760	34.22	30-Mar-2019			39,69,760	34.22
			68.44	27-Jun-2019	3,969,760	Buy	79,39,520	68.44
			34.22	28-Jun-2019	-3,969,760	Sell	39,69,760	34.22
			68.44	05-Jul-2019	3,969,760	Buy	79,39,520	68.44
		79,39,520	68.44	31-Mar-2020			79,39,520	68.44
2	Mrs. Purvi Ketan Patel (Whole-time Director)	29,600	0.26	30-Mar-2019			29,600	0.26
			0.51	27-Jun-2019	29,600	Buy	59,200	0.51
			0.26	28-Jun-2019	-29,600	Sell	29,600	0.26
			0.51	05-Jul-2019	29,600	Buy	59,200	0.51
		59,200	0.51	31-Mar-2020			59,200	0.51

Company has allotted Bonus Shares in the Ration of 1:1 to all shareholders of the Company on 05<sup>th</sup> July, 2020

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

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (30/03/2019)/ end of the year (31/03/2020)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	Pantomath Stock Brokers Private Limited	285200	2.46	30-Mar-2019	0		285200	2.46
			2.62	05-Apr-2019	18800	Buy	304000	2.62
			2.70	19-Apr-2019	9600	Buy	313600	2.70
			2.72	03-May-2019	1600	Buy	315200	2.72
			2.31	07-May-2019	-46800	Sell	268400	2.31
			2.24	10-May-2019	-8000	Sell	260400	2.24
			2.30	17-May-2019	6400	Buy	266800	2.30
			2.34	24-May-2019	4800	Buy	271600	2.34
			2.37	31-May-2019	3200	Buy	274800	2.37
			2.38	14-Jun-2019	1600	Buy	276400	2.38
			2.37	21-Jun-2019	-1600	Sell	274800	2.37
			2.36	26-Jun-2019	-1600	Sell	273200	2.36
			4.71	27-Jun-2019	273200	Buy	546400	4.71
			2.33	28-Jun-2019	-276400	Sell	270000	2.33
			4.68	05-Jul-2019	273200	Buy	543200	4.68
			4.66	12-Jul-2019	-3200	Sell	540000	4.66
			4.68	19-Jul-2019	3200	Buy	543200	4.68
			5.54	02-Aug-2019	100000	Buy	643200	5.54
			5.71	23-Aug-2019	19000	Buy	662200	5.71
			5.74	30-Aug-2019	3200	Buy	665400	5.74
			5.76	06-Sep-2019	3200	Buy	668600	5.76
			5.74	13-Sep-2019	-3142	Sell	665458	5.74
			5.23	30-Sep-2019	-58800	Sell	606658	5.23
			5.40	04-Oct-2019	19200	Buy	625858	5.40
			5.48	25-Oct-2019	10133	Buy	635991	5.48
			5.48	08-Nov-2019	40	Buy	636031	5.48
			5.61	15-Nov-2019	14160	Buy	650191	5.61
			5.61	29-Nov-2019	1130	Buy	651321	5.61
			5.46	20-Dec-2019	-18140	Sell	633181	5.46
			5.46	10-Jan-2020	-100	Sell	633081	5.46
			5.49	21-Feb-2020	3200	Buy	636281	5.49
			5.24	28-Feb-2020	-28200	Sell	608081	5.24
			5.28	06-Mar-2020	4123	Buy	612204	5.28
			5.23	13-Mar-2020	-5000	Sell	607204	5.23

			5.11	20-Mar-2020	-14160	Sell	593044	5.11
		593044	5.11	31-Mar-2020	0		593044	5.11
<b>2</b>	Jyantilal Hansraj HUF	0	0.00	30-Mar-2019		Sell	0	0.00
			0.25	31-May-2019	28800	Buy	28800	0.25
			0.50	27-Jun-2019	28800	Buy	57600	0.50
			0.25	28-Jun-2019	-28800	Sell	28800	0.25
			0.50	05-Jul-2019	28800	Buy	57600	0.50
			2.14	09-Aug-2019	191155	Buy	248755	2.14
			2.48	16-Aug-2019	38521	Buy	287276	2.48
			2.48	11-Oct-2019	230	Buy	287506	2.48
			2.48	18-Oct-2019	730	Buy	288236	2.48
			2.46	25-Oct-2019	-2500	Sell	285736	2.46
			2.45	01-Nov-2019	-2103	Sell	283633	2.45
			2.38	08-Nov-2019	-7658	Sell	275975	2.38
			2.37	15-Nov-2019	-719	Sell	275256	2.37
			2.37	22-Nov-2019	-217	Sell	275039	2.37
			2.32	29-Nov-2019	-5476	Sell	269563	2.32
			2.25	06-Dec-2019	-9126	Sell	260437	2.25
			2.26	13-Dec-2019	1255	Buy	261692	2.26
			2.58	20-Dec-2019	38075	Buy	299767	2.58
			2.63	27-Dec-2019	5790	Buy	305557	2.63
			2.64	31-Dec-2019	1247	Buy	306804	2.64
			2.67	03-Jan-2020	3127	Buy	309931	2.67
			2.77	10-Jan-2020	10808	Buy	320739	2.77
			2.79	17-Jan-2020	3290	Buy	324029	2.79
			2.81	24-Jan-2020	2107	Buy	326136	2.81
			2.89	31-Jan-2020	8725	Buy	334861	2.89
			2.92	07-Feb-2020	3343	Buy	338204	2.92
			3.01	14-Feb-2020	11232	Buy	349436	3.01
			3.02	21-Feb-2020	1178	Buy	350614	3.02
			3.03	28-Feb-2020	650	Buy	351264	3.03
			3.33	06-Mar-2020	34907	Buy	386171	3.33
			3.46	13-Mar-2020	15443	Buy	401614	3.46
			3.47	20-Mar-2020	1404	Buy	403018	3.47
			3.48	27-Mar-2020	499	Buy	403517	3.48
		403517	3.48	31-Mar-2020	0		403517	3.48
<b>3</b>	Jyantilal Hansraj Lodha	150400	1.30	30-Mar-2019	0		150400	1.30
			2.59	27-Jun-2019	150400	Buy	300800	2.59
			1.30	28-Jun-2019	-150400	Sell	150400	1.30

			2.59	05-Jul-2019	150400	Buy	300800	2.59
			2.58	10-Jan-2020	-1700	Sell	299100	2.58
			2.58	17-Jan-2020	-258	Sell	298842	2.58
			2.55	07-Feb-2020	-3000	Sell	295842	2.55
		295842	2.55	31-Mar-2020	0		295842	2.55
<b>4</b>	Vikram - Jayantilal Huf	128000	1.10	30-Mar-2019	0		128000	1.10
			0.95	31-May-2019	-17600	Sell	110400	0.95
			0.98	07-Jun-2019	3200	Buy	113600	0.98
			0.99	14-Jun-2019	1600	Buy	115200	0.99
			1.99	27-Jun-2019	115200	Buy	230400	1.99
			0.99	28-Jun-2019	-115200	Sell	115200	0.99
			1.99	05-Jul-2019	115200	Buy	230400	1.99
			2.54	16-Aug-2019	64000	Buy	294400	2.54
			2.53	23-Aug-2019	-959	Sell	293441	2.53
			2.53	19-Sep-2019	250	Buy	293691	2.53
			2.47	08-Nov-2019	-7000	Sell	286691	2.47
			2.46	20-Dec-2019	-1225	Sell	285466	2.46
			2.35	27-Dec-2019	-13100	Sell	272366	2.35
			2.29	31-Dec-2019	-6900	Sell	265466	2.29
			2.27	03-Jan-2020	-2593	Sell	262873	2.27
			2.27	17-Jan-2020	-89	Sell	262784	2.27
			2.26	24-Jan-2020	-100	Sell	262684	2.26
			2.26	31-Jan-2020	-300	Sell	262384	2.26
			2.26	07-Feb-2020	-10	Sell	262374	2.26
			2.24	14-Feb-2020	-2003	Sell	260371	2.24
			2.24	21-Feb-2020	-306	Sell	260065	2.24
			2.21	28-Feb-2020	-4172	Sell	255893	2.21
			2.19	06-Mar-2020	-2149	Sell	253744	2.19
		253744	2.19	31-Mar-2020	0		253744	2.19
<b>5</b>	Monil Anoop Patel	67200	0.58	30-Mar-2019	0		67200	0.58
			1.16	27-Jun-2019	67200	Buy	134400	1.16
			0.58	28-Jun-2019	-67200	Sell	67200	0.58
			1.16	05-Jul-2019	67200	Buy	134400	1.16
		134400	1.16	31-Mar-2020	0		134400	1.16
<b>6</b>	Bharat Capital And Holdings Limited	92800	0.80	30-Mar-2019	0		92800	0.80
			0.52	31-May-2019	-32000	Sell	60800	0.52

			0.25	14-Jun-2019	-32000	Sell	28800	0.25
			0.50	27-Jun-2019	28800	Buy	57600	0.50
			0.00	28-Jun-2019	-57600	Sell	0	0.00
			0.25	05-Jul-2019	28800	Buy	28800	0.25
			0.00	19-Jul-2019	-28800	Sell	0	0.00
		0	0.00	31-Mar-2020	0		0	0.00
<b>7</b>	Nisha Shah	43200	0.37	30-Mar-2019	0		43200	0.37
			0.74	27-Jun-2019	43200	Buy	86400	0.74
			0.37	28-Jun-2019	-43200	Sell	43200	0.37
			0.74	05-Jul-2019	43200	Buy	86400	0.74
		86400	0.74	31-Mar-2020	0		86400	0.74
<b>8</b>	Patel Dharmendra M	41600	0.36	30-Mar-2019	0		41600	0.36
			0.72	27-Jun-2019	41600	Buy	83200	0.72
			0.36	28-Jun-2019	-41600	Sell	41600	0.36
			0.72	05-Jul-2019	41600	Buy	83200	0.72
		83200	0.72	31-Mar-2020	0		83200	0.72
<b>9</b>	Manji Karaman Patel	41600	0.36	30-Mar-2019	0		41600	0.36
			0.72	27-Jun-2019	41600	Buy	83200	0.72
			0.36	28-Jun-2019	-41600	Sell	41600	0.36
			0.72	05-Jul-2019	41600	Buy	83200	0.72
		83200	0.72	31-Mar-2020	0		83200	0.72
<b>10</b>	Manju Jayantilal Lodha	76800	0.66	30-Mar-2019	0		76800	0.66
			0.58	07-May-2019	-9600	Sell	67200	0.58
			0.23	10-May-2019	-40000	Sell	27200	0.23
			0.21	17-May-2019	-3200	Sell	24000	0.21
			0.41	27-Jun-2019	24000	Buy	48000	0.41
			0.21	28-Jun-2019	-24000	Sell	24000	0.21
			0.41	05-Jul-2019	24000	Buy	48000	0.41
			0.63	17-Jan-2020	25182	Buy	73182	0.63
			0.65	24-Jan-2020	2393	Buy	75575	0.65
			0.68	31-Jan-2020	3000	Buy	78575	0.68
			0.64	14-Feb-2020	-4000	Sell	74575	0.64
			0.63	28-Feb-2020	-1340	Sell	73235	0.63
			0.62	06-Mar-2020	-1027	Sell	72208	0.62
		72208	0.62	31-Mar-2020	0		72208	0.62

11	Zahra M Bharmal	33600	0.29	30-Mar-2019	0		33600	0.29
			0.58	27-Jun-2019	33600	Buy	67200	0.58
			0.29	28-Jun-2019	-33600	Sell	33600	0.29
			0.58	05-Jul-2019	33600	Buy	67200	0.58
		67200	0.58	31-Mar-2020	0		67200	0.58

Company has allotted Bonus Shares in the Ratio of 1:1 to all shareholders of the Company on 05<sup>th</sup> July, 2020

**(v) Shareholding of Executive Directors and Key Managerial Personnel**

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (30/03/2019)/ end of the year (31/03/2020)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	Ketan Chhaganlal Patel (Chairman and Managing Director)	3969760	34.22	30-Mar-2019			3969760	34.22
			68.44	27-Jun-2019	3,969,760	Buy	7939520	68.44
			34.22	28-Jun-2019	-3,969,760	Sell	3969760	34.22
			68.44	05-Jul-2019	3,969,760	Buy	7939520	68.44
		7939520	68.44	31-Mar-2020			7939520	68.44
2	Purvi Ketan Patel (Whole-time Director)	29600	0.26	30-Mar-2019			29600	0.26
			0.51	27-Jun-2019	29,600	Buy	59200	0.51
			0.26	28-Jun-2019	-29,600	Sell	29600	0.26
			0.51	05-Jul-2019	29,600	Buy	59200	0.51
		59200	0.51	31-Mar-2020			59200	0.51
3	Vijay Kimatrai Advani (Whole-time Director)	200	0.00	30-Mar-2019			200	0.00
			0.00	27-Jun-2019	200	Buy	400	0.00
			0.00	28-Jun-2019	-200	Sell	200	0.00
			0.00	05-Jul-2019	200	Buy	400	0.00
		400	0.00	31-Mar-2020			400	0.00
4	Abhijit Divakar Kanvinde (Chief Financial Officer)	0	0.00	30-Mar-2019			0	0.00
		0	0.00	31-Mar-2020			0	0.00
5	Tejas Niranjambhai Doshi (Company Secretary and Compliance Officer)	0	0.00	30-Mar-2019			0	0.00
		0	0.00	31-Mar-2020			0	0.00

Company has allotted Bonus Shares in the Ratio of 1:1 to all shareholders of the Company on 05<sup>th</sup> July, 2020

## V. INDEBTEDNESS

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

(Amount in Rs. Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	3,262.52	327.90	0	3,590.42
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>3,262.52</b>	<b>327.90</b>	<b>0</b>	<b>3,590.42</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	0	0	0	0
Reduction	(236.29)	(167.50)	0	(403.79)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,026.23	160.40	0	3,186.63
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>3,026.23</b>	<b>160.40</b>	<b>0</b>	<b>3,186.63</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director, Director and/or Manager:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Director and/or Manager			TOTAL
		Mr. Ketan Patel (Chairman and Managing Director)	Mrs. Purvi Patel (Whole-time Director)	Mr. Vijay Advani (Whole-time Director)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	58,33,496	31,77,704	41,43,544	1,31,54,744
	(b) Value of perquisites u/s 17(2) of the Income tax, Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission as % of profit others (specify)	0	0	0	0
5	Others, please specify	0	0	0	0
<b>TOTAL</b>		<b>58,33,496</b>	<b>31,77,704</b>	<b>41,43,544</b>	<b>1,31,54,744</b>



**B. Remuneration to other Directors:**

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of Independent / Non- Executive Directors					TOTAL
		Mr. Suresh Bhagavatula (Additional Independent Director) *	Mr. Kurian Chandy (Additional Independent Director) *	Mr. Mihir Shah (Independent Director)	Mr. Piyush Shah (Independent Director) *	Mr. Mandar Joshi (Independent Director) *	
<b>1</b>	Independent Directors						
	(a) Fee for attending Board and Committee meetings	18,000	26,000	1,54,000	92,000	46,000	3,36,000
	(b) Commission	0	0	0	0	0	0
	(c) Others, please specify	0	0	0	0	0	0
	<b>Total (1)</b>	<b>18,000</b>	<b>26,000</b>	<b>1,54,000</b>	<b>92,000</b>	<b>46,000</b>	<b>3,36,000</b>
<b>2</b>	Other Non-Executive Directors	NA	NA	NA	NA	NA	NA
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>TOTAL (1+2)</b>	<b>18,000</b>	<b>26,000</b>	<b>1,54,000</b>	<b>92,000</b>	<b>46,000</b>	<b>3,36,000</b>

\* During the year Mr. Mandar Joshi & Mr. Piyush Shah has been resigned as a Independent Directors of the company and Mr. Suresh Bhagavatula & Mr. Kurian Chandy has been appointed as an Additional Independent Director of the Company.

**REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(Amount in Rs.)

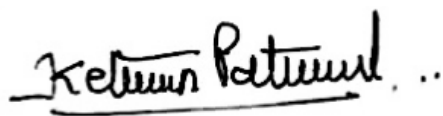
Sr. No.	Particulars of Remuneration	Name of the Key Managerial Personnel		TOTAL
		Mr. Abhijit Kanvinde (Chief Financial Officer)	Mr. Tejas Doshi (Company Secretary and Compliance Officer)	
<b>1</b>	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	33,18,004	11,26,812	44,44,816
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
<b>2</b>	Stock option	0	0	0
<b>3</b>	Sweat Equity	0	0	0
<b>4</b>	Commission as % of profit others (specify)	0	0	0
<b>5</b>	Others, please specify	0	0	0
	<b>TOTAL</b>	<b>33,18,004</b>	<b>11,26,812</b>	<b>44,44,816</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

For and on behalf of the Board of Directors  
Creative Peripherals and Distribution Limited



Mr. Ketan Patel  
Chairman & Managing Director  
DIN 00127633  
Date: 25<sup>th</sup> June, 2020  
Place: Mumbai

## ANNEXURE -B : FORM NO. AOC-2 (RELATED PARTY TRANSACTIONS)

### Form No. AOC-2

As on the financial year ended on 31<sup>st</sup> March, 2020

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

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 the Companies Act, 2013, including arms' length transactions under third proviso thereto:

#### 1. Details of material contracts or arrangement or transactions NOT at arm's length basis :

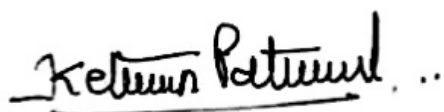
Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts / arrangements / transactions	Date(s) of approval by the Board	Amount paid as advances	Date on which special resolution was passed in General meeting
1	NIL	NA	NA	NA	NA	NA	NA	NA

#### 2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value, if any	Date(s) of approval by the Board / Audit Committee	Amount paid as advances, if any
1.	Mr. Ketan Patel (Chairman and Managing Director)	Remuneration Paid Interest Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 58,33,496 Rs. 9,96,649	27 <sup>th</sup> May, 2019 27 <sup>th</sup> May, 2019	NA NA
2.	Mr. Vijay Advani (Whole-time Director)	Remuneration Paid Interest Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 41,43,544 Rs. 1,44,000	27 <sup>th</sup> May, 2019 27 <sup>th</sup> May, 2019	NA NA
3.	Mrs. Purvi Patel (Whole-time Director)	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 31,77,704	27 <sup>th</sup> May, 2019	NA
4.	Mr. Abhijit Kanvinde (Chief Financial Officer)	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 33,18,004	27 <sup>th</sup> May, 2019	NA
5.	Mr. Tejas Doshi (Company Secretary and Compliance Officer)	Remuneration Paid	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 11,26,812	27 <sup>th</sup> May, 2019	NA

6.	Ms. Nidhi Patel (Relative of Director)	Salary	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 10,43,756	10 <sup>th</sup> October, 2019	NA
7.	Creative Peripherals and Distribution Limited (Hong Kong) (Subsidiary Company at Hong Kong)	Purchases	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 63,71,414	27 <sup>th</sup> May, 2019	NA
		Sales		Rs. 6,58,48,073	27 <sup>th</sup> May, 2019	NA
8.	Secure Connection Limited (Hong Kong) (Subsidiary company at Hong Kong)	Purchases	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 2,13,69,540	27 <sup>th</sup> May, 2019	NA
		Sales		Rs. 31,11,883	27 <sup>th</sup> May, 2019	NA
9.	Secure Connection Private Limited (Entity over which Key Managerial Persons have significant influence / control)	Purchases	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 1,76,78,440	27 <sup>th</sup> May, 2019	NA
		Sales		Rs. 31,32,831	27 <sup>th</sup> May, 2019	NA
10.	Bittech Services (Entity over which Key Managerial Persons have significant influence / control)	Purchases	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 32,15,118	27 <sup>th</sup> May, 2019	NA
		Sales		Rs. 15,13,732	27 <sup>th</sup> May, 2019	NA
11.	Compunics Technologies LLC	Sales	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 99,67,982	27 <sup>th</sup> May, 2019	NA
12.	Click Retail Private Limited (Entity over which Key Managerial Persons have significant influence / control)	Reimbursement of Expenses	On such Terms and Conditions and amount as may be decided by the Board of Directors	Rs. 52,41,600	27 <sup>th</sup> May, 2019	NA

For and on behalf of the Board of Directors  
Creative Peripherals and Distribution Limited



Mr. Ketan Patel  
Chairman & Managing Director  
DIN 00127633  
Date: 25<sup>th</sup> June, 2020  
Place: Mumbai

### Forward looking statement

Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events.

The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government regulations, tax laws, economic developments within the country and such other factors globally.

The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 2013 (the Act) and comply with the Indian Accounting Standards as pronounced by the Institute of Chartered Accountants of India (ICAI) from time to time. The Management of Creative Peripherals and Distribution Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements, reflect in a true and fair manner, the state of affairs and profit for the year.

The following discussions on our financial condition and result of operations should be read together with our audited financial statements and the notes to these statements included in the annual report. Unless otherwise specified or the context otherwise requires, all references herein to "we", "us", "our", "the Company", "Creative" are to "Creative Peripherals and Distribution Limited".

### ECONOMIC OVERVIEW

#### Global & India Scenario

The global economic scenario has taken a major setback following the outbreak of the COVID-19 pandemic. Lockdowns in several parts of the world brought trade, commerce and all operations to a temporary standstill, impacting almost all industries worldwide.

As per a June 2020 report of the International Monetary Fund (IMF), global growth is now projected at 4.9% in 2020, 1.9 percentage points below the April 2020 World Economic Outlook (WEO) forecast. The pandemic has had a greater adverse impact than anticipated in the first half of the year, and recovery is projected to be more gradual than previously forecast.

In 2021, global growth is projected at 5.4%. Overall, this would leave the 2021 GDP about 6.5 percentage points lower than in the pre-COVID-19 projections of January 2020.

Moreover, the recent and ongoing trade tensions between the US and China would also play a significant role in global economic dynamics.

As per the June 2020 WEO updates (in the aforementioned report by the IMF), India's economic growth projections have been revised to a contraction (de-growth) of 4.5% in 2020, after a 4.2% growth in 2019. Economic growth is projected to recover in 2021 at 6%.

While industries are reopening and regaining momentum, the market is dynamic with several variables at play, such as employment, discretionary spending patterns etc. The entire impact of the pandemic on business and industry is likely to continue to reflect in the near future.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2020/06/24/WEOUpdateJune2020>

#### Indian Licensing Industry

The licensed manufacturing model in India has seen steady growth over the past several years. Being a high-potential emerging market with rising disposable incomes, the country is an attractive destination for global brands to enter and penetrate.

While the licensing business is still at a nascent stage, the industry is evolving, supported by better implementation of laws, government regulations and development of pro-innovation ecosystem. Relatively lower labour costs, rising per capita income, and significant market around IP rights, make it a more attractive prospect for lot of companies.

Licensing represents a way for a manufacturer to take advantage of all the brand building and image building that has gone on before.

India's diverse and evolving retail scenario would also play a crucial role in this industry. The penetration of online commerce has played a significant role in the increased opportunity for international brands in India, and when combined with the smartphone revolution, consumers have retailers just a click away.

As an increasingly tech-savvy nation, the India is a high growth potential market for international brands. As per industry estimates, the Indian consumer electronics market size is forecast to grow through 2025. The COVID-19 pandemic impacted the industry significantly in 2020, and its impact is still being felt, especially in brick and mortar stores. However, the fast-growing eCommerce industry is offsetting that impact and adding to the immense potential for players. As licensing grows and becomes more organized, the demand for service providers to offer holistic licensing and branding solutions would also increase.

The demographic diversity and rapidly changing trends (consumer preferences) in this market present a challenge to various international brands, thereby increasing competition to tap into this market's potential. Moreover, the urban and rural divide in the India market increases the challenge for an international brand to establish an effective distribution channel.

Consequently, several brands are adopting newer strategies to penetrate and grow in the market. For instance, various brands are tying up with online portals to offer products directly to the consumers, thereby avoiding infrastructure, warehousing and other similar costs.

Advancements in technology, expanding market places, and growing brand awareness have boosted the licensing industry in India. As per recent market estimates, retail licensing in India was estimated at over \$1.26 billion. Moreover, more than 90% of licensing and merchandising activity in India are for foreign brands. This represents the demand and scope for international brands to tap the potential present in the Indian market. India is expected, in the next 4 to 6 years, to be at the level where China currently is, in terms of retail sales of licensed merchandise and generating royalties.

A key factor for the success of licensing in the market, is organized retail. Organized retail remains less than 10% of the market in India, reflecting a significant gap in the supply and demand of authentic licensed products. However, with the Goods and Services Tax roll-out, organized retail and e-commerce are going to be the major enablers for the brand licensing industry. According to industry estimates, organized retail is forecast to grow exponentially to about \$220 billion by 2023.

Furthermore, quality control is also a critical factor impacting the success of a licensing agreement. This includes inspection of manufacturing premises, personnel training, managerial controls, approval of marketing and advertising campaigns undertaken by the licensee, after sales services, and other factors. On this front as well, Indian companies are making progress, with increasing number of players being approved by international brands for contract manufacturing.

Sources:

<https://www.entrepreneur.com/article/332386>

<https://www.grandviewresearch.com/industry-analysis/india-consumer-electronics-market>

Global Licensing Industry Survey 2019, LIMA – <https://publishingperspectives.com/2019/06/survey-sees-worldwide-licensing-grow-by-3-2-percent-2018/>

Statista – <https://www.statista.com/statistics/308667/it-hardware-spending-forecast-india/>

World Trademark Review – <https://www.worldtrademarkreview.com/brand-management/rise-licensing-india>

<https://www.entrepreneur.com/article/332724>

### **About Creative Peripherals and Distribution Limited**

Established in 1992, Creative Peripherals and Distribution Limited is a well-established company in India's Information and Communication Technology distribution market.

Through a robust network of partners and distribution channels, the Company has made a strong foothold in the IT distribution market in the country. The Company has an omni-channel network across all three channels of online, offline and retail trade.

Creative Peripherals specializes in market entry and penetration for global brands. The Company offers demographic intelligence, and enables the formulation and execution of marketing strategies for its clients. In addition to such services, Creative continues to focus on timely delivery, diversification of its product portfolio, sustained long-term relationships with its channel partners, and extending value-added services over and above distribution. These efforts have enabled the Company to win long running contracts as well as garner accolades in the Industry as amongst the best distributors in India by leading brands.

In August 2019, the Company successfully migrated NSE-Emerge board to the NSE Main board. After two years on the NSE-Emerge board, the Company aims to take full advantage of bigger platform, in terms of increased visibility, as well as the opportunities that this platform has to offer. Consequently, we are already witnessing increased visibility for our Company.

Creative Peripherals is associated with over 20 renowned brands globally which are categorized in three broad divisions IT, imaging and lifestyle and security product. These brands encompass a wide range of applications and help the Company to cater to a broad array of customers, both in the consumer and industrial businesses. Moreover, the Company is well-positioned to leverage the changing trends in the technology industry and be a part of the paradigm shift towards digitization in India.

Creative Peripherals has a unique value-added business model. They provide end-to-end solutions, from market research and competition analysis for brands, to import, distribution, sales and servicing for the brand. Additionally, the Company suggests and executes marketing strategies and recommends viability in specific regions across India for their clients. This is enabled by specialized skill sets, local insights and experience, along with relevant market intelligence. Creative Peripherals also prepares strategic plans for market entry for foreign brands and their target category.

Furthermore, the Company conducts pre-sales and marketing activities for the success of the brand as well as to enable the channel partners to leverage their expertise and bottom line. Creative Peripherals works closely with partners across channels including Large Format Retail (LFR), e-commerce and specialized retailers. The company is one of the few large distributors who conduct specialized training modules, events and promotional activities at the ground level with channel partners along with workshops and demos for resellers. This is possible due to the dedication and experience of the corporate and sales teams which constantly track latest market developments to build a closer market connect. The Company's wide reach and superior logistics capabilities helps it provide end-to-end services including warranty and post-warranty, high-level repair services, and response centres, among others.

Such expertise and superior quality of service has led to increased confidence of brands, many of which have chosen Creative Peripherals as exclusive partners and have been with the company since over five years. The Company focuses on higher operational efficiencies and adding higher-margin and value-added products to its existing product portfolio and such brand associations are a concrete step in that direction.

In order to enhance the Company's visibility and scalability, it launched an online digital B2B eCommerce platform named Ckart for network of clients. The new platform enables all our customers to showcase their inventory and trade amongst each other, facilitating in higher volumes and expanding the product portfolio being offered through Creative Peripherals. This platform will fortify our presence as a one stop shop for customers. Drop-shipment facility provided by this platform allows a customer to place an order with the Company, and have it delivered at their respective customer's address. Ckart was developed in-house by our highly skilled team.

The Company is associated with several major brands across the world providing them unique solutions and distribution channels. Details of vendors and products distributed by the Company are given in the following table:

Vendor	Product Category
AOC	Monitors & TV
ASROCK	Motherboards
BABYLISS	Personal Grooming products
COOLER MASTER	PC Casing and Cooling products
DAEWOO	TV & monitors
GITZO	Backpack
GOPRO	Cameras
HONEYWELL	Cables, Accessories, Car Chargers, master switch, etc.
INVUE	Retail security protecting mobile electronics devices
MANFROTTO	Tripods, Mini Tripods, Monopod, Backpack
MEPL	TVs
NET PROTECTOR	Software
NZXT	Cabinets
OLYMPUS	Cameras, Lenses, Binoculars

PANASONIC	Audio Products
PHILIPS SIGNAGE	SIGNAGE Monitors
PNY	Graphics Cards and SSDs
PRINTRONIX	Printers
RAPOO	Keyboards, Mouse, Headphones, Power bank
SAMSUNG	Monitors
SENNHEISER	Headphones
SHARP	TVs
THERMALTAKE	Computer cooling and gaming accessories
TRANSCEND	Memory, Storage
VIEWSONIC	Projectors, 3D Glass

## FINANCIAL OVERVIEW –

The financial performance of the Company for the financial year ended March 31, 2020, is as follows:

Total revenue from operations stood at Rs. 459.06 crore for the year ended March 31, 2020, as against Rs. 370.72 crore for the corresponding previous period, an increase of 23.83%, mainly on account of strong performance in IT, Imaging and gaming products.

The cost of raw materials rendered for the financial year ended March 31, 2020 was Rs 407.03 crore as against Rs 335.66 crore for the corresponding previous period, an increase of 21%.

The staff expenses for the financial year ended March 31, 2020 were Rs 8.99 crore as against Rs. 6.96 crore for the corresponding previous period, an increase of 29%.

The other expenses for the financial year ended March 31, 2020 were Rs. 26.22 crore as against Rs 14.77 crore for the corresponding previous period, an increase of 77%. This has been mainly on account of increase in promotional and marketing expenses incurred towards promotion of new products.

The EBIDTA (earnings before interest, depreciation and tax, excluding other income) was Rs. 16.82 crore for the year ended March 31, 2020, as against Rs. 13.32 crore for the corresponding previous period, an increase of 26.28%.

The depreciation for the financial year ended March 31, 2020 was Rs. 0.86 crore, as against Rs. 0.53 crore for the corresponding previous period, an increase of 63%.

The interest for the financial year ended March 31, 2020 was Rs. 4.8 crore as against Rs. 4.52 crore for the corresponding previous period, an increase of 6%.

The PAT (profit after tax) was Rs. 7.78 crore for the year ended March 31, 2020, as against Rs. 5.85 crore for the corresponding previous period, an increase of 32.97%.

The Board of Directors have recommended a Final Dividend at the rate of 5% i.e. Rs 0.5 on face value of Rs 10 per share equity share. This is subject to the approval of shareholders.

## RESOURCES AND LIQUIDITY

As on March 31, 2020, the consolidated net worth stood at Rs. 41.24 crore and the consolidated debt was at Rs. 31.88 crore.

The cash, cash equivalents and bank balances at the end of March 31, 2020 were Rs. 3.89 crore.

The net debt to equity ratio of the Company stood at 0.76 as on March 31, 2020.



## Business Category wise Performance

Creative Peripherals operates in three broad product categories: distribution of IT products; Imaging; and Lifestyle and Security products.

The Company is performing well in all the categories and expects the momentum to continue in next financial year.

### 1. IT Products

Creative Peripherals offers a range of IT hardware products like printers, supplies (cartridges), PC components (monitors, hard disks, CD writers, CD ROMs), and storage devices offered by multiple vendors. The company's wide spectrum of products offered from multiple vendors helped it achieve economies of scale and provide customers a single sourcing point. The Company has many exclusive distribution agreements and innovative distribution channels. One of the key brands under the IT category is Honeywell, A Fortune 100 company with whom the Company has deep integration in terms of contract manufacturing, distribution and marketing across India and Middle East. Other high-growth brands under this segment include Cooler Master and PNY. IT contributed to 42% of its revenue from distribution of IT products in FY20.

### 2. Imaging

This category encompasses a range of cameras, tripods and other imaging products and accessories. This category is growing aggressively as trends in photography change rapidly. One of the key drivers in the segment is GoPro which has significant growth in user adoption across the urban market in India. The Company is setting up innovative distribution channels, training employees, helping clients develop content to giving a whole package of experience to the end consumer. Creative Peripherals believes that trends in this category are shifting from just product innovation to offering customer-centric experiences. This category contributed 43% to revenue in FY20. These are higher margin products and are planned to grow at a much faster rate.

### 3. Lifestyle and security

This segment includes products such as TVs, headphones, projectors and other lifestyle products and IT accessories. The Company has expanded its portfolio in the high growth segment. Some of the Company's brand associations include InVue, a premier retail security solution, and BaByliss, a niche personal grooming brand with global presence. These associations not only diversify and expand portfolio, but also enhance and testify of the company's recognition among global brands. In security it strives to cater to the growing needs and demand for retail security product and are expanding in this direction rapidly. Creative is a major player in this segment with exclusive agreement with global giants in this sector such as Inview. This category contributed 15% to revenue in FY20.

## ACHIEVEMENTS IN BUSINESSES DURING THE YEAR:

1. Expanded Honeywell Product Portfolio – contract manufacturing and exclusive distribution of various structured cabling solutions. Introduced entire range of Copper & Fiber Solutions under Structured Cabling – Contract manufacturing with the first Honeywell certified facility in India
2. Signed distribution agreement for Panasonic – among leading consumer electronics brands globally – Agreement to Distribute Panasonic's wide range of premium Audio products
3. Signed distribution agreement with BaByliss – a niche international personal grooming brand Exclusive Authorized Distributor for BaByliss across India – distributing wide range of hair care products
4. Signed new distribution agreement with PNY Technologies Europe – a Worldwide supplier of storage and graphics-card solutions Authorized Distributor for PNY products across India – distributing wide range of graphics cards and SSDs
5. Signed distribution agreement for Cooler Master – a niche international computer cooling and accessories brand Authorized Distributor for Cooler Master across India – distributing wide range of casing and cooling solutions
6. Successfully migrated from NSE Emerge to NSE Main Board after satisfying all required criteria

## RISKS AND CONCERNS

Like every business, the Company faces risks, both internal and external, in the undertaking of its day-to-day operations and in pursuit of its longer-term objectives. A detailed policy drawn up and dedicated risk workshops are conducted for each business vertical and key support functions wherein risks are identified, assessed, analyzed and accepted / mitigated to an acceptable level within the risk appetite of the organization. The risk registers are also reviewed from time to time.

The Company faces the following Risks and Concerns:

#### Rapid Obsolescence of Technology & Change in Consumer Preferences

A technology business is always exposed to sudden and unanticipated changes in technology and consumer trends and preferences. This exposes the company to the risk of becoming uncompetitive in terms of product/services offering to the customers. There is a need to constantly upgrade the product and service portfolio (e.g. Cloud, IoT, Mobility Analytics, etc.), and stay on top of changing consumer preferences.

#### Credit Risk

To manage its credit exposure, Creative Peripherals has determined a credit policy with credit limit requests and approval procedures. Company does its own research of clients' financial health and project prospects before entering into an agreement with them. Timely and rigorous process is followed up with clients for payments as per schedule. The company has suitably streamlined the process to develop a focused and aggressive receivables management system to ensure timely collections.

#### Interest Rate Risk

The Company has judiciously managed the debt-equity ratio. It has been using a mix of loans and internal cash accruals. The Company has well managed the working capital to reduce the overall interest cost.

#### Competition Risk

Like in most other industries, strong scope of opportunities come with intense competition. We face different levels of competition in each of our operating categories, from domestic as well as multinational companies. Creative Peripherals has created strong differentiators in project execution, portfolio, level on involvement in marketing and delivery, which make it resilient to competition. Furthermore, the Company continues to invest in technology and people to remain ahead of the curve. A strong and stable client base, comprising large and mid-sized corporations, further helps mitigate this risk. We counter this risk with the quality of our infrastructure, our customer-centric approach, value-added services and our ability to innovate customer specific solutions, focusing on pricing and aggressive marketing strategy, disciplined project executions, along with prudent financial and human resources management and better control over costs. Thus, we expect to be significantly insulated from this risk.

### OPPORTUNITIES

#### Changing consumer preferences and growing urbanization:

- With evolving consumer needs and preferences, there is a strong growth in demand for good quality products, services and a unique customer experience.
- With rising disposable incomes and urbanization, consumers demand better experiences and after sales service, which paves the way for new innovations.

#### Technological Tie-ups:

- With many technological tie-ups and extensive R&D there's huge scope for new and innovative products to enter the market.
- Increasing role of technologically trained and skilled staff at points of sale.

**Distribution agreements with renowned brands: An increasing number of international brands want to come to India to tap into the market potential. Such brands typically want ready and modern distribution system covering the geographical territories of the country and serving customers on a PAN India basis which will grow their brand quicker.**

**Growth in the existing and new product lines: Consumer electronics are evolving rapidly, giving rise to many new**

product concepts. This gives scope to not only grow the existing products but also venture into new product lines to fulfill the needs of the consumers.

## THREATS

- Competition from local and multinational players.
- Regulatory changes including unfavorable tax changes or import regulations.
- Attraction and retention of talented human resources.
- Frequent and rapid technological advancements leading to early obsolescence of products in inventory
- Over-dependence on few brands which account for majority revenue.
- The spread of COVID-19 virus across the globe could have a continued impact on business in FY21.

## INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has an internal audit function designed to review the adequacy of internal control checks in the system which covers all significant areas of Company's operations such as accounting and finance, procurement, business operations, statutory compliances, IT processes, safeguarding the assets and their protection against unauthorized use, among others. The Internal Audit function performs the internal audit of Company's activities based on an internal audit plan, which is reviewed each year and is approved by the Board of Audit Committee. The Audit Committee reviews the report submitted by the internal auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. Disciplinary action is taken, wherever required, for non-compliance to corporate policies and controls.

The Company has also implemented effective systems for achieving highest level of efficiency in operations, to achieve optimum and effective utilization of resources, monitoring thereof and the compliance with provisions all laws including the Companies Act, 2013, Listing Agreement, directions issued by the Securities and Exchange Board of India, labour laws, tax laws etc. It also aims at improvement in financial management, and investment policy. The System ensures appropriate information flow to facilitate effective monitoring.

## HUMAN RESOURCES

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

As on March 31, 2020, the Company had 150 employees on payroll. The manpower is a prudent mix of experienced and young professionals which gives us the dual advantage of stability and growth. The work progress and skilled/ semi-skilled/ unskilled resources, together with the Company's strong management team, have enabled it to successfully implement our growth plans.

The Company also imparts behavioral, technical and on the job training to our employees. Technical trainings are mandated by the vendor whenever the employees have to deal with pre-technical or post technical issues. Training calendars are set by the vendors and nominated employees from our Company attend the program and obtain a feedback on the completion of the program.

## OUTLOOK

Creative Peripherals strategizes to collaborate with brands on an 'exclusive distribution rights' arrangement. This enables a closer association with the brand and the ability to implement uniquely devised marketing strategies for specific products under that brand. The Company aims to utilize its market analysis and intelligence to execute marketing and sales plans at individual stores for the brand. In this direction, Creative Peripherals invests in training and engaging staff at various points of sale, representing the brand and driving sales. Moreover, preferring an exclusive agreement also helps the Company is gaining market share as exclusive distributors for key brands and products, mitigating risk from competition.

Such insights and on-ground marketing help Creative Peripherals garner a 'pull effect' among global brands, which

recognize and approach the Company for its specialization in local strategy and a pan India presence. Creative Peripherals has partnered with several renowned brands for distribution in India, with fruitful agreements with GoPro, Honeywell, InVue, etc. The Company has a broad-based distribution model which is based on multiple products and multiple brand strategies. The focus is to capture a considerable market share in each of the product categories. This helps the Company to make product offering complete to the channel partners.

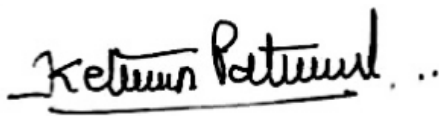
A skilled and experienced team, with a good rapport with clients (owing to timely and quality delivery of goods & services), further benefits the Company in creating and expanding its work platform. To retain existing customers and ensure repeat order flows, the team regularly interacts with clients and focuses on gaining an insight into the additional needs of customers. Creative Peripherals intends to expand its customer base by reaching out to other geographical areas. The Company operates with a dealer network of over 5,000 dealers and intends to strengthen this network to boost organic growth.

The year 2020 was adversely impacted by the COVID-19 outbreak, which caused significant slowdown in overall growth trajectories across industries. However, we took the opportunity to enhance skill sets and internal efficiencies during this time. With the markets reopening, we are in a position to fully capitalize on the demand and deliver at better scale.

Furthermore, in order to enhance the Company's geographical reach and client presence across the target markets, we launched Ckart, an online digital B2B eCommerce platform for our products as well as the clients' products. The digital platform facilitates viewing, sharing and transacting of clients' inventories amongst each other. One of the advantages would be the availability of full inventory for customers on the platform. Drop shipment will enable delivery directly to the client's customer. With this, the Company delivers a one stop shop for all the needs of its clients.

Going forward, we see this platform play a pivotal role in the paradigm shift of distribution from a brick and mortar, to an online-based service.

**For and on behalf of the Board of Directors  
Creative Peripherals and Distribution Limited**



**Mr. Ketan Patel  
Chairman & Managing Director  
DIN 00127633  
Date: 25<sup>th</sup> June, 2020  
Place: Mumbai**

## Form No. MR-3

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

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2020

To,  
The Members,  
**Creative Peripherals and Distribution Limited**  
(CIN - L52392MH2004PLC148754)

**Registered Office Address** - 3<sup>rd</sup> & 4<sup>th</sup> Floor, Plot No 137AB,  
Kandivali Co Op Industrial Estate Limited,  
Charkop, Kandivali West Mumbai - 400 067

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Creative Peripherals and Distribution Limited (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 my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents, authorized representatives and the explanations and clarifications given to us and representations made by Management during the conduct of secretarial audit and considering the relaxations granted by Ministry of Corporate Affairs(MCA) and Securities and Exchange Board of India (SEBI) due to outbreak of the COVID- 19 Pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

During the year, on 12<sup>th</sup> June, 2019, the Company has issued and allotted Bonus Equity Shares in ratio of 1:1 by approval of members of the Company through Postal Ballot.

During the year, on 12<sup>th</sup> June, 2019, the Company increased its Authorised Share capital to Rs. 14,00,00,000/- divided into 1,40,00,000 Equity Shares of Rs. 10/- each by approval of members of the Company through Postal Ballot.

- c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;  
During the year under review, the Company has not brought back any of its Securities.
- e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;  
During the year under review, the Company has not issued any shares/ securities to its employee.
- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; During the year under review, the Company has not issued any debt securities.
- g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;  
During the year under review, the Company has not issued any Non-Convertible and Redeemable Preference Shares.
- h. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;  
During the year under review, the Company has received declaration from the Promoters, Directors and Senior Managerial Personnel as required under the regulation regarding the holding of Company's securities and there was no trading in the securities of the Company by the Promoters, Directors and Senior Managerial Personnel:

- (vi) Other laws as applicable specifically to the Company as identified by the management, that is to say:
  - a. The Shop and Establishment Act, 1948
  - b. The Employees' Provident Fund & Miscellaneous Provisions Act, 1952
  - c. The Payment of Gratuity Act 1972 & Rules
  - d. The Customs Act, 1962

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by Company with National Stock Exchange (NSE) of India Limited and Bombay Stock Exchange (BSE) Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, 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 is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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


We further report that during the audit period the Company has following events / actions having a major bearing on the

company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above viz.

During the year, the equity shares of the Company has been migrated from NSE SME segment to NSE Main Board – Capital Market as on 05<sup>th</sup> August, 2019

**For Satyajit Mishra & Co.**

**Company Secretaries**



**Satyajit Mishra**

**Proprietor**

**C.P. No.: 4997**

**UDIN: F005759B000381574**

**Date: 25<sup>th</sup> June, 2019**

**Place: Mumbai**

**ANNEXURE I**

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

1. Maintenance of Secretarial record is responsibility of the Management of the Company. Our responsibility is to express an opinion on the Secretarial records based on our Audits.
2. We have followed the audit practice and process as were appropriate to obtain reasonable assurance about correctness of the contents of the Secretarial records. The verification done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that process 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 compliance of the Laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of the Corporate and other applicable Laws, rules, regulations and standards is responsibility of Management. Our examination was limited to verification of procedure on the test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Satyajit Mishra & Co.**

**Company Secretaries**



**Satyajit Mishra**

**Proprietor**

**C.P. No.: 4997**

**UDIN: F005759B000381574**

**Date: 25<sup>th</sup> June, 2019**

**Place: Mumbai**

## ANNEXURE-E: CERTIFICATE OF CORPORATE GOVERNANCE

To,  
The Members,  
**Creative Peripherals and Distribution Limited**  
(CIN - L52392MH2004PLC148754)  
**Registered Office Address** - 3<sup>rd</sup> & 4<sup>th</sup> Floor, Plot No 137AB,  
Kandivali Co Op Industrial Estate Limited,  
Charkop, Kandivali West Mumbai – 400 067

We have examined the compliance of conditions of Corporate Governance by Creative Peripherals And Distribution Limited for the year ended March 31, 2020, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) for the financial year ended March 31, 2020.

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the outbreak of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended March 31, 2020.

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 Satyajit Mishra & Co.  
Company Secretaries



Satyajit Mishra  
Proprietor  
C.P. No.: 4997  
UDIN: F005759B000381431  
Date: 25<sup>th</sup> June, 2019  
Place: Mumbai



## **REPORT ON CORPORATE GOVERNANCE**

The report on Corporate Governance for the year ended March 31, 2020 is as under:-

### **CORPORATE GOVERNANCE - PHILOSOPHY**

The Company philosophy on Corporate Governance aims at upholding core values of transparency, professionalism, accountability, honesty and integrity in its functioning and conduct of business with due respect to laws and regulations and attaining highest standard of business ethics and commitment to transparency in business dealings, essential for long term success. It is directed in such a way that it performs effectively keeping in view customers, employees and long term interests and confidence of the stakeholders. It adheres to the code of conduct formulated which serves as a guide to each employee on standards, values, ethics and principles.

### **1. BOARD OF DIRECTORS**

The composition of the Board of Directors of the Company is in accordance with the relevant provisions of Companies Act, 2013 and Rules framed thereunder as amended, from time to time (hereinafter referred to as “the Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”). As on 31<sup>st</sup> March, 2020, the Board comprised of 6 Directors with Two Whole Time Director, One Managing Director and Three Non-Executive Independent Directors. The Non-Executive Directors are eminent professionals, drawn from amongst persons with experience in business, finance, law and corporate management. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees as specified in the Listing Regulations, across all the Companies in which he/she is a Director. The Committees for determining this criteria shall include Audit Committee and Stakeholders Relationship Committee. All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 (the Act) and Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management. As of 31<sup>st</sup> March, 2020, none of the Directors of the Company hold shares in the Company. There are no inter-se relationships between the Directors of the Company. The Independent Directors are entitled to sitting fees for every meeting of the Board or Committee thereof attended by them. Details of Independent Directors’ familiarization program are part of the Directors’ Report.

The composition of the Board during the financial year and till the date of this Report is as under:-

<b>Director</b>	<b>Executive/Non-Executive/ Independent</b>	<b>Directorships in other <u>Public Companies</u> •</b>	<b>List of Directorship held in other <u>Listed Companies</u> •</b>
Mr. Ketan Chhaganlal Patel	Chairman and Managing Director	Nil	Nil
Mrs. Purvi Ketan Patel	Whole-time Director & Woman Director	Nil	Nil
Mr. Vijay Kimatrai Advani	Whole-time Director	Nil	Nil
Mr. Mihir Mahendra Shah	Independent Director	Nil	Nil
Mr. Suresh Bhagavatula *	Additional Independent Director	Nil	Nil
Mr. Kurian Chandy *	Additional Independent Director	Nil	Vidli Restaurants Limited L55101MH2007PLC173446
Mr. Mandar Nandkumar Joshi *	Independent Director	Nil	Nil
Mr. Piyush Mathuradas Shah *	Independent Director	Nil	Nil

- Excludes directorship in Foreign Companies, Private Companies and Section 8 Companies.

\* During the year under review:

1. Mr. Mandar Joshi, Independent Director resigned as on 10<sup>th</sup> October, 2019
2. Mr. Suresh Bhagavatula, appointed as Additional Independent Director as on 10<sup>th</sup> October, 2019
3. Mr. Piyush Shah, Independent Director resigned as on 25<sup>th</sup> December, 2019
4. Mr. Chandy Kurian, appointed as Additional Independent Director as on 01<sup>st</sup> February, 2020.

#### Disqualification of Directors:

As required under Schedule-V of SEBI (LODR) (Amendment) Regulations, 2018 and certificate obtained from M/s. Satyajit Mishra & Co., Practicing Company Secretary, none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

## 2. BOARD MEETINGS AND BOARD PROCEDURES

During the year under review, the Board of Directors of the Company met 10 (Ten) times and the gap between two consecutive Board Meetings did not exceed one hundred and twenty days. The details of meetings held and attendance of directors are given in the following table. Agenda papers along with explanatory notes were circulated to the Directors well in advance of the meeting. The senior management personnel were invited to participate in matters of interest, importance and relevance. The Board has access to any information within your Company and every effort is made to ensure that the information is adequate and appropriate to enable the Board to take considered decisions on issues.

Your Company has placed all relevant information before the Board as mandated under Listing Regulations.

Sr. No	Date of Board Meeting	Mr. Ketan Patel	Mrs. Purvi Patel	Mr. Vijay Advani	Mr. Mihir Shah	Mr. Suresh Bhagavatula	Mr. Kurian Chandy	Mr. Mandar Joshi	Mr. Piyush Shah	Mr. Abhijit Kanvinde	Mr. Tejas Doshi
		Chairman and Managing Director	Whole-time Director	Whole-time Director	Independent Director	Additional Independent Director	Additional Independent Director	Independent Director	Independent Director	Chief Financial Officer	Company Secretary and Compliance Officer
1	30 <sup>th</sup> April, 2019	✓	✓	✓	✓	N.A.	N.A.	✗	✓	✓	✓
2	07 <sup>th</sup> May, 2019	✓	✓	✓	✓	N.A.	N.A.	✗	✓	✓	✓
3	27 <sup>th</sup> May, 2019	✓	✓	✓	✓	N.A.	N.A.	✗	✓	✓	✓
4	14 <sup>th</sup> June, 2019	✓	✓	✓	✓	N.A.	N.A.	✗	✗	✓	✓
5	27 <sup>th</sup> June, 2019	✓	✓	✓	✓	N.A.	N.A.	✓	✓	✓	✓
6	14 <sup>th</sup> August, 2019	✓	✓	✓	✓	N.A.	N.A.	✓	✗	✓	✓
7	10 <sup>th</sup> October, 2019	✓	✓	✓	✗	N.A.	N.A.	✓	✓	✓	✓
8	28 <sup>th</sup> November, 2019	✓	✓	✓	✓	✗	N.A.	N.A.	✓	✓	✓
9	09 <sup>th</sup> January, 2020	✗	✗	✓	✓	✓	N.A.	N.A.	N.A.	✓	✓
10	06 <sup>th</sup> February, 2020	✓	✓	✓	✓	✗	✓	N.A.	N.A.	✓	✓

\*During the year under review:

1. Mr. Mandar Joshi, Independent Director resigned as on 10<sup>th</sup> October, 2019
2. Mr. Suresh Bhagavatula, appointed as Additional Independent Director as on 10<sup>th</sup> October, 2019
3. Mr. Piyush Shah, Independent Director resigned as on 25<sup>th</sup> December, 2019
4. Mr. Chandy Kurian, appointed as Additional Independent Director as on 01<sup>st</sup> February, 2020.

### 3. AUDIT COMMITTEE

The Audit Committee of the Company at the Board level, interalia, provides assurance to the Board on the adequacy of the internal control system. The Committee periodically reviews financial reporting process and financial results, statement and disclosures, generally accepted accounting principles and on measures taken in safeguarding of assets of the Company, internal audit reports and internal control systems and procedures. The Committee discusses with Internal Auditors, Statutory Auditors scope of findings of audit, audit qualifications, if any, related party transactions and appraises Board on the above.

The terms of reference of the Audit Committee cover all areas specified, thereby meeting the requirements of the Section 177 of the Companies Act, 2013 and also in line with Regulation 18 of the Listing Regulations and other terms as may be referred by Board of Directors.

The Audit Committee comprised of three members. During the year under review, all members including the Chairman of the Committee are Non-Executive and two-third members were independent. The Members of the Audit Committee are financially literate. The Statutory Auditor, Internal Auditor and President and Chief Financial Officer of the Company are the permanent Invitees to all Audit Committee Meetings. The President Corporate Affairs, Legal & Company Secretary who is in charge of Internal Audit is the Secretary to the Audit Committee. Minutes of the Audit Committee are circulated to all Directors and discussed at the Board Meetings.

The Audit Committee met four times during the year. The requisite quorum was present at all the Meetings. The composition of the Audit Committee and the details of meetings held and attended by the members by it are as follows:-

Sr. No	Date of Audit Committee Meeting	Mr. Kurian Chandy	Mr. Suresh Bhagavatula	Mr. Mihir Shah	Mr. Mandar Joshi	Mr. Piyush Shah	Mr. Tejas Doshi
		Chairman	Member	Member	Member	Member	Secretary
1	27 <sup>th</sup> May, 2019	N.A.	N.A.	✓	✗	✓	✓
2	14 <sup>th</sup> August, 2019	N.A.	N.A.	✓	✓	✗	✓
3	28 <sup>th</sup> November, 2019	N.A.	✗	✓	N.A.	✓	✓
4	06 <sup>th</sup> February, 2020	✓	✗	✓	N.A.	N.A.	✓

\*During the year under review:

1. Mr. Mandar Joshi, resigned as Member of Audit Committee on 10<sup>th</sup> October, 2019
2. Mr. Suresh Bhagavatula, appointed as Member of Audit Committee on 10<sup>th</sup> October, 2019
3. Mr. Piyush Shah, resigned as Member of Audit Committee on 25<sup>th</sup> December, 2019
4. Mr. Chandy Kurian, appointed as Chairman and Member of Audit Committee as on 01<sup>st</sup> February, 2020.

### 4. NOMINATION AND REMUNERATION COMMITTEE

The composition of Nomination and Remuneration Committee and details of Meetings held during the year are mentioned here under:

Company Secretary of the Company acts as the Secretary to the Committee.

The Nomination and Remuneration Committee met Three times during the year. The requisite quorum was present at the Meeting. The terms of reference of the Committee are in line with the provisions of Sections 178 of the Companies Act, 2013, Regulation 19 of the Listing Regulations and other terms as may be referred by Board of Directors.

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Committee has formulated a Policy on the appointment of person as Director and evaluation of Directors & Senior Management Personnel (SMP).

The Nomination and Remuneration Policy as prescribed under the Companies Act, 2013 has been adopted by the Board. The Board has formulated criteria for evaluation of Independent Director which includes qualification, positive attributes and independence of Directors, this forms a part of the Remuneration Policy.

Sr. No	Date of Nomination and Remuneration Committee Meeting	Mr. Mihir Shah	Mr. Suresh Bhagavatula	Mr. Kurian Chandy	Mr. Mandar Joshi	Mr. Piyush Shah	Mr. Tejas Doshi
		Chairman	Member	Member	Member	Member	Secretary
1	27 <sup>th</sup> May, 2019	✓	N.A.	N.A.	✗	✓	✓
2	14 <sup>th</sup> August, 2019	✗	N.A.	N.A.	✓	✓	✓
3	01 <sup>st</sup> February, 2020	✓	✓	N.A.	N.A.	N.A.	✓

\* During the year under review:

1. Mr. Mandar Joshi, resigned as Member of Nomination and Remuneration Committee on 10th October, 2019.
2. Mr. Suresh Bhagavatula, appointed as Member of Nomination and Remuneration Committee on 10th October, 2019.
3. Mr. Piyush Shah, resigned as Member of Nomination and Remuneration Committee on 25th December, 2019.
4. Mr. Chandy Kurian, appointed as Member of Nomination and Remuneration Committee as on 01st February, 2020.

#### REMUNERATION TO EXECUTIVE INDEPENDENT DIRECTORS AND KMP

Following are the details of Remuneration paid to Executive Directors and KMP of the Company during Financial year ended at 31<sup>st</sup> March, 2020 along with Revised Remuneration for Financial year 2020-21 proposed for approval of Members in Annual General Meeting to be held for Financial year ended at 31<sup>st</sup> March, 2020.

(Amount in Rs.)

Sr. No.	Name of Director / KMP	Designation	Education Qualification	Gross Remuneration Paid per annum for FY 2019-20	Proposed Limit of Remuneration per annum for FY 2020-21
1.	Mr. Ketan Patel	Chairman and Managing Director	Diploma in Computer Technology MBA from IIM Bangalore	58,33,496	68,16,846
2.	Mrs. Purvi Patel	Whole-time Director	Diploma in Pharmacy	31,77,704	38,95,475
3.	Mr. Vijay Advani	Whole-time Director	B. Com	41,43,544	52,32,898
4.	Mr. Abhijit Kanvinde	Chief Financial Officer	B. Com, CA, Diploma in Marketing Management	33,18,004	43,24,805
5.	Mr. Tejas Doshi	Company Secretary and Compliance Officer	B. Com, CS, LL.B	11,26,812	17,00,993
<b>TOTAL</b>				<b>1,75,99,560</b>	<b>2,19,71,017</b>

## REMUNERATION TO NON EXECUTIVE INDEPENDENT DIRECTORS

The company has no pecuniary relationship or transactions with its Non-Executive Directors, other than payment of sitting fees for attending meetings of the Board or Committee thereof.

As per Company's policy as approved by Nomination and Remuneration Committee and Board of Directors, each director shall be paid Rs. 10,000/- for attending one Board Meeting and Rs. 8,000/- for attending Committee Meeting. Below mentioned is tabulated details of sitting fees paid to each director during current financial year.

(Amount in Rs.)

Sr. No.	Name of Director / KMP	Designation	Sitting Fees for Attending Board Meetings	Sitting Fees for attending Committee Meetings	Total Sitting Fees Paid
1.	Mr. Mihir Shah	Independent Director	90,000	64,000	1,54,000
2.	Mr. Suresh Bhagavatula	Additional Independent Director	10,000	8,000	18,000
3.	Mr. Kurian Chandy	Additional Independent Director	10,000	16,000	26,000
4.	Mr. Piyush Shah	Independent Director	60,000	32,000	92,000
5.	Mr. Mandar Joshi	Independent Director	30,000	16,000	46,000
<b>TOTAL</b>			<b>2,00,000</b>	<b>1,36,000</b>	<b>3,36,000</b>

\* During the year under review:

1. Mr. Mandar Joshi, Independent Director resigned as on 10<sup>th</sup> October, 2019
2. Mr. Suresh Bhagavatula, appointed as Additional Independent Director as on 10<sup>th</sup> October, 2019
3. Mr. Piyush Shah, Independent Director resigned as on 25<sup>th</sup> December, 2019
4. Mr. Chandy Kurian, appointed as Additional Independent Director as on 01<sup>st</sup> February, 2020.

The Company has no pecuniary relationship or transactions with its Non-Executive Directors, other than payment of sitting fees for attending meetings of the Board or Committee thereof.

For the year under review, the Company does not have a scheme for grant of stock options nor has it issued any stock options to any of the Directors, senior management personnel or employees of the Company.

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has formed "STAKEHOLDERS' RELATIONSHIP COMMITTEE" on under the Chairmanship of a Non-Executive Director to specifically look into shareholders' issues including but not limited to share transfer, transmission, and issue of duplicate certificates and redressing of shareholder complaints like non receipt of balance sheet, etc.

M/s. BigShare Services Private Limited, the Company's Registrar and Share Transfer Agent, among others, expedite the process of transfer of shares under supervision of President Corporate Affairs, Legal & Company Secretary. Thereafter, the proposals are placed before the designated Committee.

The President Corporate Affairs, Legal & Company Secretary is the Secretary to the Committee and is also the Compliance Officer of the Company.

The composition of Stakeholders Relationship Committee and details of Meetings as mentioned hereunder:

Sr. No	Date of Stakeholders' Relationship Committee Meeting	Mr. Suresh Bhagavatula	Mr. Mihir Shah	Mr. Kurian Chandy	Mr. Mandar Joshi	Mr. Piyush Shah	Mr. Tejas Doshi
		Chairman	Member	Member	Member	Member	Secretary
3	06 <sup>th</sup> February, 2020	x	✓	✓	N.A.	N.A.	✓

\*During the year under review:

1. Mr. Mandar Joshi, resigned as Member of Stakeholders' Relationship Committee on 10<sup>th</sup> October, 2019
2. Mr. Suresh Bhagavatula, appointed as Chairman & Member of Stakeholders' Relationship Committee on 10<sup>th</sup> October, 2019
3. Mr. Piyush Shah, resigned as Member of Stakeholders' Relationship Committee on 25<sup>th</sup> December, 2019
4. Mr. Chandy Kurian, appointed as Member of Stakeholders' Relationship Committee as on 01<sup>st</sup> February, 2020.

Particulars	Number
No. of Complaints received so far	0 (NIL)
No. of complaints resolved	N.A. (Since No complaints were received)
No. of complaints not resolved to the satisfaction of shareholders;	N.A. (Since No complaints were received)
No. of pending complaints	N.A. (Since No complaints were received)

## 6. POLICY ON RISK MANAGEMENT

Pursuant to the requirement of Corporate Governance, the Board of Directors of the Company has adopted a policy on risk management for assessment and minimization procedure of risk for periodical review by the Board. The Risk Management Policy is available on Company's website.

## 7. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has implemented a Whistle Blower Policy, with a view to provide a mechanism for employees and Directors of the Company to approach the Ethics Counsellor or the Chairman of the Audit Committee of the Company to report instances of violations of laws, rules and regulations, unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct or Ethics Policy. The vigil mechanism also provides adequate safeguards against victimisation of persons who use such mechanisms and also to ensure direct access to the Ethics Counsellor or the Chairman of the Audit Committee in appropriate or exceptional cases.

The Company has posted the Whistle Blower Policy on the Company's website and have circulated to all its employees through email.

## 8. PREVENTION OF INSIDER TRADING CODE

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. All the Directors, employees at senior management level and other employees who could have access to unpublished price sensitive information of the Company are governed by this code.

## 9. POLICY FOR PREVENTION OF SEXUAL HARASSMENT IN THE COMPANY

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to providing an environment, which is free of discrimination, intimidation and abuse. Pursuant to the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013 and rules made thereunder, the Company has a Policy for prevention of Sexual Harassment in the Company. All employees (permanent, contractual, temporary and trainees) are covered under this policy. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013.

Further, the Company has set up an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of the employees at workplace and meetings of the committee were held during the year with due intervals.

## 10. MATERIAL CONTRACTS/TRANSACTIONS CONCERNING DIRECTOR'S INTEREST

There has been no transaction of material in nature that may have a potential conflict with interest of your Company. Related party transactions have been disclosed under significant accounting policies and notes forming part of the Financial Statements in accordance with Act. A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

As required under Regulation 23(1) of the Listing Regulations, the Company has formulated a policy on dealing with Related Party Transactions.

## 11. DISCLOSURE REGARDING SENIOR MANAGEMENT'S MATERIAL FINANCIAL AND COMMERCIAL TRANSACTIONS

There has been no transaction of material, financial and commercial nature having personal interest of the Senior Management that may have a potential conflict with the interest of the company at large, during the period under review.

## 12. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY

In accordance with the requirement of Corporate Governance, the Board of Directors of the Company has formulated a code of conduct for Directors and Senior Management of the Company, the compliance of which has been affirmed by all Board Members and Senior Management Personnel. The required declaration to this effect signed by the Whole Time Director is appended as a separate Annexure to the report.

## 13. CEO / CFO CERTIFICATION

In accordance with the requirement of Corporate Governance, as specified in Regulation 17(8) of the Listing Regulations, the Board of Directors of the Company have been furnished with the requisite certificate from the Chief Financial Officer (CFO) of the Company.

## 16. MEANS OF COMMUNICATION:

Quarterly, Half yearly, yearly report/ highlights sent to each household of shareholders	No. Published in specified newspapers.
Quarterly results, which newspapers normally published in	Active Times (English) Mumbai Lakshadeep (Marathi)
Any website, where displayed	www.ecreativeindia.com
Whether it also displays official news release	N. A.
Whether MD&A is a part of Annual Report	Yes

## 17. COMPLIANCE WITH CODE OF CONDUCT

In accordance with Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31<sup>st</sup> March, 2020.

## 18. DISCLOSURES:

Disclosures on transactions with related parties have also been disclosed in the Notes to Accounts of financial statements.

- a) There was no non-compliance, penalties or stricture imposed on company by any Stock Exchanges, SEBI or any other statutory authority or any matters relating to capital market.
- b) The Company has in place all the mandatory Policies which are also available on the Company's website [www.ecreativeindia.com](http://www.ecreativeindia.com).
- c) The Company is in full compliance with the mandatory requirements as contained in the Listing Regulations. The Company has also adopted certain discretionary requirements of the Listing Regulations i.e. Non-Executive Director as the Chairman of the Board, providing the Chairman of the Company with the resources required by him to discharge his responsibilities as Chairman of the Company. The Financial Statements of the Company are unqualified. The Internal Auditor periodically provides its reports to the Audit Committee.
- d) In line with the requirements of the Regulation 17(9) of the Listing Regulations, the Board reviewed the Management's perception of the risks facing the Company and measures taken to minimize the same.

## 19. GENERAL SHAREHOLDER INFORMATION

a.	Annual General Meeting - Date, Time and Venue	30th September, 2020, Wednesday, . through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')
b.	Financial Year	01 <sup>st</sup> April, 2019 to 31 <sup>st</sup> March, 2020
c.	Dividend Payment Date	27 <sup>th</sup> September, 2020
d.	Registered Office	<b>Address:</b> 3 <sup>rd</sup> & 4 <sup>th</sup> Floor, Plot No. 137AB, Kandivali Co Op Industrial Estate Limited, Charkop, Kandivali West, Mumbai - 400 067 <b>Tel:</b> 022 5061 2700 <b>email:</b> cs@ecreativeindia.com
e.	Name and Address of Stock Exchanges where Company's securities are listed	<b>National Stock Exchange of India Limited</b> <b>Address:</b> Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 <b>Trading Symbol:</b> CREATIVE
f.	Listing Fees	The Annual Listing fees for the financial year 2019-20 have been paid to the respective Stock Exchanges.
g.	Share Registrar and Transfer Agents	<b>Bigshare Services Private Limited</b> <b>Add:</b> 1st Floor, Bharat Tin Works, Makwana Road, Marol, Andheri (East), Mumbai - 72 <b>SEBI Registration No:</b> INR000001385 <b>Email ID:</b> investor@bigshareonline.com <b>Website:</b> www.bigshareonline.com
h.	Address for Investor's Correspondence	<b>Mr. Tejas Doshi (Company Secretary &amp; Compliance Officer)</b> <b>Creative Peripherals and Distribution Limited</b> <b>Address:</b> 3 <sup>rd</sup> & 4 <sup>th</sup> Floor, Plot No. 137AB, Kandivali Co Op Industrial Estate Limited, Charkop, Kandivali West, Mumbai - 400 067 <b>Tel:</b> 022 5061 2700 <b>email:</b> cs@ecreativeindia.com
i.	Name of the Compliance Officer	Mr. Tejas Doshi (Company Secretary and Compliance Officer)



## j. Market Price Data

Month	NSE		
	High (Rs.)	Low (Rs.)	Volume (Nos. in Lakhs)
April, 2019	123.55	112.15	0.29
May, 2019	174.80	127.10	4.86
June, 2019	144.55	67.50	1.89
July, 2019	77.00	66.75	1.38
August, 2019	76.50	64.50	0.85
September, 2019	77.45	60.00	0.35
October, 2019	71.00	58.00	1.83
November, 2019	79.25	64.00	2.58
December, 2019	105.75	75.00	3.88
January, 2020	113.90	95.70	1.46
February, 2020	127.00	100.00	1.49
March, 2020	130.00	74.50	1.13

(Source: This information is compiled from the data available on NSE websites)

**Reason for Sudden price drop in June, 2019** – Company has issued Bonus shares in the ratio of 1:1 and the above prices are historically and not adjusted with Bonus shares.

## Share Transfer System

Registrar and Transfer Agent carry out share transfer activities and processed by NSDL/CDSL through respective Depository Participants in compliance with the applicable SEBI Regulations and SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018.

A Committee of Directors (Stakeholders Relationship Committee) has been constituted to review and approve the requests of the shareholders relating to transmission of shares, issue of duplicate share certificates and allied matters within its terms of reference.

The Company obtains from a Practicing Company Secretary a half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the compliance certificate with the Stock Exchanges where the shares of the Company are listed.

## k. Distribution of Shares by Categories of Shareholders as of March 31, 2020

Range (No. of shares)	No. of share-holders	% of shareholders	Value of Shares	% of Value of shares
1 - 5000	475	71.4286	1,83,490	0.1582
5001- 10000	12	1.8045	92,740	0.0799
10001 - 20000	14	2.1053	2,21,820	0.1912
20001 - 30000	9	1.3534	2,93,490	0.2065
30001 - 40000	72	10.8271	23,20,200	2.0002
40001 - 50000	2	0.3008	92,000	0.0793
50001 - 100000	28	4.2105	20,04,570	1.7281
100001 & above	53	7.9699	11,08,45,690	95.5566
<b>Total</b>	<b>665</b>	<b>100.00</b>	<b>11,60,00,000</b>	<b>100.00</b>

## l. Dematerialisation of Shares and Liquidity

The shares of the Company are regularly traded at both the Stock Exchanges where they are listed, which ensure the

necessary liquidity to shareholders. Trading of shares is permitted only in dematerialized form.

Physical and Dematerialised Shares as on March 31, 2020	No. of Shares	% of Total Issued Capital
No. of Shares held in dematerialised form in CDSL	9,51,976	08.21
No. of Shares held in dematerialised form in NSDL	1,06,47,224	91.79
No. of Physical Shares	800	00.00
<b>Total</b>	<b>1,16,00,000</b>	<b>100.00</b>

**m. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments**

The Company has not issued any ADR / GDR, warrants or any convertible instruments.

**n. Commodity price risk or foreign exchange risk and hedging activities**

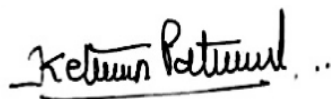
During the year ended March 31, 2020, the Company had managed the foreign exchange risks to the extent considered necessary.

**o. Location and time, where last Three AGMs held**

Year	Location	Date	Time
2016-2017	Mumbai	11 <sup>th</sup> September, 2017	10:30 am
2017-2018	Mumbai	27 <sup>th</sup> September, 2018	10:30 am
2018-2019	Mumbai	23 <sup>rd</sup> September, 2019	11:00 am

**CERTIFIED TRUE COPY**

**For Creative Peripherals and Distribution Limited**



**Ketan Patel**  
Chairman and Managing Director



**Tejas Doshi**  
Company Secretary & Compliance Officer  
ACS-30828

## FORM No. AOC-1

(Pursuant to first proviso to Sub-Section (3) of Section 129 of the Companies (Accounts) Rules, 2014)  
Statement containing salient features of the Financial Statements of Subsidiaries/Associate Companies/Joint Ventures

## Part A: Subsidiary Companies

(Amount in Rs.)

Sr. No.	Particulars	Creative Peripherals and Distribution Limited	Secure Connection Limited
1	Country of Subsidiary Company	Hong Kong	Hong Kong
2	Reporting Period	01/04/2019 - 31/03/2020	01/04/2019 - 31/03/2020
3	Reporting Currency	US \$	US \$
4	Share Capital (at cost)	69,990	15,01,360.89
5	Reserves and Surplus	36,317.84	-1,41,566.96
6	Total Liabilities excluding Share capital and reserves	60,308.79	6,45,922.73
7	Total Assets	1,66,616.63	7,13,871.20
8	Investments	0	0
9	Turnover / Total Income	12,72,393.54	5,30,642.50
10	Profit before Taxation	32,192.89	-1,41,566.96
11	Provisions for Taxation	0	0
12	Profit after Taxation	32,192.89	-1,41,566.96
13	Proposed Dividend	0	0
14	% of Share holding	100 %	70 %

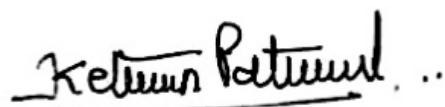
\* Exchange Rate of US \$ 1= Rs. 75.3859 for Balance Sheet items and Rs. 72.3611 for Profit & Loss items for FY 2019-20.

- i. Names of the Subsidiaries which are yet to commence operations: None  
ii. Names of subsidiaries which have been liquidated and sold during the year: None

## Part 'B': Associate and Joint Ventures:

- i. Names of the Associates / Joint Ventures which are yet to commence operations: None  
ii. Names of Associates / Joint Ventures which have been liquidated or sold during the year: None

For and on behalf of the Board of Directors  
Creative Peripherals and Distribution Limited



Mr. Ketan Patel  
Chairman & Managing Director  
DIN 00127633  
Date: 25<sup>th</sup> June, 2020  
Place: Mumbai.

## ANNEXURE-G - CORPORATE SOCIAL RESPONSIBILITY

As part of our CSR initiatives for the FY2019-20, Creative Peripherals has donated Rs. 13.5 lakhs towards the construction of a trauma care center in Aurangabad.

While the Companies Act 2013 mandated the Company for a much less CSR spend, we at Creative Peripherals, wished to withhold the spirit of our social responsibility and contribute in a meaningful manner for the betterment of our society.

The Company strives to continue and enhance its CSR initiatives in the coming years.

### About Shiva Trust

Aurangabad-based Shiva Trust established the Yashvantrao Chavan Ayurvedic Medical College and Hospital (YCAMC) in 1998. The college runs a hospital with 100 beds and is recognized by the government of India, Dept of AYUSH New Delhi, Central Council of Indian medicine (CCIM) New Delhi, Government of Maharashtra & affiliated to Maharashtra University of Health sciences, (MUHS) Nashik. The college has 100 seats for its undergraduate course – Bachelor of Ayurved Medicine & Surgery (BAMS).

Following are the relevant details for CSR 2019-20.

#### 1. COMPOSITION OF CSR COMMITTEE

Mr. Ketan Patel	-	Chairman
Mr. Mihir Shah	-	Member (Independent Director of Company)
Mrs. Purvi Patel	-	Member
Mr. Abhijit Kanvinde	-	Member
Mr. Tejas Doshi	-	Secretary

#### 2. Date of CSR Committee Meeting – 06<sup>th</sup> February, 2020

#### 3. Average Net Profit for Company for last 3 financial years – Rs. 4,84, 40,513

#### 4. Prescribed CSR Expenditure (i.e. 2% of Point No. 3) – Rs. 9,68,810

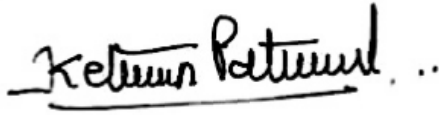
#### 5. Details of CSR spent during the FY 2019-20

- Total Amount required to be spent for FY 2019-20 : Rs. 9,68,810/-
- Total Amount spent for FY 2019-20 : Rs. 13,50,000/-
- Amount unspent, if any: NIL
- Amount spent additionally above prescribed limit : Rs. 3,81,190
- Manner in which the amount spent during the FY 2019-20 is as below:

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 and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub- heads: (1) Direct Expenditure on projects or programs. (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency.
1	Medical Aid	Construction of Trauma Care Center (Medical Aid)	Nipani – Bhalgaon, Dist. Aurangabad	Rs. 13,50,000	Rs. 13,50,000 Direct Expenditure on Project.  No overhead cost to the Company	Rs. 13,50,000	Amount spent through  Shiva Trust, Aurangabad  Regd. No. E-599

6. Reason for not spending the 2% of the Average Net Profit of Last 3 financial year: Not Applicable
7. Responsibility Statement of CSR Committee  
The implementation and monitoring of Company's CSR Policy is in compliance with CSR Objectives and policy of the Company.

**For and on behalf of the Board of Directors  
Creative Peripherals and Distribution Limited**

A handwritten signature in black ink that reads "Ketan Patel" followed by two dots. The signature is written in a cursive style and is underlined.

**Mr. Ketan Patel  
Chairman & Managing Director  
DIN 00127633  
Date: 25<sup>th</sup> June, 2020  
Place: Mumbai**

# Independent Auditor's Report - Standalone



TO THE MEMBERS OF  
CREATIVE PERIPHERALS AND DISTRIBUTION LTD.

## Report on the Standalone Ind AS Financial Statements

### Opinion

We have audited the accompanying Ind AS financial statements of CREATIVE PERIPHERALS AND DISTRIBUTION LTD. ("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 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 Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion.

### Key Audit Matters

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

### Other information

The Company's management and Board of Directors is 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

## **Responsibilities of Management and those charged with governance for the standalone Ind AS financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibility for the Audit of the Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for

expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS 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.

#### **Report on other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 & 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - 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.
  - 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.
  - The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
  - On the basis of the written representations received from the directors as on 31st March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, from being appointed as a



director in terms of Section 164(2) of the Act.

- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "**Annexure 2**".
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  1. The Company has disclosed pending litigations which would impact its financial position in note no. 34 of the Standalone Financial Statements.
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR GUPTA RAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N



CA NIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

PLACE: MUMBAI  
DATED: 25th June, 2020  
UDIN: 20112353AAAABG6443

## Annexure 1 to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In respect of its fixed assets:
  - The company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - The fixed assets are physically verified by the management according to a phased program designed to cover all the items over a period, which in our opinion is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, a portion of the fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such physical verification. However, no written report is available.
  - The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
2. The inventory has not been physically verified by management at the year end. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
3. In our opinion and according to 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.
4. As per the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under. Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. As per the information and explanations given to us, in respect of the class of industry in which the Company falls, the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Therefore, the provisions of clause (vi) of paragraph 3 of the Order are not applicable to the Company.
7. In respect of statutory dues:
  - The company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, Goods and Service Tax, cess and any other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of above dues were in arrears, as at 31 March, 2020 for a period of more than six months from the date they became payable.
  - According to the information and explanations given to us, there are no dues of income tax, goods and service tax, duty of customs, duty of excise which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in note no. 34 of the financial statements.

8. According to the information and explanation given to us, the company has not defaulted in repayment of dues to bank / financial institutions. The Company has not taken loan from government or has no dues to debenture holders.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) or term loans hence reporting under clause (ix) of the CARO 2016 order is not applicable to Company
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
11. As per the information and explanations given to us, 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 companies Act, 2013.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. As per the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of clause (xiv) of paragraph 3 of the Order are not applicable to the Company
15. The Company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company.
16. As per the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934

PLACE: MUMBAI  
DATED: 25th June, 2020  
UDIN: 20112353AAAABG6443

FOR GUPTA RAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N



CA NIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

## **Annexure 2 to the Independent Auditors' Report**

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

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

We have audited the internal financial controls over financial reporting of CREATIVE PERIPHERALS AND DISTRIBUTION LTD. ("the Company") as of 31st March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately

and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. Our opinion is not modified in respect of this matter.

PLACE: MUMBAI  
DATED: 25th June, 2020  
UDIN: 20112353AAAABG6443

FOR GUPTA RAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N

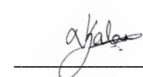


CA NIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

# Balance Sheet - Standalone

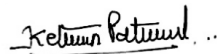
Balance Sheet as at 31 <sup>st</sup> March, 2020				(Rs. in Lakhs)
Particulars	Note No.	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>I. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, Plant and Equipment	2	889.17	892.71	765.38
(b) Financial Assets				
(i) Investments	3	155.13	123.90	138.25
(ii) Other Financial Assets		-	-	-
(c) Deferred Tax Assets (Net)	4	11.56	12.94	26.36
(d) Other Non Current Assets	5	1.01	-	-
<b>Total Non - Current Assets</b>		<b>1,056.87</b>	<b>1,029.55</b>	<b>929.99</b>
<b>(2) Current Assets</b>				
(a) Inventories	6	5,922.15	2,778.84	2,792.00
(b) Financial Assets				
(i) Trade Receivables	7	3,859.31	4,404.52	4,284.67
(ii) Cash and Cash Equivalents	8	14.67	114.05	18.29
(iii) Bank Balances other than (ii) above	9	336.24	244.90	205.60
(iv) Other Financial Assets	10	2.09	-	-
(c) Other Current assets	11	4,112.30	3,280.44	1,796.50
<b>Total Current Assets</b>		<b>14,246.76</b>	<b>10,822.75</b>	<b>9,097.06</b>
<b>Total Assets</b>		<b>15,303.63</b>	<b>11,852.30</b>	<b>10,027.05</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity Share Capital	12	1,160.00	580.00	580.00
(b) Other Equity	13	3,052.40	2,751.34	2,180.96
<b>Total Equity</b>		<b>4,212.40</b>	<b>3,331.34</b>	<b>2,760.96</b>
<b>(2) Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	14	606.86	617.67	8.95
(b) Provisions	15	68.79	57.20	40.42
<b>Total Non - Current Liabilities</b>		<b>675.66</b>	<b>674.88</b>	<b>49.37</b>
<b>(3) Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	16	2,579.76	2,972.74	2,514.65
(ii) Trade Payables				
- total outstanding dues of micro enterprises and small enterprises		-	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	17	3,137.17	2,658.64	3,423.37
(iii) Other Financial Liabilities	18	2,506.16	1,720.50	953.20
(b) Other Current Liabilities	19	2,117.00	437.69	266.15
(c) Provisions	20	12.04	9.79	12.09
(d) Current Tax Liabilities (Net)	21	63.44	46.71	47.25
<b>Total Current Liabilities</b>		<b>10,415.57</b>	<b>7,846.09</b>	<b>7,216.71</b>
<b>Total Equity and Liabilities</b>		<b>15,303.63</b>	<b>11,852.30</b>	<b>10,027.05</b>

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N



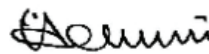
CA Nikul Jalan (Partner)

Membership No. 112353  
UDIN: 20112353AAAABG6443  
Mumbai, Dated: 25th June, 2020



Ketan C Patel

Chairman and Managing  
Director  
DIN: 00127633



Vijay Advani

Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde

Chief Financial Officer



Tejas Doshi

Company Secretary and  
Compliance Officer

For and on Behalf of the Board of Directors  
of Creative Peripherals and Distribution Limited

## Profit and Loss Statement- Standalone

Profit and Loss Statement for the year ended 31 <sup>st</sup> March, 2020			(Rs. in Lakhs)
Particular	Note No.	For the Year ended March 31,2020	For the Year ended March 31,2019
<b>Revenue</b>			
Revenue from Operations	22	45,117.37	36,765.45
Other Income	23	131.00	306.15
<b>Total Income</b>		<b>45,248.37</b>	<b>37,071.60</b>
<b>Expenses</b>			
(a) Purchases of Stock in Trade	24	43,304.23	33,553.26
(b) Changes in inventories of finished goods and work-in progress	25	(3,143.30)	13.15
(c) Employee Benefits Expenses	26	899.41	695.80
(d) Finance Costs	27	476.35	451.97
(e) Depreciation and Amortisation Expense	2	85.89	52.60
(f) Other Expenses	28	2,382.51	1,477.39
<b>Total Expenses</b>		<b>44,005.08</b>	<b>36,244.18</b>
<b>Profit/(Loss) before Tax</b>		<b>1,243.29</b>	<b>827.42</b>
<b>Tax Expense</b>			
(a) Current Tax	29	336.91	220.08
(b) Tax adjustments relating to prior years		-	9.15
(c) Deferred Tax	29	1.94	13.42
<b>Total Tax Expense</b>		<b>338.84</b>	<b>242.65</b>
<b>Profit/(Loss) for the year</b>		<b>904.45</b>	<b>584.77</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss		-	-
(a) Remeasurements of Defined Benefit Plans	13	(2.24)	(3.54)
(b) Income Tax on above	13	0.56	-
(ii) Items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income for the year</b>		<b>(1.68)</b>	<b>(3.54)</b>
<b>Total Comprehensive Income for the year</b>		<b>902.77</b>	<b>581.23</b>
Earnings per Equity Share of Rs 10/ each :			
Basic	30	7.78	5.01
Diluted	30	7.78	5.01
Significant Accounting Policies	1		

The accompanying Notes are an integral part of the Financial Statements

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N



CA Nikul Jalan (Partner)

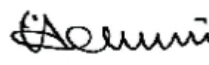
Membership No. 112353  
UDIN: 20112353AAAABG6443  
Mumbai, Dated: 25th June, 2020

For and on Behalf of the Board of Directors  
of Creative Peripherals and Distribution Limited



Ketan C Patel

Chairman and Managing  
Director  
DIN: 00127633



Vijay Advani

Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde

Chief Financial Officer



Tejas Doshi

Company Secretary and  
Compliance Officer

# Cash Flow Statement - Standalone

Statement of Cash Flow For the Year Ended 31 <sup>st</sup> March, 2020		(Rs. in Lakhs)	
Particulars		For the Year Ended	For the Year Ended
		March 31, 2020	March 31, 2019
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit / (Loss) Before Tax	1,243.39	827.42
	Adjustments for		
	Depreciation and Amortisation	85.89	52.60
	Finance Cost	380.17	372.44
	Interest on late payment	(6.87)	0.05
	Interest on FD and ICD	(35.13)	(30.58)
	Provisions for expense	12.83	8.46
	<b>Operating Profit Before Working Capital Changes</b>	<b>1,680.28</b>	<b>1,230.40</b>
	Adjustments for increase / decrease in:		
	Trade receivables	545.21	(119.85)
	Other Financial Assets and other current assets	(833.94)	(1,483.94)
	Inventories	(3,143.30)	13.15
	Trade payable, Other Financial & Current Liabilities	2,943.49	140.34
	<b>Cash generated from operations</b>	<b>(1,191.74)</b>	<b>(219.90)</b>
	Income-tax (paid) / refund (net)	(322.62)	(179.15)
	<b>Net cash flow from operating activities</b>	<b>869.12</b>	<b>(399.05)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchase of PPE, intangible assets and work in progress	(82.26)	(179.93)
	Purchase of Investments	(31.22)	-
	Income from Investment (FD & ICD)	42.00	30.53
	Increase in Investments	-	-
	(Investment) & Redemption in bank deposit (having maturity more than 3 months)	(91.35)	(39.30)
	<b>Net cash flow (used in) investing activities</b>	<b>(162.83)</b>	<b>(188.70)</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds from Long-term Borrowings	-	452.54
	Repayment of Long-term Borrowings	(138.00)	-
	Proceeds from Short-term Borrowings	-	614.27
	Repayment of Short-term Borrowings (net)	(265.79)	-
	Finance Cost Paid	(380.17)	(372.44)
	Dividend and DDT Paid	(21.71)	(10.85)
	<b>Net cash flow from financing activities</b>	<b>(805.67)</b>	<b>683.52</b>
	<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(99.38)</b>	<b>95.76</b>
	<b>Cash and cash equivalents as at the beginning of the year</b>	<b>114.05</b>	<b>18.29</b>
	<b>Cash and cash equivalents as at the end of the year</b>	<b>14.67</b>	<b>114.05</b>

## Notes:

- Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Figures in bracket indicate negative Cash Outflow.

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

CA Nikul Jalan (Partner)

Membership No. 112353  
UDIN: 20112353AAAABG6443  
Mumbai, Dated: 25th June, 2020

For and on Behalf of the Board of Directors  
of Creative Peripherals and Distribution Limited

Ketan C Patel

Chairman and Managing  
Director  
DIN: 00127633

Vijay Advani

Whole - Time Director  
DIN: 02009626

Abhijit Kanvinde

Chief Financial Officer

Tejas Doshi

Company Secretary and  
Compliance Officer



## Statement of Changes in Equity (SOCIE)- Standalone

		(Rs. in Lakhs)
A. Equity share capital	Amount	
Balance as at April 1, 2018	580	
Changes in equity share capital during 2018-19	-	
Balance as at March 31, 2019	580	
Changes in equity share capital during the year	580	
Balance as at March 31, 2020	1,160	

(Rs. in Lakhs)					
B. Other Equity					
Particulars	Reserves and Surplus		Other Comprehensive Income		Total
	Share Premium	Retained Earnings	Other Items of Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	
Balance as at April 1, 2019	1,170.00	1,584.88	(3.54)	-	2,751.34
Profit / (Loss) for the year	-	904.45	-	-	904.45
Remeasurement gain / (loss) on Defined Benefit Plan			(2.24)		(2.24)
Income Tax on above			0.56		0.56
<b>Total Comprehensive Income for the year</b>	<b>1,170.00</b>	<b>2,489.33</b>	<b>(5.22)</b>	<b>-</b>	<b>3,654.11</b>
Dividend		(18.00)		-	(18.00)
Dividend Distribution Tax		(3.70)		-	(3.70)
Bonus Shares issued	(580.00)				(580.00)
Balance as at March 31, 2020	590.00	2,467.63	(5.22)	-	3,052.40

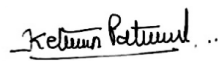
Particulars	Reserves and Surplus		Other Comprehensive Income		Total
	Share Premium	Retained Earnings	Other Items of Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	
Balance as at April 1, 2018	1,170.00	1,010.96	-	-	2,180.96
Profit / (Loss) for the year	-	584.77	-	-	584.77
Remeasurement gain / (loss) on Defined Benefit Plan			(3.54)		(3.54)
Income Tax on above			-		-
<b>Total Comprehensive Income for the year</b>	<b>1,170.00</b>	<b>1,595.73</b>	<b>(3.54)</b>	<b>-</b>	<b>2,762.19</b>
Dividend		(9.00)		-	(9.00)
Dividend Distribution Tax		(1.85)		-	(1.85)
Bonus Shares issued	-				-
Balance as at March 31, 2019	1,170.00	1,584.88	(3.54)	-	2,751.34

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

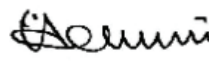


CA Nikul Jalan (Partner)  
Membership No. 112353  
UDIN: 20112353AAAABG6443  
Mumbai, Dated: 25th June, 2020

For and on Behalf of the Board of Directors  
of Creative Peripherals and Distribution Limited



Ketan C Patel  
Chairman and  
Managing Director  
DIN: 00127633



Vijay Advani  
Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde  
Chief Financial  
Officer



Tejas Doshi  
Company Secretary  
and Compliance  
Officer

## Note 1: Notes to Financial Statements

### CORPORATE INFORMATION

Creative Peripherals and Distribution Limited (Formerly known as Creative Peripherals and Distribution Private Limited) is a Company domiciled in India and incorporated on 22<sup>nd</sup> September, 2004 under the provisions of the Companies Act, 1956. Its shares are listed on the NSE Ltd.

Creative Peripherals is a go-to-market and distribution specialist for global IT, Imaging and Lifestyle brands. The Company has an omni-channel presence, with branches across India.

Creative's B2B eCommerce platform, Ckart, caters to a wide range of sub-distributors, retailers and other customers, and serves as a one-stop-shop offering end-to-end solutions for them.

The company caters to the Indian as well as international markets

The Financial Statements for the year ended March 31, 2020 were approved by the Board of Directors on 25<sup>th</sup>, June, 2020.

### SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2018 for the purpose of transition to Ind AS, unless otherwise indicated.

#### a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual and going concern basis except for certain financial instruments which are measured at fair values the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Effective April 1, 2018, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, Firsttime Adoption of Indian Accounting Standards, with April 1, 2018 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, which was the previous GAAP. Reconciliation and description of the effect of the transition have been summarised in Note .....

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

#### b) USE OF ESTIMATES

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives of tangible assets and the assessment as to which component of the cost

- may be capitalized – refer point 1 (c) of significant accounting policies
- Recognition and measurement of defined benefit obligations – refer note no. 33
- Recognition of deferred tax assets – refer note no. 4
- Provisions and Contingent Liabilities – refer note no. 35
- Revenue recognition for Price Support – refer point 1 (i) of significant accounting policies

**c) PROPERTY, PLANT AND EQUIPMENT**

Property, Plant and Equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes acquisition cost and any capital expenditure directly attributable to the cost of acquisition. All other repair and maintenance costs are recognised in profit or loss as incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”.

**DEPRECIATION METHODS, ESTIMATED USEFUL LIFE AND RESIDUAL VALUE**

Depreciation is provided on the Written Down method under Schedule II to the Companies Act, 2013 to allocate the cost of assets, net of their residual values, over their estimated useful lives. Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date the assets are sold or disposed of:

<b>Asset category</b>	<b>Estimated useful life</b>
Buildings	60 years
Office equipment	5 years
Vehicle	8 years
Furniture & Fixture	10 years
Electrical Installation and Equipments	10 years
Computers and Other end devices	3 years

The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

Upon first-time adoption of Ind AS, the Company has elected to measure all its Property, Plant and Equipment at the Previous GAAP WDV as its deemed cost on the date of transition to Ind AS i.e., 1st April,2018.

**d) INVESTMENT IN SUBSIDIARIES**

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

**e) INVENTORIES**

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

Cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**f) CASH AND CASH EQUIVALENTS**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**g) FINANCIAL INSTRUMENTS**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income

**FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

**FINANCIAL LIABILITIES**

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and other current liabilities.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

**OFF SETTING OF FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## h) FAIR VALUE MEASUREMENT

- 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 under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
  - In the principal market for the asset or liability or
  - In the absence of a principal market, in the most advantageous market for the asset or liability.
- The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- 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 follows, based on the lowest level input that is significant to the fair value measurement as a whole:
  1. Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.
  2. Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.
  3. Level 3 - If the lowest level input that is significant to the fair value measurement is not based on observable market data.
- This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## i) PROVISIONS AND CONTINGENT LIABILITIES

Provisions are recognised when the Company has a present obligation (legal or constructive) 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 best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### Post sales Support

The company is mainly in to B-2-B distribution of branded products and works on pure Agent and Principal relationship, hence no provision are required since the obligation for post sales service is on the brand itself.

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

## **j) REVENUE RECOGNITION**

Effective April 1, 2018, The company has applied Ind AS 115 which establishes a comprehensive framework for determining, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 revenue and Ind AS 11 construction contracts. The Company has adopted Ind AS 115 – Revenue from contracts with customers ('the Standard') using cumulative effect method. The effect on the adoption of Ind AS 115 was insignificant.

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as GST etc. Export Sales are booked at the rate on the date of transaction and the resultant Gain/ Loss on realisation or on translation is accounted as "Foreign Exchange Rate Fluctuation" and is dealt with in the statement of Profit and Loss Account.

Dividend income on Investments is recognised when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

Interest income is recognized using the effective interest rate (EIR) method when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably.

## **k) EXPENDITURE**

Expenses are accounted on accrual basis.

## **l) EMPLOYEE BENEFITS**

### **i) SHORT TERM EMPLOYEE BENEFITS**

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months such as salaries, bonuses, performance incentives, etc., after the end of the annual reporting period in which the employees render the related service. The Company recognises above short term employee benefits directly to Statement of Profit and Loss as an expense in the year in which services are rendered.

### **ii) DEFINED CONTRIBUTION PLANS**

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

### **iii) DEFINED BENEFIT PLANS**

The Company also provides for retirement/post-retirement benefits in the form of gratuity, pensions (in respect of certain employees) For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). Any differences between the interest income/ loss on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately

in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

**m) IMPAIRMENT OF NON FINANCIAL ASSETS**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated to reduce the carrying amount of assets of the unit, pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased, basis the assessment a reversal of an impairment loss for an asset is recognised in the Statement of Profit and Loss account.

**n) TAXES ON INCOME**

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

**CURRENT TAX**

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

**DEFERRED TAX**

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**o) LEASES**

The Ministry of Corporate Affairs (MCA) notified Ind AS 116, the new leases Ind As as on 30th March 2019 with the effective date of its application from 1st April 2019. Ind AS -116 replaces the current guidance in Ind AS-17, 'Leases'. Ind AS 116 defines a lease as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. The Company has not applied Ind As 116 as notified by MCA since the effect of adoption is insignificant.

**p) FOREIGN CURRENCY TRANSACTION**

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial

statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transactions. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities at the year end are recognised in the Statement of Profit and Loss.

**q) EARNINGS PER SHARE**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the year presented.

**FIRST TIME ADOPTION OF IND AS**

- i. These financial statements, for the year ended September 30, 2019, are the first financial statements, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2019, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on September 30, 2019, together with the comparative period data as at and for the year ended March 31, 2019, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the Balance Sheet as at April 01, 2018 and the financial statements as at and for the year ended March 31, 2019 and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

**ii) Exemptions applied:**

- a. The Company has elected to measure items of Property, Plant and Equipment and Intangible Assets at WDV as deemed cost as at the date of transition.

**iii) Mandatory Exceptions from retrospective application:**

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

- a. Estimates:  
Estimates On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.
- b. Classification and measurement of Financial Assets:  
The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.



**iv) Transition to Ind AS – Reconciliations:**

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- a) Reconciliation of Equity as at 1<sup>st</sup> April, 2018 and as at 31<sup>st</sup> March, 2019 – Refer note no. 34.1
- b) Reconciliation of Statement of Profit and Loss for the year ended 31st March, 2019  
– Refer note no. 34.2
- c) Effect of Ind AS adoption on Balance Sheet as at April 1, 2018 – Refer note no. 34.3
- d) Effect of Ind AS adoption on Balance Sheet as at March 31, 2019 – Refer note no. 34.4
- e) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2019 – Refer note no. 34.5
- f) There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

## Note 2: Property, Plant And Equipment

(Rs. in Lakhs)

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2020:

Particulars	Building	Computer and Data Processing Units	Electrical Installation and Equipments	Furniture and Fittings	Motor Vehicles	Office Equipment	Total
Cost at April 1, 2019	843.48	104.26	9.31	45.78	27.38	86.95	1117.17
Net Block at April 1, 2019	814.30	11.54	1.76	24.39	2.92	37.80	892.71
Additions made in Year 2019-20	5.54	18.83	0.00	0.14	27.10	30.66	82.26
Disposals made in Year 2019-20	-	-	-	-	-	-	-
<b>Cost as at March 31, 2020</b>	<b>849.02</b>	<b>123.09</b>	<b>9.31</b>	<b>45.92</b>	<b>54.48</b>	<b>117.61</b>	<b>1199.43</b>
Accumulated Depreciation as at April 1, 2019	29.18	92.64	7.54	21.40	24.45	49.15	224.37
Depreciation for Year ended March, 2020	39.83	11.28	0.35	6.04	4.54	23.86	85.89
Disposal							
<b>Accumulated Depreciation as at March 31, 2020</b>	<b>69.01</b>	<b>103.92</b>	<b>7.89</b>	<b>27.43</b>	<b>28.99</b>	<b>73.02</b>	<b>310.26</b>
<b>Net Carrying amount as at March 31, 2020</b>	<b>780.01</b>	<b>19.17</b>	<b>1.42</b>	<b>18.49</b>	<b>25.48</b>	<b>44.60</b>	<b>889.17</b>

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2019:

Particulars	Building	Computer and Data Processing Units	Electrical Installation and Equipments	Furniture and Fittings	Motor Vehicles	Office Equipment	Total
Cost as at April 1, 2018	741.60	97.39	7.83	19.27	27.38	43.76	937.23
Additions made in Year 2018-19	101.88	6.87	1.47	26.51	0.00	43.20	179.93
Disposals made in Year 2018-19							
<b>Cost as at March 31, 2019</b>	<b>843.48</b>	<b>104.26</b>	<b>9.31</b>	<b>45.78</b>	<b>27.38</b>	<b>86.95</b>	<b>1117.17</b>
Accumulated Depreciation as at April 1, 2018	0.00	85.29	7.19	17.49	23.43	38.45	171.85
Depreciation for Year ended Mar-2019	29.18	7.43	0.36	3.91	1.02	10.70	52.61
Disposal							
<b>Accumulated Depreciation as at March 31, 2019</b>	<b>29.18</b>	<b>92.72</b>	<b>7.54</b>	<b>21.40</b>	<b>24.46</b>	<b>49.15</b>	<b>224.46</b>
<b>Net Carrying amount as at March 31, 2019</b>	<b>814.30</b>	<b>11.54</b>	<b>1.76</b>	<b>24.39</b>	<b>2.92</b>	<b>37.80</b>	<b>892.71</b>
<b>Net Carrying amount as at April 1, 2018</b>	<b>741.60</b>	<b>12.10</b>	<b>0.65</b>	<b>1.78</b>	<b>3.94</b>	<b>5.31</b>	<b>765.38</b>

### Note:

On transition to Ind AS, the carrying values of all property, plant and equipments under the previous GAAP have been considered to be the deemed cost under Ind AS.

Kindly refer below note for the gross book value and accumulated depreciation as on 1st April, 2018 under the previous GAAP.

DESCRIPTION	Building	Computer and Data Processing Units	Electrical Installation and Equipments	Furniture and Fittings	Motor Vehicles	Office Equipment	Total
Gross Block	741.60	97.39	7.83	19.27	27.38	43.76	937.23
Accumulated Depreciation	0.00	85.29	7.19	17.49	23.43	38.45	171.85
Net Block	741.60	12.10	0.65	1.78	3.94	5.31	765.38

**Note 3: Non Current Financial Assets**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>(a.) Investments</b>			
<b>In Equity Instruments of Subsidiary</b>			
- Creative Peripherals and Dist. Ltd.(Hongkong) (546000 shares of HKD 1 face value)	48.81	-	-
- Secure Connection Ltd. (Hongkong) (7000 shares of HKD 1 face value)	0.65	-	-
	<b>49.46</b>	-	-
<b>Investments measured at Amortised cost</b>			
Inter Corporate Deposits	105.67	123.90	138.25
<b>Total</b>	<b>155.13</b>	<b>123.90</b>	<b>138.25</b>
<b>(b.) Aggregate amount of</b>			
Unquoted Investments	155.13	123.90	138.25
<b>Less: Impairment in value of Investments</b>	-	-	-
<b>Total</b>	<b>155.13</b>	<b>123.90</b>	<b>138.25</b>

**Notes:-**

(i) Equity instruments are measured at cost

(ii) Intercompany Deposits held with above Companies yield fixed interest rates

(iii) Creative Peripherals and Dist. Ltd. (Hongkong) is a 100% subsidiary of the company and the company holds 70% stake in Secure Connection Ltd. (Hongkong)

**Note 4: Deferred Tax Assets (Net)**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Deferred Tax Assets	11.00	12.94	26.36
Income Tax on OCI	0.56	-	-
<b>Total</b>	<b>11.56</b>	<b>12.94</b>	<b>26.36</b>

**Note 5: Other Non Current Assets**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Prepaid Processing Fees (to be written Off over tenure)	1.01	-	-
<b>Total</b>	<b>1.01</b>	-	-

**Note 6: Inventories**

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Finished Goods (Traded Goods)	5922.15	2,778.84	2,792.00
<b>Total</b>	<b>5,922.15</b>	<b>2,778.84</b>	<b>2,792.00</b>

**Notes:-**

Inventories are valued at lower of Cost or Net Realisable Value

**Note 7: Current Financial Assets - Trade Receivables** (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Unsecured Considered Good	3859.31	4,404.52	4,284.67
<b>Total</b>	<b>3,859.31</b>	<b>4,404.52</b>	<b>4,284.67</b>

**Note 8: Current Financial Assets - Cash And Cash Equivalents** (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Cash in Hand	12.31	12.11	11.84
Balances With Banks:			
- In Current Accounts	2.37	101.94	6.45
<b>Total</b>	<b>14.67</b>	<b>114.05</b>	<b>18.29</b>

**Note 9: Current Financial Asstes - Bank Balances Other than Cash and Cash Equivalents** (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Dividend Account	1.68	0.18	-
Margin Money with Bank	334.56	244.72	205.60
<b>Total</b>	<b>336.24</b>	<b>244.90</b>	<b>205.60</b>

**Note 10: Current Financial Asstes - Other Financial Asstes: Current** (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Accrued Interest	2.09	-	-
<b>Total</b>	<b>2.09</b>	<b>-</b>	<b>-</b>

**Note 11: Current Financial Asstes - Other Current Assets** (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>Unsecured Considered Good</b>			
Advances to Suppliers towards Goods and Services	1337.95	2,050.04	1,111.15
Loans and advances to Employees	15.02	19.78	10.77
Security Deposits	193.20	52.46	40.89
Prepaid Expenses	36.09	22.89	13.02
Duties & Taxes Receivables	2449.55	1,135.27	617.40
Loans and advances to Others	80.49	-	3.27
<b>Subtotal:</b>	<b>4112.30</b>	<b>3280.44</b>	<b>1796.50</b>
<b>Considered Doubtful</b>	-	-	-
	4,112.30	3,280.44	1,796.50
Less : Provision for Doubtful Advance	-	-	-
<b>Total</b>	<b>4,112.30</b>	<b>3,280.44</b>	<b>1,796.50</b>

**Notes**

(i) Loans and Advances to Employees included above are Interest free in nature which meets the definition of Financial Assets and are dealt accordingly in accordance with Ind As 109.

(ii) Loans and Advances to Others represents Advances paid towards Clearing charges for export of Goods.

## Note 12: Equity Share Capital

	Particulars	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
		Number	INR in Lakhs	Number	INR in Lakhs	Number	INR in Lakhs
a.	<b>Authorised Equity Share Capital</b> (Par Value per share Rs. 10)	14,000,000	1,400	8,000,000	800	8,000,000	800
b.	<b>Issued, Subscribed &amp; Paid Up</b> (Par Value per share Rs. 10)	11,600,000	1,160	5,800,000	580	5,800,000	580
	<b>Total Share Capital</b>	11,600,000	1,160	5,800,000	580	5,800,000	580
c.	<b>Reconciliation of No. of Equity shares and Share Capital outstanding</b>	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
		Number	INR in Lakhs	Number	INR in Lakhs	Number	INR in Lakhs
	Opening number of share outstanding	5,800,000	580	5,800,000	580	5,800,000	580
	Add:- No of shares/Share Capital issued/subscribed during the year	5,800,000	580	-	-	-	-
	Closing Number of shares outstanding	11,600,000	1,160	5,800,000	580	5,800,000	580
d.	<b>Rights, preferences and restrictions :</b>						
	(i) The Company has only one class of Equity Shares referred to as Equity Shares having a par value of Rs. 10/- each holder of equity share is entitled to one vote per share.						
	(ii) The Company declares and pays dividend in Indian rupees. Final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the ensuing Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company.						
	(iii) In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amounts exist currently.						
	(iv) The Company allotted 58,00,000 Equity Shares as fully paid up bonus shares by capitalisation of profits transferred from Share premium account, pursuant to special resolution passed after taking the consent of shareholders through postal ballot.						
e.	<b>Details of shares in the company held by each shareholder holding more than 5 per cent shares :</b>						
Sr. No	Name of the Shareholder	As at March 31, 2020		As at March 31, 2019		As at April 01, 2018	
		No. of shares	% of share holding	No. of shares	% of share holding	No. of shares	% of share holding
1	Ketan Chhaganlal Patel	7,939,520	68.44	3,969,760	68.44	3,969,760	68.44
2	Pantomath Stock Brokers	593,044	5.11	285,200	4.92	89,600	1.54
f.	The company has only one class of shares referred to as equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.						

## Note 13: Other Equity (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>Reserves and Surplus</b>			
<b>Share Premium</b>			
Opening Balance	1,170.00	1,170.00	1,170.00
Less: Share Premium against Issue of Bonus Shares	580.00	-	-
<b>Total</b>	<b>590.00</b>	<b>1,170.00</b>	<b>1,170.00</b>
<b>Retained Earnings</b>			
Balance as at the beginning of the year	1,584.88	1,010.96	-
Add/(Less) : Profit / (Loss) for the year	904.45	584.77	-
Less: Dividend Paid	(18.01)	(9.00)	-
Less: Divident Distribution Tax Paid	(3.70)	(1.85)	-
<b>Total</b>	<b>2,467.62</b>	<b>1,584.88</b>	<b>1,010.96</b>
<b>Other Comprehensive Income</b>			
Balance as at the beginning of the year	(3.54)		
Remeasurement gain / (loss) on defined benefit plan	(1.68)	(3.54)	-
<b>Total</b>	<b>(5.22)</b>	<b>(3.54)</b>	<b>-</b>
<b>Total Other Equity</b>	<b>3,052.40</b>	<b>2,751.34</b>	<b>2,180.96</b>

The description of the nature and purpose of each reserve within equity is as follows :

**Share Premium** - Securities premium is used to record the premium on issue of shares. The reserve shall be utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

## Note 14: Non Current Financial Liabilities - Borrowings (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>Secured</b>			
<b>Others</b>			
Borrowings from LIC	8.95	8.95	8.95
<b>Bank</b>			
Term Loan and Bill Discounting	597.91	608.72	-
<b>Total</b>	<b>606.86</b>	<b>617.67</b>	<b>8.95</b>

## Note 15: Non Current Provisions (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Employee benefit	68.79	57.20	40.42
<b>Total</b>	<b>68.79</b>	<b>57.20</b>	<b>40.42</b>

### Note 16: Current Financial Liabilities - Borrowings (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>Secured</b>			
Term Loan and Bill Discounting	803.24	2,644.85	2,222.54
Cash Credit from Bank	1443.60	-	-
Buyer's Credit from Bank	172.52	-	-
<b>Unsecured</b>			
Unsecured Loans from Directors/ Related Parties	160.40	327.90	292.11
<b>Total</b>	<b>2,579.76</b>	<b>2,972.74</b>	<b>2,514.65</b>

**Notes :-**

- (i) Cash Credit from Banks is secured against hypothecation of Stocks and Book debts.
- (ii) Cash credit is payable on demand, carries interest rate of 10 to 10.5%
- (iii) Cash credit and Buyer's credit is guaranteed by Director, Chairperson and Wholetime director
- (iv) Term Loan is secured against the office building of the company.
- (v) Unsecured Loan from Directors and relative of directors carries interest at the rate of 12%.

### Note 17: Current Financial Liabilities - Trade Payable (Unsecured) (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Due to Micro and Small Enterprises	-	-	-
Due to others	3,137.17	2,658.64	3,423.37
<b>Total</b>	<b>3,137.17</b>	<b>2,658.64</b>	<b>3,423.37</b>

**Notes:-**

In view of Management there are no MSME parties and we have relied on the view of the mangement as the required details or information is not available with us to confirm the above payables. Thus the disclosures in connection to MSME parties has not been given.

### Note 18: Current: Financial Liabilities - Other Financial Liabilities (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Creditors for Expenses	114.86	145.38	109.87
Creditors for Capital Assets	-	42.92	660.00
Other Payables	2,391.31	1,532.18	183.33
<b>Total</b>	<b>2,506.16</b>	<b>1,720.48</b>	<b>953.20</b>

### Note 19: Other Current Liabilities (Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Statutory dues payable	36.28	36.39	23.91
Advances from customers	2,080.72	401.30	242.24
<b>Total</b>	<b>2,117.00</b>	<b>437.69</b>	<b>266.15</b>

Note 20: Provisions			(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Employee benefit	12.04	9.79	12.09
<b>Total</b>	<b>12.04</b>	<b>9.79</b>	<b>12.09</b>

Note 21: Current Tax Liabilities (Net)			(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Provision for Tax	63.44	46.71	47.25
<b>Total</b>	<b>63.44</b>	<b>46.71</b>	<b>47.25</b>

Note 22: Revenue From Operations			(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019	
Sale of Products			
-Traded Goods	45,117.37	36,765.45	
<b>Total</b>	<b>45,117.37</b>	<b>36,765.45</b>	

Note 23: Other Income			(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019	
Interest Income:			
on FD	20.71	15.50	
on ICD	14.42	15.08	
on Others	6.87	1.00	
Insurance Claim	0.63	2.55	
Service Income	30.67	4.69	
Exchange Gain (Net)	29.39	267.34	
Duty Scrip Credit [MEIS]	27.84	-	
Bad Debts Recovery	0.47	-	
<b>Total</b>	<b>131.00</b>	<b>306.15</b>	

Note 24: Purchases of Stock in Trade			(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019	
Purchases	43,304.23	33,553.26	
<b>Total</b>	<b>43,304.23</b>	<b>33,553.26</b>	

Note 25: Changes in Inventories of Finished Goods And Work-in-Progress			(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019	
Opening Stock			
- Stock in Trade	2,778.85	2,792.00	
Closing Stock			
- Stock in Trade	5,922.15	2,778.85	
<b>Total</b>	<b>(3,143.30)</b>	<b>13.15</b>	



Note 26: Employee Benefits Expenses		(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019
Salaries, Wages and Bonus etc	815.34	640.75
Contribution to provident and other funds	31.73	22.50
Gratuity Expense	13.96	12.00
Staff Welfare Expenses	38.38	20.55
<b>Total</b>	<b>899.41</b>	<b>695.80</b>

Note 27: Finance Costs		(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019
<b>Interest Expense</b>		
On Borrowings	372.47	366.87
On Duties and Taxes	-	-
On Others	7.70	5.58
<b>Other Borrowing Costs</b>		
Bank Charges	57.01	33.68
Processing Charges	20.32	37.67
Buyers Credit, Bank Guarantee Charges and Fin Charge	18.85	8.17
<b>Total</b>	<b>476.35</b>	<b>451.97</b>

Note 28: Other Expenses		(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019
Administrative and General Expenses:		
Annual Maintenance Charges	3.83	5.54
Auditors Remuneration	5.00	3.00
Books & Periodicals	0.08	0.01
Courier Charges	0.95	1.27
Clearing Charges-Export	91.82	73.09
Demat Charges (Company)	0.51	0.38
Directors Remuneration	101.48	94.79
Donations	1.25	1.15
Electricity Expenses	12.73	12.22
Insurance Expenses	23.07	13.80
Internet Charges	1.81	1.64
Keyman Insurance	1.18	1.18
Labour Charges	1.36	0.04
Legal & Professional Charges	141.58	104.56
Levies and Penalties	2.07	-
Miscellaneous Expenses	29.54	27.75
Postage & Telegram Expenses	0.63	0.58
Printing Stationery	4.75	5.05
Rent, Rates & Taxes	184.68	101.55

Repairs Maintenance Expenses	8.54	3.14
Royalty	137.75	111.59
Sales Tax / GST Expenses/ Income tax	37.84	2.65
Service Expenses	239.59	208.61
Subscriptions & Membership	8.67	8.21
Telephone Expenses	11.16	12.95
Travelling Expenses (Domestic)	163.91	131.22
Lodging and Boarding (Hotel, Meal and Entertainment)	56.10	22.44
Advertising Promotional Expenses	742.06	372.40
Commission Paid	351.70	123.54
Bad Debts	-	33.04
CSR Expenditure	13.50	-
Director Sitting Fee	3.36	-
<b>Total</b>	<b>2,382.51</b>	<b>1,477.39</b>

## Note 29: Income Tax Expenses

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Income Tax Expense</b>		
Income Tax expense recognised in Statement of Profit and Loss		
<b>i. Current Tax</b>		
- in respect of current year	336.91	220.08
- in respect of earlier years	-	9.15
	<b>336.91</b>	<b>229.23</b>
<b>ii. Deferred Tax</b>		
Deferred tax Asset on:		
- Provision of Gratuity	20.34	18.64
Deferred tax Liability on:		
- Property, Plant and Equipment	9.35	5.70
<b>Net Deferred Tax Asset / (Liability) reflecting in Balance Sheet</b>	<b>11.00</b>	<b>12.94</b>
<b>Less: Opening Deferred Tax Asset</b>	<b>12.94</b>	<b>26.36</b>
<b>Deferred Tax Expense to be recognised in Statement of Profit and Loss Account</b>	<b>(1.94)</b>	<b>(13.42)</b>

## Note No. 30 - Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	March 31, 2020	March 31, 2019
<b>i. Profit attributable to equity holders (Rs in lakhs)</b>		
Profit attributable to equity holders of the parent for basic and diluted EPS	902.77	581.23
	<b>902.77</b>	<b>581.23</b>
<b>ii. Weighted average number of ordinary shares</b>		
Issued ordinary shares	11,600,000	5,800,000
Add/(Less): Effect of shares issued/ (bought back)	-	-
<b>Weighted average number of shares at March 31 for basic and diluted EPS</b>	<b>11,600,000</b>	<b>5,800,000</b>
<b>iii. Basic and diluted earnings per share (Rs)</b>	<b>7.78</b>	<b>5.01</b>

## Note 31 - Financial Risk Management

The Company's business activities are exposed to financial risks, namely Credit risk, Liquidity risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls 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.

The audit committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

### i. 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, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes, if required, an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

### ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents.

## Note 32 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

Particular	(Rs. in Lakhs)		
	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Non- Current borrowing	607	618	9
Current borrowings	2,580	2,973	2,515
Current maturity of long term debt	-	-	-
<b>Gross debt</b>	<b>3,187</b>	<b>3,590</b>	<b>2,524</b>
Less : Cash and cash equivalents	15	114	18
Less : Other bank balances	336	245	206
<b>Adjusted net debt</b>	<b>2,836</b>	<b>3,231</b>	<b>2,300</b>
Total Equity	4,212	3,331	2,761
<b>Adjusted Net debt to Equity ratio</b>	<b>0.67</b>	<b>0.97</b>	<b>0.83</b>

## Note No. 33 - Disclosure pursuant to Ind AS 19 on "Employee benefits"

<b>a.</b>	<b>Defined Contribution Plans</b> The Company's contribution to Provident Fund and other Fund aggregating to Rs. 31.73 Lakhs (Previous Year Rs. 22.50 Lakhs) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense. (Refer Note 26)																		
<b>b.</b>	<b>Defined Benefit Plans</b> Scale of Benefits are as below: <table border="1"> <tbody> <tr> <td>a)</td> <td>Salary for calculation of gratuity</td> <td>Last drawn qualifying salary.</td> </tr> <tr> <td>b)</td> <td>Vesting Period</td> <td>5 years of service.</td> </tr> <tr> <td>c)</td> <td>Benefit on normal retirement</td> <td>As per the provisions of payment of gratuity Act 1972 as amended.</td> </tr> <tr> <td>d)</td> <td>Benefit on early retirement / withdrawal / resignation</td> <td>Same as normal retirement benefit based on service upto the date of exit.</td> </tr> <tr> <td>e)</td> <td>Benefit on death in service</td> <td>Same as normal retirement benefit based on service upto the date of death &amp; no vesting conditions apply.</td> </tr> <tr> <td>f)</td> <td>Limit</td> <td>Rs 20,00,000/-</td> </tr> </tbody> </table>	a)	Salary for calculation of gratuity	Last drawn qualifying salary.	b)	Vesting Period	5 years of service.	c)	Benefit on normal retirement	As per the provisions of payment of gratuity Act 1972 as amended.	d)	Benefit on early retirement / withdrawal / resignation	Same as normal retirement benefit based on service upto the date of exit.	e)	Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply.	f)	Limit	Rs 20,00,000/-
a)	Salary for calculation of gratuity	Last drawn qualifying salary.																	
b)	Vesting Period	5 years of service.																	
c)	Benefit on normal retirement	As per the provisions of payment of gratuity Act 1972 as amended.																	
d)	Benefit on early retirement / withdrawal / resignation	Same as normal retirement benefit based on service upto the date of exit.																	
e)	Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply.																	
f)	Limit	Rs 20,00,000/-																	
<b>c.</b>	<b>Risk to the Plan</b> <table border="1"> <tbody> <tr> <td><b>i.</b></td> <td><b>Actuarial Risk</b> The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.</td> </tr> </tbody> </table>	<b>i.</b>	<b>Actuarial Risk</b> The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.																
<b>i.</b>	<b>Actuarial Risk</b> The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.																		

ii.	<b>Liquidity Risk</b> Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/ retire from the company there can be strain on the cash flows.
iii.	<b>Market Risk</b> Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields of the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
iv.	<b>Legislative Risk</b> Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

INR in Lakhs

Particulars	As at March 31, 2020	As at March 31, 2019
<b>i. Changes in Present Value of Obligations:</b>		
Present Value of Obligation at the beginning	67.00	52.50
Current Service Cost	8.83	7.93
Past Service Cost	0.00	0.00
Interest Cost	5.13	4.06
Actuarial (Gain) / Loss	2.24	3.54
Benefits paid	-2.36	-1.04
Present Value of Obligation as at the end	81	67
<b>ii. Amount recognised in the Statement of Profit and Loss:</b>		
Current Service Cost	8.83	7.93
Past Service Cost	-	-
Interest Cost	5.13	4.06
<b>iii. Amount recognised in Other Comprehensive Income</b>		
Components of Actuarial (Gain) / Loss :	2.24	3.54
<b>iv. Sensitivity Analysis for significant assumptions *</b>		
Increase/(Decrease) on present value of defined benefit obligations at the end of the year		
0.5 % increase in discount rate	-1.86	-1.73
0.5 % decrease in discount rate	1.95	1.81
0.5% increase in salary escalation rate	1.93	1.81
0.5% decrease in salary escalation rate	-1.87	-1.75
<b>v. Amount recognised in Balance Sheet</b>		
Gross value of Present Obligation at the end	<b>80.84</b>	<b>67.00</b>

vi.	Assumptions		
	Mortality Table - Indian Assured Life Mortality 2006-08		
	Discount Rate	6.91%	7.65%
	Rate of increase in compensation levels	7%	7%
	Attrition Rate at ages:		
	upto 30 years	23.00	30.00
	from 31 to 44 years	17.00	23.00
	above 44 years	13.00	14.00
vii.	The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.		
viii.	Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.		
ix.	The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.		
x.	The company has not invested or maintained any plan assets against the above defined obligation. The company is of the view to manage the defined liability from its own liquidity.		
*	The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.		

#### Note 34 : Disclosure pursuant to Ind AS 101 on “First-time Adoption of Indian Accounting Standards”

##### 34.1. Reconciliation of Equity as at

INR in Lakhs

Particulars	As at March 31, 2019	As at April 1, 2018
Equity under IGAAP	3,349.35	2,794.79
<b>Summary of Ind AS adjustments</b>		
- Preliminary Expenses fully amortised	(25.37)	(33.83)
- Interest free Employee Loan (net)	0.39	
- Processing Fees on Loan taken (net)	6.97	
<b>Total Ind AS adjustments</b>	<b>(18.01)</b>	<b>(33.83)</b>
Equity under Ind AS	3,331.34	2,760.96

##### 34.2. Reconciliation of Profit and Loss for the year ended March 31, 2019

Particulars	March 31, 2019
Net Profit after tax as per Indian GAAP	574.56
Less: Tax adjustments relating to previous years	(9.15)
	565.41
<b>Summary of Ind AS adjustments</b>	
- Preliminary Expenses fully amortised	8.46

- Interest free Employee Loan (net)	0.39
- Processing Fees on Loan taken (net)	6.97
- Remeasurement of Defined benefit plan	3.54
<b>Total Ind AS adjustments</b>	<b>19.36</b>
<b>Net Profit after Tax as per Ind AS</b>	<b>584.77</b>

### 34.3 Effect of Ind AS adoption on Balance Sheet as at April 1, 2018

	I-GAAP	Effect of transition to Ind AS	Ind AS
	` in lakhs	` in lakhs	` in lakhs
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	765.38		765.38
(b) Financial Assets			
(i) Investments	138.25		138.25
(ii) Loans			
(iii) Other Financial Assets			
(c) Current Tax Assets (net)			
(d) Deferred Tax Assets (Net)	26.36		26.36
(e) Other Non-current assets	33.83	(33.83)	-
<b>Sub-total</b>	<b>963.82</b>	<b>(33.83)</b>	<b>929.99</b>
<b>Current Assets</b>			
(a) Inventories	2,792.00		2,792.00
(b) Financial Assets			
(i) Trade Receivables	4,284.67		4,284.67
(ii) Cash and Cash Equivalents	18.29		18.29
(iii) Bank Balances other than (ii) above	205.60		205.60
(c) Other Current assets	1,796.50		1,796.50
<b>Sub-total</b>	<b>9,097.06</b>	<b>-</b>	<b>9,097.06</b>
<b>Total Assets</b>	<b>10,060.88</b>	<b>(33.83)</b>	<b>10,027.05</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	580.00		580.00
(b) Other Equity	2,214.79	(33.83)	2,180.96
<b>Sub-total</b>	<b>2,794.79</b>	<b>(33.83)</b>	<b>2,760.96</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	8.95		8.95
<b>Sub-total</b>	<b>8.95</b>	<b>-</b>	<b>8.95</b>

Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2,514.65		2,514.65
(ii) Trade Payables	3,423.37		3,423.37
(iii) Other Financial Liabilities	953.20		953.20
(b) Other Current Liabilities	266.15		266.15
(c) Provisions	52.51		52.51
(d) Current Tax Liabilities (Net)	47.25		47.25
<b>Sub-total</b>	<b>7,257.13</b>	<b>-</b>	<b>7,257.13</b>
<b>Total Equity and Liabilities</b>	<b>10,060.88</b>	<b>(33.83)</b>	<b>10,027.05</b>

#### 34.4 Effect of Ind AS adoption on Balance Sheet as at March 31, 2019

	I-GAAP in lakhs	Effect of transition to Ind AS in lakhs	Ind AS in lakhs
<b>ASSETS</b>			
Non-Current Assets			
(a) Property, Plant and Equipment	892.71		892.71
(b) Financial Assets			
(i) Investments	123.90		123.90
(ii) Other Financial Assets			
(c) Deferred Tax Assets (Net)	12.94		12.94
(d) Other Non-current assets			
<b>Sub-total</b>	<b>1,029.55</b>		<b>1,029.55</b>
<b>Current Assets</b>			
(a) Inventories	2,778.84		2,778.84
(b) Financial Assets			
(i) Trade Receivables	4,404.52		4,404.52
(ii) Cash and Cash Equivalents	114.05		114.05
(iii) Bank Balances other than (ii) above	244.90		244.90
(iv) Loans			-
(v) Other Financial Assets			-
(c) Other Current assets	3,280.84	(0.39)	3,280.44
<b>Sub-total</b>	<b>10,823.15</b>	<b>(0.39)</b>	<b>10,822.75</b>
<b>Total Assets</b>	<b>11,852.70</b>	<b>(0.39)</b>	<b>11,852.30</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
(a) Equity Share Capital	580.00		580.00
(b) Other Equity	2,744.77	6.57	2,751.34
<b>Sub-total</b>	<b>3,324.77</b>	<b>6.57</b>	<b>3,331.34</b>



<b>LIABILITIES</b>			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	617.67		617.67
(b) Provisions			
(c) Deferred Tax Liabilities (net)	57.20		57.20
<b>Sub-total</b>	<b>674.88</b>	<b>-</b>	<b>674.88</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	2,979.71	(6.97)	2,972.74
(ii) Trade Payables	2,658.64		2,658.64
(iii) Other Financial Liabilities	1,720.50		1,720.50
(b) Other Current Liabilities	437.69		437.69
(c) Provisions	9.79		9.79
(d) Current Tax Liabilities (Net)	46.71		46.71
<b>Sub-total</b>	<b>7,853.05</b>	<b>(6.97)</b>	<b>7,846.09</b>
<b>Total Equity and Liabilities</b>	<b>11,852.70</b>	<b>(0.39)</b>	<b>11,852.30</b>

#### 34.5 Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2019

	I-GAAP	Effect of transition to Ind AS	Ind AS
	₹ in lakhs	₹ in lakhs	₹ in lakhs
Revenue from Operations	36,765.45		36,765.45
Other Income	305.11	1.05	306.15
Total Income	37,070.56	1.05	37,071.60
Expenses			
(a) Purchases of Stock In Trade	33,553.26		33,553.26
(b) Changes in inventories of finished goods and work-in-progress	13.15		13.15
(d) Employee Benefits Expenses	698.69	(2.89)	695.80
(e) Finance Costs	458.94	(6.97)	451.97
(f) Depreciation and Amortisation Expense	52.60	-	52.60
(g) Other Expenses	1,485.85	(8.46)	1,477.39
<b>Total Expenses</b>	<b>36,262.49</b>	<b>(18.31)</b>	<b>36,244.18</b>
<b>Profit/(Loss) before Tax</b>	<b>808.06</b>	<b>19.36</b>	<b>827.42</b>
Tax Expense			
(a) Current Tax	220.08	-	220.08
(b) Tax adjustments relating to prior years	9.15	-	9.15
(b) Deferred Tax	13.42	-	13.42
<b>Total Tax Expense</b>	<b>242.65</b>	<b>-</b>	<b>242.65</b>

Profit/(Loss) for the year	565.41	19.36	584.77
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss	-	-	-
(a) Remeasurements of Defined Benefit Plans	-	(3.54)	(3.54)
(b) Income Tax on above	-	-	-
Total Other Comprehensive Income for the year	-	(3.54)	(3.54)
Total Comprehensive Income for the year	565.41	15.82	581.23

**34.6. There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP**

### Note 35 : Contingencies and Commitments

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest payable u/s 220(2) for FY 2008-09 dated 11-12-2018 as per Traces	0.04	0.04
Outstanding tax demand with respect to MVAT FY 2009-10	-	1.65
Penalty levied under section 271(1)(c) by ITBA dated 22-11-2018 wide demand identification no 2018200940401569072C	3.92	3.92
Outstanding tax demand with respect to income tax AY 2008-09	5.26	5.26
Bank Guarantee	960.88	877.12
Service Tax Payable on reverse charge mechanism	4.38	4.38
Custom Duty (Showcause Notice)	230.34	230.34
Custom Duty (Showcause Notice for Penalty)	481.38	481.38
Outstanding tax demand with respect to VAT/ CST FY 2013-17 (Hyderabad)	8.09	-
Notice issued for proposed adjustment u/s 143(1)(a) for AY 2018-19	3.59	-

1. The Company has received a demand of Customs Duty via Show Cause Notice dated 13th March, 2018 amounting to Rs.1,86,19,246/- (without interest and penalty) from the Office of the Principal Commissioner of Customs, Mumbai, alleging that the import of Cameras was classified under wrong CTH (Customs Tariff Head) and Company has wrongly availed the duty exemption. The Company is not accepting the demand raised by the customs department and is contesting it. The company as well as its legal advisor are of the view that the classification adopted and exemption claimed were correct and in order. However it is believed that this position will likely be upheld in the appellate process. Hence, in view of the contingent nature of demand, the Company has classified the same under contingent liability.

The Company has received Order-in-Original C.A.O. No. CC-VA/24/2018-19 Adj. (I) ACC dated 28.02.2019 confirming the demand of Customs Duty amounting to Rs. 2,30,33,813/-. The Order also imposes penalty Rs. 4,61,38,438/- and penalty of 20,00,000/-. The Order states that Cameras imported by the Company was classified under wrong CTH (Customs Tariff Head) and Company has wrongly availed the duty exemption. The Company is not accepting the demand confirmed by the customs department and is contesting it. The Company has already filed an appeal against the same before the Customs, Excise, & Service Tax Appellate Tribunal, Mumbai. The Company as well as its legal advisor are of the view that the classification adopted and exemption claimed by the Company were correct and in order. It is believed that this position will likely be upheld in the appellate process. Hence, in view of the contingent nature of demand, the Company has classified the same under contingent liability.

The above dispute is still to be decided and hence the position on the even date for the above matter remains same.

## NOTE 36: Related Party Disclosures

<b>i)</b>	<b>Directors and Key Managerial Personal</b>		
	Ketan Patel - Chairman and Managing Director		
	Purvi Ketan Patel - Whole-time Director		
	Vijay Advani - Whole-time Director		
	Abhijit Kanvinde - Chief Financial Officer		
	Tejas Doshi - Company Secretary and Compliance Officer		
	<b>Subsidiary Companies</b>		
	Creative Peripherals and Distribution Limited (Hong Kong)		
	Secure Connection Limited (Hong Kong)		
	<b>Entities over which Key Managerial Persons have significant influence / control</b>		
	Bittech Services		
	Click Retail Private Limited		
	Secure Connection Private Limited		
	Compunics Technologies LLC		
	Rinavaa Technologies Pvt. Ltd.		
	Shilpa Global Private Limited		
	<b>Related Parties</b>		
	Ketan Patel HUF		
	Nidhi Patel		
<b>ii)</b>	<b>Related Party Transaction</b>		
	<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
	<b>Nature of Transaction</b>	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
	<b>Director's Remuneration &amp; KMP</b>		
	Ketan Chhaganlal Patel	47.25	44.14
	Vijay Advani	33.09	30.91
	Purvi Ketan Patel	21.14	19.73
	Abhijit Kanvinde	24.97	23.33
	Tejas Doshi	10.47	9.07
	<b>Bonus to Director's &amp; KMP</b>		
	Ketan Chhaganlal Patel	10.07	10.07
	Vijay Advani	7.57	0.07
	Purvi Ketan Patel	10.07	0.07
	Abhijit Kanvinde	7.57	0.07
	Tejas Doshi	0.42	0.42
	<b>Other Employee Benefit</b>		
	Ketan Chhaganlal Patel	1.01	0.96
	Vijay Advani	0.77	0.74
	Purvi Ketan Patel	0.57	0.55
	Abhijit Kanvinde	0.62	0.60
	Tejas Doshi	0.38	0.36
	<b>Interest Paid</b>		
	Ketan Chhaganlal Patel	9.97	13.25
	Vijay Advani	1.44	1.44

	Ketan Patel HUF	-	0.01
	Nidhi Ketan Patel	-	0.01
	<b>Loan Received</b>		
	Ketan Chhaganlal Patel	530.25	440.70
	<b>Repayment of loan</b>		
	Ketan Chhaganlal Patel	700.94	416.31
	Ketan Patel HUF	-	0.25
	Nidhi Ketan Patel	-	0.28
	<b>Salary</b>		
	Nidhi Ketan Patel	10.44	3.13
	<b>Reimbursement of Expenses</b>		
	Reimbursement of Expenses of Click Retail Private Limited	-	0.03
	<b>Purchases</b>		
	Bittech Services	32.15	24.30
	Secure Connection Private Limited	176.78	151.20
	Creative Peripherals & Distribution Limited (HK)	63.71	-
	Secure Connection Limited-HK	213.70	-
	<b>Sales</b>		
	Compunics Technologies Llc	99.68	-
	Secure Connection Private Limited (Service and Sample)	31.33	40.98
	Bittech Services	15.14	7.99
	Creative Peripherals & Distribution Limited (HK)	658.48	-
	Secure Connection Limited-HK	31.12	-
	Click Retail Private Limited	52.42	-
	<b>Advance given in the course of business</b>		
	Advance given to Secure Connection Private Limited	71.22	130.54
	<b>Advance taken in the course of business</b>		
	Secure Connection Limited-HK	584.48	-
<b>iii)</b>	<b>Balances at the end of year</b>		
	<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
		<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
	<b>Entities over which Key Managerial Persons have significant influence / control</b>		
	Bittech Services	4.13	0.10
	Click Retail Private Limited	6.42	-
	Secure Connection Private Limited	617.71	2.99
	Creative Peripherals & Distribution Limited (HK)	-10.27	-
	Secure Connection Limited-HK	-767.06	-
	<b>Unsecured Loans</b>		
	Ketan Chhaganlal Patel	148.07	315.57
	Vijay Advani	12.32	12.32

## Note 37: Foreign Currency Transactions

Particulars	Nature of Transaction	31.03.2020	31.03.2019
Value of Exports (FOB)	Earnings	10554.65	7960.48
Value of Imports	Expenses	31133.38	19867.33
Foreign Travelling Expenses	Expenses	19.84	16.94

## Note 38: Dividend

Dividends declared by the Company are based on profits available for distribution. Distribution of dividends out of General reserve and Retained earnings is subject to applicable dividend distribution tax. On May 27, 2019, the Board of Directors of the Company have proposed a final dividend of Rs. 0.50 per Equity Share in respect of the year ending March 31, 2019 subject to the approval of shareholders at the Annual General Meeting. Further, promoters of the Company have opted out from their rights to receive dividend. So the above said dividend will be provided to Public share holdings.

## Note 39: Segment Information

The Company has identified following reporting segments based on the informations:

1	Imaging	
2	IT	
3	Others includes Lifestyle, Security etc.	

The above business segments have been identified considering:

1	the nature of products and services	
2	the differing risks and returns	
3	the internal organisation and management structure, and	
4	the internal financial reporting systems	

Standalone Segment Revenue are as follows:

Particulars	As at March 31, 2020 Rs. In Lacs
Segment Revenue	
- Imaging	19,608.22
- IT	19,167.35
- Others includes Lifestyle, Security etc.	6,341.79
Revenue from Operations	45,117.37
Segment Results	
Net Revenue from each segment after deducting allocable cost	
- Imaging	2,459.53
- IT	2,077.54
- Others includes Lifestyle, Security etc.	419.37
<b>Total</b>	<b>4,956.44</b>
Less: Finance Cost	476.35

Less: Unallocable cost	3,236.80
<b>Total Profit before Tax</b>	<b>1,243.29</b>
<b>Standalone Segment Assets and Liabilities are as follows:</b>	
<b>Particulars</b>	<b>As at March 31, 2020</b>
Total Assest	
- Imaging	3116.78
- IT	4040.74
- Others includes Lifestyle, Security etc.	541.10
<b>Total</b>	<b>7698.62</b>
Total Liability	
- Imaging	-310.17
- IT	2572.52
- Others includes Lifestyle, Security etc.	344.80
<b>Total</b>	<b>2607.15</b>
Note: During the year the reportable segments are identified and hence the information of Revenue, assets and liabilities are provided only for current year.	

## Note 40


Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

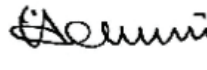


CA Nikul Jalan (Partner)  
Membership No. 112353  
UDIN: 20112353AAAABG6443  
Mumbai, Dated: 25th June, 2020


For and on Behalf of the Board of Directors  
of Creative Peripherals and Distribution Limited



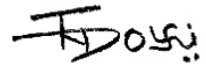
Ketan C Patel  
Chairman and Managing  
Director  
DIN: 00127633



Vijay Advani  
Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde  
Chief Financial Officer



Tejas Doshi  
Company Secretary and  
Compliance Officer

# Independent Auditor's Report - Consolidated



TO THE MEMBERS OF  
CREATIVE PERIPHERALS AND DISTRIBUTION LTD.

## Report on the Consolidated Ind AS Financial Statements

### Opinion

We have audited the accompanying consolidated Ind AS financial statements of CREATIVE PERIPHERALS AND DISTRIBUTION LTD. ("the Holding Company"), and its subsidiaries listed in Annexure I which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and consolidated profit, total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 consolidated Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report.

### Other Information

The Holding Company's management and Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

in this regard.

### **Responsibilities of Management and those charged with governance for the consolidated Ind AS financial statements**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditors' Responsibility for the Audit of the Consolidated Ind AS Financial Statements**

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated Ind AS 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 Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS 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 Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

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

### **Other Matters**

The consolidated Financial Results include the audited Financial Results of two subsidiary, whose Financial Statements which are not audited by us which reflects Group's share of total assets of Rs. 233.54 (in lakhs) as at March 31, 2020, Group's share of total revenue of Rs. 1.84 (in lakhs) and Rs. 654.44 (in lakhs) and Group's share of total net profit/ (loss) after tax of Rs. 68.8 (in lakhs) and (Rs. 42.97) (in Lakhs) for the quarter ended March 31, 2020 and for the period from April 1, 2019 to March 31, 2020 respectively, as considered in the consolidated Financial Results and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is

based solely on the report of other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

#### Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:

- 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.
- 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.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and the Consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account.
- In our opinion, the aforesaid consolidated Financial Statements comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
- 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.
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in **"Annexure A"**.
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  1. The Company has disclosed pending litigations which would impact its financial position in note no. 34 of the Consolidated Financial Statements.
  2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR GUPTA RAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N



CA NIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

PLACE: MUMBAI  
DATED: 25th June, 2020  
UDIN: 20112353AAAAB49394

List of subsidiaries included in the consolidated financial result:

Sr No.	Particulars
1.	Creative Peripherals and Dist. Ltd. (Hong kong)
2.	Secure Connection Limited (Hong kong)

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

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

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

We have audited the internal financial controls over financial reporting of CREATIVE PERIPHERALS AND DISTRIBUTION LTD. (“the Company”) as of 31 March, 2020 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

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

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 system over financial reporting.

## Meaning of Internal Financial Controls over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI. Our opinion is not modified in respect of this matter.

PLACE: MUMBAI  
DATED: 25th June, 2020  
UDIN: 20112353AAAAB49394

FOR GUPTA RAJ & CO.  
CHARTERED ACCOUNTANTS  
FIRM NO. 001687N



CA NIKUL JALAN  
PARTNER  
MEMBERSHIP NO. 0112353

# Balance Sheet - Consolidated

Balance Sheet as at 31 <sup>st</sup> March, 2020				(Rs. in Lakhs)
Particulars	Note no.	As at March 31, 2020 (INR)	As at March 31, 2019 (INR)	As at April 1, 2018 (INR)
<b>I. ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Property, Plant and Equipment	2	889.17	892.71	765.38
<b>(b) Financial Assets</b>				
(i) Investments	3	105.67	123.90	138.25
(ii) Other Financial Assets				
(c) Deferred Tax Assets (Net)	4	11.56	12.94	26.36
(d) Other Non Current Assets	5	1.01	-	-
<b>Total Non - Current Assets</b>		<b>1,007.41</b>	<b>1,029.55</b>	<b>929.99</b>
<b>(2) Current Assets</b>				
(a) Inventories	6	6,029.00	2,778.84	2,792.00
<b>(b) Financial Assets</b>				
(i) Trade Receivables	7	3,857.65	4,404.52	4,284.67
(ii) Cash and Cash Equivalents	8	52.32	114.05	18.29
(iii) Bank Balances other than (ii) above	9	336.24	244.90	205.60
(iv) Other Financial Assets	10	2.09	-	-
(c) Other Current assets	11	4,203.00	3,280.44	1,796.50
<b>Total Current Assets</b>		<b>14,480.30</b>	<b>10,822.75</b>	<b>9,097.06</b>
<b>Total Assets</b>		<b>15,487.70</b>	<b>11,852.30</b>	<b>10,027.05</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>(1) Equity</b>				
(a) Equity Share Capital	12	1,160.00	580.00	580.00
(b) Other Equity	13	2,974.62	2,751.34	2,180.96
(c) Non-Controlling Interest		(10.53)		
<b>Total Equity</b>		<b>4,124.08</b>	<b>3,331.34</b>	<b>2,760.96</b>
<b>(2) Share application money pending Allotment</b>				
		<b>1,060.28</b>	-	-
<b>(3) Non-Current Liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings	14	480.58	617.67	8.95
(b) Provisions	15	68.79	57.20	40.42
<b>Total Non - Current Liabilities</b>		<b>549.37</b>	<b>674.87</b>	<b>49.37</b>
<b>(4) Current Liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings	16	2,706.96	2,972.74	2,514.65
<b>(ii) Trade Payables</b>				
- total outstanding dues of micro enterprises and small enterprises			-	
- total outstanding dues of creditors other than micro enterprises and small enterprises	17	2,930.44	2,658.64	3,423.37
(iii) Other Financial Liabilities	18	2,506.16	1,720.50	953.20
<b>(b) Other Current Liabilities</b>				
(c) Provisions	20	12.04	9.79	12.09
(d) Current Tax Liabilities (Net)	21	63.44	46.71	47.25
<b>Total Current Liabilities</b>		<b>9,753.97</b>	<b>7,846.09</b>	<b>7,216.71</b>
<b>Total Equity and Liabilities</b>		<b>15,487.70</b>	<b>11,852.30</b>	<b>10,027.05</b>

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

CA Nikul Jalan (Partner)  
Membership No. 112353  
UDIN: 20112353AAAAB49394  
Mumbai, Dated: 25th June, 2020

For and on Behalf of the Board of Directors  
of Creative Peripherals and Distribution Limited

Ketan C Patel  
Chairman and Managing  
Director  
DIN: 00127633

Vijay Advani  
Whole - Time Director  
DIN: 02009626

Abhijit Kanvinde  
Chief Financial Officer

Tejas Doshi  
Company Secretary and  
Compliance Officer

# Profit and Loss Statement- Consolidated

Profit and Loss Statement for the year ended 31 <sup>st</sup> March, 2020			(Rs. in Lakhs)
Particular	Note	For the year ended	For the year ended
	No.	March 31,2020	March 31,2019
Revenue from Operations	22	45,771.81	36,765.45
Other Income	23	134.46	306.15
<b>Total Income</b>		<b>45,906.28</b>	<b>37,071.60</b>
<b>Expenses</b>			
(a) Purchases of Stock in Trade	24	43,953.49	33,553.26
(b) Changes in inventories of finished goods and work-in progress	25	(3,250.15)	13.15
(c) Employee Benefits Expenses	26	899.41	695.80
(d) Finance Costs	27	479.68	451.97
(e) Depreciation and Amortisation Expense	2	85.89	52.60
(f) Other Expenses	28	2,621.51	1,477.39
<b>Total Expenses</b>		<b>44,789.82</b>	<b>36,244.18</b>
<b>Profit/(Loss) before Tax</b>		<b>1,116.46</b>	<b>827.42</b>
<b>Tax Expense</b>		-	
(a) Current Tax	29	336.91	220.08
(b) Tax adjustments relating to prior years	29	-	9.15
(c) Deferred Tax	29	1.94	13.42
<b>Total Tax Expense</b>		<b>338.84</b>	<b>242.65</b>
<b>Profit/(Loss) for the year</b>		<b>777.62</b>	<b>584.77</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit or loss		-	-
(a) Remeasurements of Defined Benefit Plans	13	(2.24)	(3.54)
(b) Income Tax on above	13	0.56	-
(ii) Items that will be reclassified to profit or loss		-	-
<b>Total Other Comprehensive Income for the year</b>		<b>(1.68)</b>	<b>(3.54)</b>
<b>Total Comprehensive Income for the year</b>		<b>775.94</b>	<b>581.23</b>
<b>Equity Shareholders for Parent Company</b>		<b>786.48</b>	<b>581.23</b>
<b>Non controlling Interest</b>		<b>(10.53)</b>	-
<b>Earnings per Equity Share of Rs 10/ each :</b>			
Basic	30	6.78	5.01
Diluted	30	6.78	5.01
<b>Significant Accounting Policies</b>	<b>1</b>		
<b>The accompanying Notes are an integral part of the Financial Statements</b>			

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

CA Nikul Jalan (Partner)

Membership No. 112353  
UDIN: 20112353AAAAB49394  
Mumbai, Dated: 25th June, 2020

For and on Behalf of the Board of Directors  
of Creative Peripherals and Distribution Limited

Ketan C Patel

Chairman and Managing  
Director  
DIN: 00127633

Vijay Advani

Whole - Time Director  
DIN: 02009626

Abhijit Kanvinde

Chief Financial Officer

Tejas Doshi

Company Secretary and  
Compliance Officer

# Cash Flow Statement- Consolidated

Consolidated Cash Flow Statement for the year ended March 31, 2020		(Rs. in Lakhs)	
Particulars	For the Year ended March 31,2020	For the Year ended March 31,2019	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit / (Loss) Before Tax	1,116.57	827.42	
Adjustments for			
Depreciation and Amortisation	85.89	52.60	
Finance Cost	383.50	372.44	
Interest on late payment	(6.88)	0.05	
Interest on FD and ICD	(35.13)	(30.58)	
Provisions for expense	13.84	8.46	
<b>Operating Profit Before Working Capital Changes</b>	<b>1,557.79</b>	<b>1,230.39</b>	
Adjustments for increase / decrease in:			
Trade receivables	546.87	(119.85)	
Other Financial Assets and other Current Assets	(924.64)	(1,483.94)	
Inventories	(3,250.15)	13.15	
Trade payable, Other Financial & Current Liabilities	2,153.68	140.34	
<b>Cash generated from operations</b>	<b>83.54</b>	<b>(219.91)</b>	
Income-tax (paid) / refund (net)	(322.62)	(179.15)	
<b>Net cash flow from operating activities</b>	<b>(239.08)</b>	<b>(399.05)</b>	
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of PPE, intangible assets and work in progress	(82.26)	(179.93)	
Purchase of Investments	-	-	
Income from Investments i.e. FD and ICD	42.01	30.53	
Sale of Investments	18.24	-	
(Investment) & Redemption in bank deposit (having maturity more than 3 months)	(91.35)	(39.30)	
<b>Net cash flow (used in) investing activities</b>	<b>(113.36)</b>	<b>(188.70)</b>	
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Long-term Borrowings	-	452.54	
Proceeds from Short-term Borrowings	-	614.27	
Repayment of Long-term Borrowings	(137.09)	-	
Repayment of Short-term Borrowings (net)	(265.79)	-	
Share Application money pending allotment	1,060.28	-	
Finance Cost Paid	(383.50)	(372.44)	
Dividend and DDT Paid	(21.71)	(10.85)	
<b>Net cash flow from financing activities</b>	<b>252.18</b>	<b>683.52</b>	
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(100.25)</b>	<b>95.76</b>	
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>114.05</b>	<b>18.29</b>	
Exchange difference on translation of Foreign currency	38.52	-	
<b>Cash and cash equivalents as at the end of the year</b>	<b>52.32</b>	<b>114.05</b>	

## Notes:

1. Cash Flow Statement has been prepared under the indirect method as set out in Ind AS 7 specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

2. Figures in bracket indicate Cash Outflow.

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N

CA Nikul Jalan (Partner)

Membership No. 112353  
UDIN: 20112353AAAAAB49394  
Mumbai, Dated: 25th June, 2020

For and on Behalf of the Board of Directors  
of Creative Peripherals and Distribution Limited

Ketan C Patel

Chairman and Managing  
Director  
DIN: 00127633

Vijay Advani

Whole - Time Director  
DIN: 02009626

Abhijit Kanvinde

Chief Financial Officer

Tejas Doshi

Company Secretary and  
Compliance Officer

# Statement of Changes in Equity (SOCIE) - Consolidated

Statement of Changes in Equity (SOCIE)		(Rs. in Lakhs)
<b>A.</b>	<b>Equity share capital</b>	<b>Amount</b>
	Balance as at April 1, 2018	580
	Changes in equity share capital during 2018-19	-
	Balance as at March 31, 2019	580
	Changes in equity share capital during the year	580
	Balance as at March 31, 2020	1,160

<b>B. Other Equity</b>						
Particulars	Reserves and Surplus		Other Comprehensive Income			Total
	Share Premium	Retained Earnings	Other Items of Other Comprehensive Income	Foreign Currency Translation Reserve (FCTR A/c)	Equity Instruments through Other Comprehensive Income	
<b>Balance as at April 1, 2019</b>	<b>1,170.00</b>	<b>1,584.88</b>	<b>(3.54)</b>	<b>-</b>	<b>-</b>	<b>2,751.34</b>
Profit / (Loss) for the year	-	786.48	-	-	-	786.48
Foreign Currency translation	-	-	-	40.19	-	40.19
Remeasurement gain / (loss) on Defined Benefit Plan	-	-	(2.24)	-	-	(2.24)
Income Tax on above	-	-	0.56	-	-	0.56
<b>Total Comprehensive Income for the year</b>	<b>1,170.00</b>	<b>2,371.36</b>	<b>(5.22)</b>	<b>40.19</b>	<b>-</b>	<b>3,576.33</b>
Dividend	-	(18.01)	-	-	-	(18.01)
Dividend Distribution Tax	-	(3.70)	-	-	-	(3.70)
Bonus Shares issued	(580.00)	-	-	-	-	(580.00)
<b>Balance as at March 31, 2020</b>	<b>590.00</b>	<b>2,349.65</b>	<b>(5.22)</b>	<b>40.19</b>	<b>-</b>	<b>2,974.62</b>
Particulars	Share Premium	Retained Earnings	Other Items of Other Comprehensive Income	Foreign Currency Translation Reserve (FCTR A/c)	Equity Instruments through Other Comprehensive Income	Total
<b>Balance as at April 1, 2018</b>	<b>1,170.00</b>	<b>1,010.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,180.96</b>
Profit / (Loss) for the year	-	584.77	-	-	-	584.77
Foreign Currency translation	-	-	-	-	-	-
Remeasurement gain / (loss) on Defined Benefit Plan	-	-	(3.54)	-	-	(3.54)
Income Tax on above	-	-	-	-	-	-
<b>Total Comprehensive Income for the year</b>	<b>1,170.00</b>	<b>1,595.74</b>	<b>(3.54)</b>	<b>-</b>	<b>-</b>	<b>2,762.19</b>
Dividend	-	(9.00)	-	-	-	(9.00)
Dividend Distribution Tax	-	(1.85)	-	-	-	(1.85)
Bonus Shares issued	-	-	-	-	-	-
<b>Balance as at March 31, 2019</b>	<b>1,170.00</b>	<b>1,584.88</b>	<b>(3.54)</b>	<b>-</b>	<b>-</b>	<b>2,751.34</b>

For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N



CA Nikul Jalan (Partner)

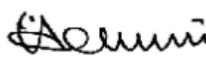
Membership No. 112353  
UDIN: 20112353AAAAAB49394  
Mumbai, Dated: 25th June, 2020

For and on Behalf of the Board of Directors  
of Creative Peripherals and Distribution Limited



Ketan C Patel

Chairman and Managing  
Director  
DIN: 00127633



Vijay Advani

Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde

Chief Financial Officer



Tejas Doshi

Company Secretary and  
Compliance Officer



## Note 1: NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

### GROUP INFORMATION

Creative Peripherals and Distribution Limited (Formerly known as Creative Peripherals and Distribution Private Limited) is a Company domiciled in India and incorporated on 22nd September, 2004 under the provisions of the Companies Act, 1956 located at 3rd & 4th Floor, Plot No 137 AB, Kandivali Co-op Industrial Estate Limited, Charkop, Kandivali West, Mumbai - 400067. The Company's shares are listed on the NSE Ltd.

Creative Peripherals is a Go-to-Market and distribution specialist for Global IT, Imaging and Lifestyle brands. The Company has an omni - channel presence, with branches across India. Creative's B2B e Commerce platform caters to a wide range of sub-distributors, retailers and other customers, and serves as a one-stop-shop offering end-to-end solutions for them. The Company is also developing an e commerce platform "C kart" for B2B transaction which will be launched in current year. The company caters to the Indian as well as international markets.

The Company and its subsidiaries (jointly referred to as the 'Group' herein under) considered in these consolidated financial statements are:

#### Subsidiaries:

Name of the Company	Country of Incorporation	Proportion in Equity shares
(a) Creative Peripherals and Dist. Ltd.	Hong Kong	100%
(b) Secure Connection Limited	Hong Kong	70%

#### 1) SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Group in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2018 for the purpose of transition to Ind AS, unless otherwise indicated.

##### a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These Consolidated Financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The Consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the Consolidated financial statements. All assets and liabilities have been classified as current or non-current as per the Group normal operating cycle. Based on the nature of products and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. Subsidiaries are entities where the group exercise control or hold more than one-half of its total share capital. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases. The consolidated financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intragroup balances, intra-group transactions and the unrealised profits/losses, unless cost/revenue cannot be recovered.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity. Non-controlling interests in the net assets of consolidated subsidiaries consists of:

- The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
- The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss and Consolidated Statement of Changes in Equity. The Consolidated financial statements are presented in INR, the functional currency of the Group. Items included

in the consolidated financial statements of the Group are recorded using the currency of the primary economic environment in which the Group operates (the 'functional currency').

## b) **USE OF ESTIMATES**

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are as follows:

- Determination of the estimated useful lives of tangible assets and the assessment as to which component of the cost may be capitalized – refer point 1 (c) of significant accounting policies
- Recognition and measurement of defined benefit obligations – refer note no. 33
- Recognition of deferred tax assets – refer note no. 4
- Provisions and Contingent Liabilities – refer note no. 35
- Revenue recognition for Price Support – refer point 1 (i) of significant accounting policies

### **Estimation of uncertainties relating to the global health pandemic from COVID-19**

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19. Due to this the operations of the Group got temporarily disrupted. In light of these circumstances, the Group has considered the possible effects that may result from COVID-19 on the carrying amounts of financial assets, inventory, receivables, advances, property plant and equipment, Intangibles etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Group has used internal and external information such as our current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc. Having reviewed the underlying data and based on current estimates the Group expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions.

## c) **PROPERTY, PLANT AND EQUIPMENT**

Property, Plant and Equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes acquisition cost and any capital expenditure directly attributable to the cost of acquisition. All other repair and maintenance costs that do not enhance the life or benefit of the property, plant and equipment are recognised in profit or loss as incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

### **DEPRECIATION METHODS, ESTIMATED USEFUL LIFE AND RESIDUAL VALUE:**

Depreciation is provided on the Written Down method on the estimated useful life as prescribed under Schedule II to the Companies Act, 2013 to allocate the cost of assets, net of their residual values, over their estimated useful

lives. Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date the assets are sold or disposed of:

<b>Asset category</b>	<b>Estimated useful life</b>
Buildings	60 years
Office equipment	5 years
Vehicle	8 years
Furniture & Fixture	10 years
Electrical Installation and Equipments	10 years
Computers and Other end devices	3 years

The residual values are not more than 5% of the original cost of the asset. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Fully depreciated assets still in use are retained in financial statements.

Upon first-time adoption of Ind AS, the Group has elected to measure all its Property, Plant and Equipment at the Previous GAAP WDV as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2018.

**d) INVESTMENT IN SUBSIDIARIES**

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

**e) INVENTORIES**

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**f) CASH AND CASH EQUIVALENTS**

The Group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**g) FINANCIAL INSTRUMENTS**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVTOCI)**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income

## FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

## FINANCIAL LIABILITIES

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and other current liabilities.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

## OFF SETTING OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### h) FAIR VALUE MEASUREMENT

- i. 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 under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
  - In the principal market for the asset or liability or
  - In the absence of a principal market, in the most advantageous market for the asset or liability.
- ii. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- iii. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- iv. 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 follows, based on the lowest level input that is significant to the fair value measurement as a whole:
  - Level 1 - This hierarchy uses quoted (unadjusted) market prices in active markets for identical assets or liabilities.
  - Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates.
  - Level 3 - If the lowest level input that is significant to the fair value measurement is not based on observable market data.
- v. This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

i) **PROVISIONS AND CONTINGENT LIABILITIES**

Provisions are recognised when the Group has a present obligation (legal or constructive) 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 best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Post sales Support

The company is mainly in to B-2-B distribution of branded products and works on pure Agent and Principal relationship, hence no provision are required since the obligation for post sales service is not on the company and the same is provided by the brand itself.

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 Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

j) **REVENUE RECOGNITION**

Effective April 1, 2018, The Group has applied Ind AS 115 which establishes a comprehensive framework for determining, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 revenue and Ind AS 11 construction contracts. The Group has adopted Ind AS 115 – Revenue from contracts with customers (‘the Standard’) using cumulative effect method. The effect on the adoption of Ind AS 115 was insignificant.

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as GST etc. Export Sales are booked at the rate on the date of transaction and the resultant Gain/ Loss on realisation or on translation is accounted as “Foreign Exchange Rate Fluctuation” and is dealt with in the statement of Profit and Loss Account.

Income from services rendered is recognised based on agreements/ arrangements with the customers at the reporting date and the amount of revenue can be measured reliably.

Dividend income on Investments is recognised when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of dividend can be measured reliably.

Interest income is recognized using the effective interest rate (EIR) method when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably.

k) **EXPENDITURE**

Expenses are accounted on accrual basis.

l) **EMPLOYEE BENEFITS**

i) **SHORT TERM EMPLOYEE BENEFITS**

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months such as salaries, bonuses, performance incentives, etc., after the end of the annual reporting period in which the employees render the related service. The Group recognises above short term employee benefits directly to Statement of Profit and Loss as an expense in the year in which services are rendered.

ii) **DEFINED CONTRIBUTION PLANS**

Contributions to defined contribution schemes such as employees' state insurance, labour welfare fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

iii) **DEFINED BENEFIT PLANS**

The Company also provides for retirement/post-retirement benefits in the form of gratuity, pensions (in respect of certain employees) For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). Any differences between the interest income/ loss on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

m) **IMPAIRMENT OF NON FINANCIAL ASSETS**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of Profit and Loss. The impairment loss is allocated to reduce the carrying amount of assets of the unit, pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased, basis the assessment a reversal of an impairment loss for an asset is recognised in the Statement of Profit and Loss account.

n) **TAXES ON INCOME**

Income tax expense comprises current and deferred tax and is recognized in the Statement of Profit and Loss except to the extent that it relates to a business combination or to an item which is recognized directly in equity or in other comprehensive income.

**CURRENT TAX**

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

**DEFERRED TAX**

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by

the same taxation authority.

**o) LEASES**

The Ministry of Corporate Affairs (MCA) notified Ind AS 116, the new leases Ind As as on 30th March 2019 with the effective date of its application from 1st April 2019. Ind AS -116 replaces the current guidance in Ind AS-17, 'Leases'. Ind AS 116 defines a lease as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. The Group has not applied Ind As 116 as notified by MCA since the effect of adoption is insignificant.

**p) FOREIGN CURRENCY TRANSACTION**

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transactions. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities at the year end are recognised in the Statement of Profit and Loss.

**q) EARNINGS PER SHARE**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The Company did not have any potentially dilutive securities in any of the year presented.

## 1.1 FIRST TIME ADOPTION OF IND AS

- i. These Consolidated financial statements, for the year ended 31<sup>st</sup> March, 2020 are the first financial statements, the Group has prepared in accordance with Ind AS. For periods up to and including the year ended 31<sup>st</sup> March, 2019, the Group prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for periods ending on 31<sup>st</sup> March, 2020, together with the comparative period data as at and for the year ended 31<sup>st</sup> March, 2019, as described in the summary of significant accounting policies. In preparing these consolidated financial statements, the Group's opening balance sheet was prepared as at 1<sup>st</sup> April, 2018, the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP financial statements, including the Consolidated Balance Sheet as at April 01, 2018 and the Consolidated financial statements as at and for the year ended 31<sup>st</sup> March, 2019 and how the transition from IGAAP to Ind AS has affected the Group's financial position, financial performance and cash flows.

ii) Exemptions applied:

- a. The Group has elected to measure items of Property, Plant and Equipment at WDV as deemed cost as at the date of transition.

iii) Mandatory Exceptions from retrospective application:

The Group has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101:

a. Estimates:

Estimates On assessment of the estimates made under the Previous GAAP financial statements, the Group has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Group for the relevant reporting dates reflecting conditions existing as at that date.

b. Classification and measurement of Financial Assets:

The classification of financial assets to be measured at amortised cost or fair value through other comprehen-

sive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

iv) Transition to Ind AS – Reconciliations:

The following reconciliations provide the explanations and quantification of the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- a) Reconciliation of Equity as at 1<sup>st</sup> April, 2018 and as at 31<sup>st</sup> March, 2019 – Refer note no. 34.1
- b) Reconciliation of Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2019  
– Refer note no. 34.2
- c) Effect of Ind AS adoption on Balance Sheet as at April 1, 2018 – Refer note no. 34.3
- d) Effect of Ind AS adoption on Balance Sheet as at March 31, 2019 – Refer note no. 34.4
- e) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2019 – Refer note no. 34.5
- f) There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP.

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with consolidated financial statements prepared under Ind AS.



## Note 2: Property, Plant and Equipment

(Rs. in Lakhs)

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2020:

Particulars	Building	Computer and Data Processing Units	Electrical Installation and Equipments	Furniture and Fittings	Motor Vehicles	Office Equipment	Total
Cost at April 1, 2019	843.48	104.26	9.31	45.78	27.38	86.95	1117.17
Net Block at April 1, 2019	814.30	11.54	1.76	24.39	2.92	37.80	892.71
Additions made in Year 2019-20	5.54	18.83	0.00	0.14	27.10	30.66	82.26
Disposals made in Year 2019-20	-	-	-	-	-	-	-
<b>Cost as at March 31, 2020</b>	<b>849.02</b>	<b>123.09</b>	<b>9.31</b>	<b>45.92</b>	<b>54.48</b>	<b>117.61</b>	<b>1199.43</b>
Accumulated Depreciation as at April 1, 2019	29.18	92.64	7.54	21.40	24.45	49.15	224.37
Depreciation for Year ended March, 2020	39.83	11.28	0.35	6.04	4.54	23.86	85.89
Disposal							
Accumulated Depreciation as at March 31, 2020	69.01	103.92	7.89	27.43	28.99	73.02	310.26
<b>Net Carrying amount as at March 31, 2020</b>	<b>780.01</b>	<b>19.17</b>	<b>1.42</b>	<b>18.49</b>	<b>25.48</b>	<b>44.60</b>	<b>889.17</b>

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2019:

Particulars	Building	Computer and Data Processing Units	Electrical Installation and Equipments	Furniture and Fittings	Motor Vehicles	Office Equipment	Total
Cost as at April 1, 2018	741.60	97.39	7.83	19.27	27.38	43.76	937.23
Additions made in Year 2018-19	101.88	6.87	1.47	26.51	0.00	43.20	179.93
Disposals made in Year 2018-19							
<b>Cost as at March 31, 2019</b>	<b>843.48</b>	<b>104.26</b>	<b>9.31</b>	<b>45.78</b>	<b>27.38</b>	<b>86.95</b>	<b>1117.17</b>
Accumulated Depreciation as at April 1, 2018	0.00	85.29	7.19	17.49	23.43	38.45	171.85
Depreciation for Year ended March 2019	29.18	7.43	0.36	3.91	1.02	10.70	52.60
Disposal							
Accumulated Depreciation as at March 31, 2019	29.18	92.72	7.54	21.40	24.46	49.15	224.46
<b>Net Carrying amount as at March 31, 2019</b>	<b>814.30</b>	<b>11.54</b>	<b>1.76</b>	<b>24.39</b>	<b>2.92</b>	<b>37.80</b>	<b>892.71</b>
<b>Net Carrying amount as at April 1, 2018</b>	<b>741.60</b>	<b>12.10</b>	<b>0.65</b>	<b>1.78</b>	<b>3.94</b>	<b>5.31</b>	<b>765.38</b>

### Note:

On transition to Ind AS, the carrying values of all property, plant and equipments under the previous GAAP have been considered to be the deemed cost under Ind AS.

Kindly refer below note for the gross book value and accumulated depreciation as on 1st April, 2018 under the previous GAAP.

DESCRIPTION	Building	Computer and Data Processing Units	Electrical Installation and Equipments	Furniture and Fittings	Motor Vehicles	Office Equipment	Total
Gross Block	741.60	97.39	7.83	19.27	27.38	43.76	937.23
Accumulated Depreciation	0.00	85.29	7.19	17.49	23.43	38.45	171.85
Net Block	741.60	12.10	0.65	1.78	3.94	5.31	765.38

Note 3: Investments: Non-current			(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
<b>Investments : Non-current</b>			
Intercompany Deposits Excluding Inter Company Investment	105.67	123.90	138.25
<b>Total</b>	<b>105.67</b>	<b>123.90</b>	<b>138.25</b>
<b>Aggregate amount of</b>			
Quoted Investments	-	-	-
Unquoted Investments	105.67	123.90	138.25
Less: Impairment in value of Investments	-	-	-
<b>Total</b>	<b>105.67</b>	<b>123.90</b>	<b>138.25</b>
<b>Note:</b>			
Intercompany Deposits held with above Companies yield fixed interest rates			

Note 4: Deferred Tax Assets (Net)			(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Deferred Tax Assets	11.00	12.94	26.36
Income Tax on OCI	0.56	-	-
<b>Total</b>	<b>11.56</b>	<b>12.94</b>	<b>26.36</b>
<b>Note:</b>			
Kindly refer to note no. 29 for more details of Deferred Tax Asset/ Liability			

Note 5: Other Non-current Assets			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	As at April 01, 2018
Prepaid Processing Fees (to be written Off over tenure)	1.01	-	-
<b>Total</b>	<b>1.01</b>	<b>-</b>	<b>-1</b>

Note 6: Inventories			(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31,2019	As at April 01, 2018
Finished Goods (Traded Goods)	6,029.00	2,778.84	2,792.00
<b>Total</b>	<b>6,029.00</b>	<b>2,778.84</b>	<b>2792.00</b>
<b>Note:</b>			
Inventories are carried at lower of Cost or Net Realisable Value			

Note 7: Current Financial Assets - Trade Receivables			(Rs. in Lakhs)
Particulars	As at March 31, 2020	As at March 31, 2019	As at April 01, 2018
Unsecured Considered Good	3,857.65	4,404.52	4,284.67
<b>Total</b>	<b>3,857.65</b>	<b>4,404.52</b>	<b>4,284.67</b>

Note 8: Current Financial Assets - Cash and Cash Equivalent			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
Cash in Hand	14.67	12.11	11.84
Balances With Banks:			
- In Current Accounts	37.65	101.94	6.45
<b>Total</b>	<b>52.32</b>	<b>114.05</b>	<b>18.29</b>

Note 9: Current Financial Assets - Bank Balances other than Cash and Cash Equivalents:			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
Dividend Account	1.68	0.18	-
Margin Money with Bank	334.56	244.72	205.60
<b>Total</b>	<b>336.24</b>	<b>244.90</b>	<b>205.60</b>

Note 10: Other Current Financial Assets			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
Accrued Interest	2.09	-	-
<b>Total</b>	<b>2.09</b>	<b>-</b>	<b>-1</b>

Note 11: Other Current Assets			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
Unsecures Considered Goods			
Advances to Suppliers towards Goods and Services	1,428.65	2,050.04	1,111.15
Loans and advances to Employees	15.02	19.78	10.77
Security Deposits	193.20	52.46	40.89
Prepaid Expenses	36.09	22.89	13.02
Duties & Taxes Receivables	2,449.55	1,135.27	617.40
Loans and advances to Others	80.49	-	3.27
<b>Total</b>	<b>4,203.00</b>	<b>3,280.44</b>	<b>1,796.50</b>

## Note 12: Equity Share Capital

	Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
		Number	INR in Lakhs	Number	INR in Lakhs	Number	INR in Lakhs
a.	Authorised Equity Share Capital (Par Value per share Rs. 10)	14,000,000	1,400	8,000,000	800	8,000,000	800
b.	Issued, Subscribed & Paid Up (Par Value per share Rs. 10)	11,600,000	1,160	5,800,000	580	5,800,000	580
	<b>Total Share Capital</b>	<b>11,600,000</b>	<b>1,160</b>	<b>5,800,000</b>	<b>580</b>	<b>5,800,000</b>	<b>580</b>
c.	<b>Reconciliation of No. of Equity shares and Share Capital outstanding</b>	<b>As at March 31, 2020</b>		<b>As at March 31, 2019</b>		<b>As at April 1, 2018</b>	
		Number	INR in Lakhs	Number	INR in Lakhs	Number	INR in Lakhs
	Opening number of share outstanding	5,800,000	580	5,800,000	580	5,800,000	580
	Add:- No of shares/Share Capital issued/subscribed during the year	5,800,000	580	-	-	-	-
	Closing Number of shares outstanding	11,600,000	1,160	5,800,000	580	5,800,000	580
d.	<b>Rights, preferences and restrictions :</b>						
	(i) The Company has only one class of Equity Shares referred to as Equity Shares having a par value of ` 10. Each holder of equity share is entitled to one vote per share.						
	(ii) The Company declares and pays dividend in Indian rupees. Final dividend, if any, proposed by the Board of Directors is recorded as a liability on the date of the approval of the shareholders in the ensuing Annual General Meeting; in case of interim dividend, it is recorded as a liability on the date of declaration by the Board of Directors of the Company.						
	(iii) In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. However, no such preferential amounts exist currently.						
	(iv) The Company allotted 58,00,000 Equity Shares as fully paid up bonus shares by capitalisation of profits transferred from Share premium account, pursuant to special resolution passed after taking the consent of shareholders through postal ballot.						
e.	<b>Details of shares in the company held by each shareholder holding more than 5 per cent shares :</b>						
Sr. No	Name of the Shareholder	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
		No. of shares	% of share holding	No. of shares	% of share holding	No. of shares	% of share holding
1	Ketan Chhaganlal Patel	7,939,520	68.44	3,969,760	68.44	3,969,760	68.44
2	Pantomath Stock Brokers	593,044	5.11	285,200	4.92	89,600	1.54
f.	The company has only one class of shares referred to as equity shares having a par value of Rs 10/- each. Each holder of equity shares is entitled to one vote per share.						

Note 13: Other Equity			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
<b>Reserves and Surplus</b>			
<b>Share Premium</b>			
Opening Balance	1,170.00	1,170.00	1170.00
Less: Share Premium against Issue of Bonus Shares	580.00	-	-
<b>Total</b>	<b>590.00</b>	<b>1,170.00</b>	<b>1170.00</b>
<b>Retained Earnings</b>			
Opening Balance	1,584.88	1,010.96	
Add/(Less) : Profit / (Loss) for the year	786.48	584.77	
Less: Dividend Paid	(18.01)	(9.00)	
Less: Divident Distribution Tax Paid	(3.70)	(1.85)	
<b>Total</b>	<b>2,349.65</b>	<b>1,584.88</b>	<b>1010.96</b>
<b>Other Comprehensive Income</b>			
Balance as at the beginning of the year	(3.54)	-	-
Remeasurement gain / (loss) on defined benefit plan	(1.68)	(3.54)	-
Foreign Currency Translation Reserve (FCTR A/c)	40.19	-	-
<b>Total</b>	<b>34.97</b>	<b>(3.54)</b>	<b>-</b>
<b>Total Other Equity</b>	<b>2,974.62</b>	<b>2,751.34</b>	<b>2,180.96</b>
The description of the nature and purpose of each reserve within equity is as follows :			
<b>Share Premium</b>			
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.			

Note 14: Non Current Financial Liabilities - Borrowings			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
<b>Secured</b>			
Others			
Borrowings from LIC	8.95	8.95	8.95
Banks			
Term Loan and Bill Discounting	471.63	608.72	-
<b>Total</b>	<b>480.58</b>	<b>617.67</b>	<b>8.95</b>

Note 15: Provisions: Non Current			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
Provision for Employee benefit	68.79	57.20	40.42
<b>Total</b>	<b>68.79</b>	<b>57.20</b>	<b>40.42</b>

### Note 16: Current Financial Liabilities - Borrowing (Rs. in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
<b>Secured</b>			
Term Loan and Bill Discounting	803.24	2644.85	2222.54
Cash Credit from Bank	1443.60	0.00	0.00
Buyer's Credit from Bank	172.52	0.00	0.00
<b>Unsecured</b>			
Unsecured Loans from Directors/ Related Parties/ Others	287.59	327.90	292.11
<b>Total</b>	<b>2,706.96</b>	<b>2,972.74</b>	<b>2,514.65</b>

**Notes:**

- (i) Cash Credit from Banks is secured against hypothecation of Stocks and Book debts.
- (ii) Cash credit is payable on demand, carries interest rate of 10 to 10.5%
- (iii) Cash credit and Buyer's credit is guaranteed by Director, Chairperson and Wholetime director
- (iv) Term Loan is secured against the office building of the company.
- (v) Unsecured Loan from Directors and relative of directors carries interest at the rate of 12%.

### Note 17: Current Financial Liabilities - Trade Payable (Unsecured) (Rs. in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
Due to Micro and Small Enterprises	-	-	-
Due to others	2,930.44	2,658.64	3,423.37
<b>Total</b>	<b>2,930.44</b>	<b>2,658.64</b>	<b>3423.37</b>

**Note:**

In view of Management there are no MSME parties and we have relied on the view of the mangement as the required details or information is not available with us to confirm the above payables. Thus the disclosures in connection to MSME parties has not been given.

### Note 18: Current Financial Liabilities - Other Financial Liabilities (Rs. in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
Creditors for Expenses	114.86	145.38	109.87
Creditors for Capital Assets	-	42.94	660.00
Other Payables	2,391.31	1,532.18	183.33
<b>Total</b>	<b>2,506.16</b>	<b>1,720.50</b>	<b>953.20</b>

### Note 19: Other Current Liabilities (Rs. in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
Statutory dues payable	36.28	36.39	23.92
Advances from customers	1,498.64	401.30	242.24
<b>Total</b>	<b>1,534.92</b>	<b>437.69</b>	<b>266.15</b>

Note 20: Provisions			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
Provision for Employee benefit	12.04	9.79	12.09
<b>Total</b>	<b>12.04</b>	<b>9.79</b>	<b>12.09</b>

Note 21: Current Tax Liabilities			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	As at April 01,2018
Provision for Tax	63.44	46.71	47.25
<b>Total</b>	<b>63.44</b>	<b>46.71</b>	<b>47.25</b>

Note 22: Revenue From Operations			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	
Sale of Products			
-Traded Goods	45,771.81	36,765.45	
<b>Total</b>	<b>45,771.81</b>	<b>36,765.45</b>	

Note 23: Other Income			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31, 2019	
Dividend Income**	0.00	0.00	
<b>Interest Income:</b>			
FD	24.18	15.50	
ICD	14.42	15.08	
Others	6.87	1.00	
Insurance Claim	0.63	2.55	
Other Income	30.67	4.69	
Exchange Gain (Net)	29.39	267.34	
Duty Scrip Credit [MEIS]	27.84	-	
Bad Debts Recovery	0.47	-	
	<b>134.46</b>	<b>306.15</b>	

**Notes:**

\*\* Represents Dividend received of Rs. 50/- for the financial year 2018 - 19 and 2019 - 20 respectively.

Note 24: Purchases of Stock ion Trade			(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019	
Purchases	43,953.49	33,553.26	
<b>Total</b>	<b>43,953.49</b>	<b>33,553.26</b>	

Note 25: Changes in inventories of finished goods		(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019
<b>Opening Stock</b>		
- Stock in Trade	2,778.84	2,792.00
<b>Closing Stock</b>		
- Stock in Trade	6,029.00	2,778.84
<b>Total</b>	<b>(3,250.15)</b>	<b>13.15</b>

Note 26: Employee Benefits Expenses		(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019
Salaries,Wages and Bonus etc	815.34	640.75
Contribution to provident and other funds	31.73	22.50
Gratuity Expense	13.96	12.00
Staff Welfare Expenses	38.38	20.55
<b>Total</b>	<b>899.41</b>	<b>695.80</b>

Note 27: Finance Costs		(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019
<b>Interest Expense</b>		
On Borrowings	372.47	366.87
On Duties and Taxes	-	-
On Others	7.70	5.58
<b>Other Borrowing Costs</b>		
Bank Charges	60.33	33.68
Processing Charges	20.32	37.67
Buyers Credit, Bank Guarantee Charges And Finance Charge	18.85	8.17
	<b>479.68</b>	<b>451.97</b>

Note 28: Other Expenses		(Rs. in Lakhs)
Particulars	As at March 31,2020	As at March 31,2019
<b>Administrative and General Expenses</b>		
Annual Maintenance Charges	3.83	5.54
Application/Invoice R/Off	-0.08	0.13
Auditors Remuneration	5.00	3.00
Books & Periodicals	0.08	0.01
Consultancy Fees	138.47	104.52
Courier Charges	0.95	1.27
Clearing Charges-Export	91.82	73.09
Demat Charges (Company)	0.51	0.38
Directors Remuneration	101.48	94.79
Donations	1.25	1.15



Electricity Expenses	12.73	12.22
Insurance Expenses	23.07	13.80
Internet Charges	1.81	1.64
Keyman Insurance	1.18	1.18
Labour Charges	1.36	0.04
Legal & Professional Charges	3.11	0.04
Levies and Penalties	2.07	-
Miscellaneous Expenses	2.54	4.69
Office Expenses	25.72	21.93
P.F.Administration Charges	1.21	0.85
Postage & Telegram Expenses	0.63	0.58
Printing Stationery	4.75	5.05
Profession Tax	0.15	0.15
Registration Filing Fees	8.89	1.53
Rent Rates & Taxes	170.93	94.35
Repairs Maintenance Expenses	8.54	3.14
Royalty	137.75	111.59
Sales Tax / GST Expenses/ Income tax	37.84	2.65
Service Expenses	239.59	208.61
Stamp Duty	4.86	5.67
Subscriptions & Membership	8.67	8.21
Telephone Expenses	11.16	12.95
Travelling Expenses (Domestic)	31.81	27.10
Travelling Expenses (Foreign)	50.72	39.92
Lodging and Boarding (Hotel, Meal and Entertainment)	56.10	22.44
Conveyance - Local Transportation	77.72	60.80
Vehicle Running Expenses	3.66	3.40
Advertising Promotional Expenses	289.03	56.83
Sales Promotion	453.04	315.57
Commission Paid	351.70	123.54
Bad Debts	0.00	33.05
Certification Expenses	2.46	
Inspection Charges	1.52	
Commission Charges	13.58	
Professional Fee	4.91	
Misc Exp	0.66	
Outsourcing Charges	155.69	
Service Charges	46.71	
Carriage Outward	13.48	
CSR Expenditure	13.5	
Director Sitting Fee	3.36	
	<b>2,621.51</b>	<b>1,477.39</b>

## Note 29: Income Tax Expense

(Rs. in Lakhs)

Particulars	As at March 31,2020	As at March 31,2019
<b>Income Tax expense recognised in Statement of Profit and Loss</b>		
<b>i. Current Tax</b>		
- in respect of current year	336.91	220.08
- in respect of earlier years	0.00	9.15
	<b>336.91</b>	<b>229.23</b>
<b>ii. Deferred Tax</b>		
Deferred tax Asset on:		
- Provision of Gratuity	20.34	18.64
Deferred tax Liability on:		
- Property, Plant and Equipment	9.35	5.70
Net Deferred Tax Asset / (Liability) reflecting in Balance Sheet	11.00	12.94
Less: Opening Deferred Tax Asset	12.94	26.36
Deferred Tax Expense to be recognised in Statement of Profit and Loss Account	-1.94	-13.42

## Note No. 30 - Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting profit impact of dilutive potential equity shares, if any) by the aggregate of weighted average number of Equity shares outstanding during the year and the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Particulars	March 31, 2020	March 31, 2019
<b>i. Profit attributable to equity holders (Rs in lakhs)</b>		
Profit attributable to equity holders of the parent for basic and diluted EPS	786.48	581.23
	<b>786.48</b>	<b>581.23</b>
<b>ii. Weighted average number of ordinary shares</b>		
Issued ordinary shares	11,600,000	5,800,000
Add/(Less): Effect of shares issued/ (bought back)	-	-
<b>Weighted average number of shares at March 31 for basic and diluted EPS</b>	<b>11,600,000</b>	<b>5,800,000</b>
<b>iii. Basic and diluted earnings per share (Rs)</b>	<b>6.78</b>	<b>5.01</b>

## Note: 31 - Financial Risk Management

The Company's business activities are exposed to financial risks, namely Credit risk, Liquidity risk. The Company's Senior Management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls 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.

The audit committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported the audit committee

### i. 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, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes, if require an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

### ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. This monitoring includes financial ratios and takes into account the accessibility of cash and cash equivalents

## Note: 32 Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

(Rs. in Lakhs)

Particular	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
Non- Current borrowing	480.58	617.67	8.95
Current borrowings	2,706.96	2,972.74	2,514.65
Current maturity of long term debt	-	-	-
<b>Gross debt</b>	<b>3,187.53</b>	<b>3,590.42</b>	<b>2,523.61</b>

Less : Cash and cash equivalents	52.32	114.05	18.29
Less : Other bank balances	336.24	244.90	205.60
<b>Adjusted net debt</b>	<b>2,798.97</b>	<b>3,231.47</b>	<b>2,299.72</b>
Total Equity	4,212.40	3,331.34	2,760.96
<b>Adjusted Net debt to Equity ratio</b>	<b>0.66</b>	<b>0.97</b>	<b>0.83</b>

### Note No. 33 - Disclosure pursuant to Ind AS 19 on "Employee benefits"

<b>a.</b>	<b>Defined Contribution Plans</b>	
	The Company's contribution to Provident Fund and other Fund aggregating to Rs. 31.73 Lakhs (Previous Year Rs. 22.50 Lakhs) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense. (Refer Note 26)	
<b>b.</b>	<b>Defined Benefit Plans</b>	
	Scale of Benefits are as below:	
	a) Salary for calculation of gratuity	Last drawn qualifying salary.
	b) Vesting Period	5 years of service.
	c) Benefit on normal retirement	As per the provisions of payment of gratuity Act 1972 as amended.
	d) Benefit on early retirement / withdrawal / resignation	Same as normal retirement benefit based on service upto the date of exit.
	e) Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply.
	f) Limit	Rs 20,00,000/-
<b>c.</b>	<b>Risk to the Plan</b>	
	<b>i. Actuarial Risk</b>	The plan is subject to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future.
	<b>ii. Liquidity Risk</b>	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/ retire from the company there can be strain on the cash flows.
	<b>iii. Market Risk</b>	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields of the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
	<b>iv. Legislative Risk</b>	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

			(Rs. in Lakhs)	
	Particulars	As at March 31, 2020	As at March 31, 2019	
<b>i.</b>	<b>Changes in Present Value of Obligations:</b>			
	Present Value of Obligation at the beginning	67.00	52.50	
	Current Service Cost	8.83	7.93	
	Past Service Cost	0.00	0.00	
	Interest Cost	5.13	4.06	
	Actuarial (Gain) / Loss	2.24	3.54	
	Benefits paid	(2.36)	(1.04)	
	Present Value of Obligation as at the end	80.84	67.00	
<b>ii.</b>	<b>Amount recognised in the Statement of Profit and Loss:</b>			
	Current Service Cost	8.83	7.93	
	Past Service Cost	-	-	
	Interest Cost	5.13	4.06	
<b>iii.</b>	<b>Amount recognised in Other Comprehensive Income</b>			
	Components of Actuarial (Gain) / Loss :	2.24	3.54	
<b>iv.</b>	<b>Sensitivity Analysis for significant assumptions *</b>			
	Increase/(Decrease) on present value of defined benefit obligations at the end of the year			
	0.5 % increase in discount rate	(1.86)	(1.73)	
	0.5 % decrease in discount rate	1.95	1.81	
	0.5% increase in salary escalation rate	1.93	1.81	
	0.5% decrease in salary escalation rate	(1.87)	(1.75)	
<b>v.</b>	<b>Amount recognised in Balance Sheet</b>			
	Gross value of Present Obligation at the end	80.84	67.00	
<b>vi.</b>	<b>Assumptions</b>			
	Mortality Table - Indian Assured Life Mortality 2006-08			
	Discount Rate	6.91%	7.65%	
	Rate of increase in compensation levels	7%	7%	
	Attrition Rate at ages:			
	upto 30 years	23.00	30.00	
	from 31 to 44 years	17.00	23.00	
	above 44 years	13.00	14.00	
<b>vii.</b>	The estimate of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, including supply and demand in the employment market.			
<b>viii.</b>	Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.			

ix.	The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.
x.	The company has not invested or maintained any plan assets against the above defined obligation. The company is of the view to manage the defined liability from its own liquidity.
*	The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

### Note 34 : Disclosure pursuant to Ind AS 101 on “First-time Adoption of Indian Accounting Standards”

#### 34.1. Reconciliation of Equity as at (Rs. in Lakhs)

Particulars	As at March 31, 2019	As at April 01, 2018
Equity under IGAAP	3,349.35	2,794.79
<b>Summary of Ind AS adjustments</b>		
- Preliminary Expenses fully amortised	(25.37)	(33.83)
- Interest free Employee Loan (net)	0.39	
- Processing Fees on Loan taken (net)	6.97	
<b>Total Ind AS adjustments</b>	<b>(18.01)</b>	<b>(33.83)</b>
Equity under Ind AS	3,331.34	2,760.96

#### 34.2. Reconciliation of Profit and Loss for the year ended March 31, 2019 (Rs. in Lakhs)

Particulars	March 31, 2019
Net Profit after tax as per Indian GAAP	574.56
Less: Tax adjustments relating to previous years	(9.15)
	565.41
<b>Summary of Ind AS adjustments</b>	
- Preliminary Expenses fully amortised	8.46
- Interest free Employee Loan (net)	0.39
- Processing Fees on Loan taken (net)	6.97
- Remeasurement of Defined benefit plan	3.54
<b>Total Ind AS adjustments</b>	<b>19.36</b>
<b>Net Profit after Tax as per Ind AS</b>	<b>584.77</b>

#### 34.3 Effect of Ind AS adoption on Balance Sheet as at April 1, 2018 (Rs. in Lakhs)

	I-GAAP	Effect of transition to Ind AS	Ind AS
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	765.38		765.38
(b) Financial Assets			
(i) Investments	138.25		138.25

(ii) Loans			
(iii) Other Financial Assets			
(c) Current Tax Assets (net)			
(d) Deferred Tax Assets (Net)	26.36		26.36
(e) Other Non-current assets	33.83	(33.83)	-
<b>Sub-total</b>	<b>963.82</b>	<b>(33.83)</b>	<b>929.99</b>
<b>Current Assets</b>			
(a) Inventories	2,792.00		2,792.00
(b) Financial Assets			
(i) Trade Receivables	4,284.67		4,284.67
(ii) Cash and Cash Equivalents	18.29		18.29
(iii) Bank Balances other than (ii) above	205.60		205.60
(c) Other Current assets	1,796.50		1,796.50
<b>Sub-total</b>	<b>9,097.06</b>	<b>-</b>	<b>9,097.06</b>
<b>Total Assets</b>	<b>10,060.88</b>	<b>(33.83)</b>	<b>10,027.05</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
(a) Equity Share Capital	580.00		580.00
(b) Other Equity	2,214.79	(33.83)	2,180.96
<b>Sub-total</b>	<b>2,794.79</b>	<b>(33.83)</b>	<b>2,760.96</b>
<b>LIABILITIES</b>			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8.95		8.95
<b>Sub-total</b>	<b>8.95</b>	<b>-</b>	<b>8.95</b>
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2,514.65		2,514.65
(ii) Trade Payables	3,423.37		3,423.37
(iii) Other Financial Liabilities	953.20		953.20
(b) Other Current Liabilities	266.15		266.15
(c) Provisions	52.51		52.51
(d) Current Tax Liabilities (Net)	47.25		47.25
<b>Sub-total</b>	<b>7,257.13</b>	<b>-</b>	<b>7,257.13</b>
<b>Total Equity and Liabilities</b>	<b>10,060.88</b>	<b>(33.83)</b>	<b>10,027.05</b>

34.4 Effect of Ind AS adoption on Balance Sheet as at March 31, 2019			(Rs. in Lakhs)
	I-GAAP	Effect of transition to Ind AS	Ind AS
<b>ASSETS</b>			
Non-Current Assets			
(a) Property, Plant and Equipment	892.71		892.71
(b) Financial Assets			
(i) Investments	123.90		123.90
(ii) Other Financial Assets			
(c) Deferred Tax Assets (Net)	12.94		12.94
(d) Other Non-current assets			
<b>Sub-total</b>	<b>1,029.55</b>		<b>1,029.55</b>
<b>Current Assets</b>			
(a) Inventories	2,778.84		2,778.84
(b) Financial Assets			
(i) Trade Receivables	4,404.52		4,404.52
(ii) Cash and Cash Equivalents	114.05		114.05
(iii) Bank Balances other than (ii) above	244.90		244.90
(iv) Loans			-
(v) Other Financial Assets			-
(c) Other Current assets	3,280.84	(0.39)	3,280.44
<b>Sub-total</b>	<b>10,823.15</b>	<b>(0.39)</b>	<b>10,822.75</b>
<b>Total Assets</b>	<b>11,852.70</b>	<b>(0.39)</b>	<b>11,852.30</b>
<b>EQUITY AND LIABILITIES</b>			
Equity			
(a) Equity Share Capital	580.00		580.00
(b) Other Equity	2,744.77	6.57	2,751.34
<b>Sub-total</b>	<b>3,324.77</b>	<b>6.57</b>	<b>3,331.34</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	617.67		617.67
(b) Provisions			
(c) Deferred Tax Liabilities (net)	57.20		57.20
<b>Sub-total</b>	<b>674.88</b>	<b>-</b>	<b>674.88</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	2,979.71	(6.97)	2,972.74
(ii) Trade Payables	2,658.64		2,658.64
(iii) Other Financial Liabilities	1,720.50		1,720.50



(b) Other Current Liabilities	437.69		437.69
(c) Provisions	9.79		9.79
(d) Current Tax Liabilities (Net)	46.71		46.71
<b>Sub-total</b>	<b>7,853.05</b>	<b>(6.97)</b>	<b>7,846.09</b>
<b>Total Equity and Liabilities</b>	<b>11,852.70</b>	<b>(0.39)</b>	<b>11,852.30</b>

#### 34.5 Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2019 (Rs. in Lakhs)

	I-GAAP	Effect of transition to Ind AS	Ind AS
Revenue from Operations	36,765.45		36,765.45
Other Income	305.11	1.05	306.15
<b>Total Income</b>	<b>37,070.56</b>	<b>1.05</b>	<b>37,071.60</b>
<b>Expenses</b>			
(a) Purchases of Stock In Trade	33,553.26		33,553.26
(b) Changes in inventories of finished goods and work-in-progress	13.15		13.15
(d) Employee Benefits Expenses	698.69	(2.89)	695.80
(e) Finance Costs	458.94	(6.97)	451.97
(f) Depreciation and Amortisation Expense	52.60	-	52.60
(g) Other Expenses	1,485.85	(8.46)	1,477.39
<b>Total Expenses</b>	<b>36,262.49</b>	<b>(18.31)</b>	<b>36,244.18</b>
<b>Profit/(Loss) before Tax</b>	<b>808.06</b>	<b>19.36</b>	<b>827.42</b>
Tax Expense			
(a) Current Tax	220.08	-	220.08
(b) Tax adjustments relating to prior years	9.15	-	9.15
(b) Deferred Tax	13.42	-	13.42
<b>Total Tax Expense</b>	<b>242.65</b>	<b>-</b>	<b>242.65</b>

<b>Profit/(Loss) for the year</b>	<b>565.41</b>	<b>19.36</b>	<b>584.77</b>
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss	-	-	-
(a) Remeasurements of Defined Benefit Plans	-	(3.54)	(3.54)
(b) Income Tax on above	-	-	-
<b>Total Other Comprehensive Income for the year</b>	<b>-</b>	<b>(3.54)</b>	<b>(3.54)</b>
<b>Total Comprehensive Income for the year</b>	<b>565.41</b>	<b>15.82</b>	<b>581.23</b>

34.6. There were no material differences between the Statement of Cash Flows presented under Ind AS and the Previous GAAP

Note 35 : Contingencies and Commitments			(Rs. in Lakhs)
	Particulars	As at March 31, 2020	As at March 31, 2019
	Interest payable u/s 220(2) for FY 2008-09 dated 11-12-2018 as per Traces	0.04	0.04
	Outstanding tax demand with respect to MVAT FY 2009-10	-	1.65
	Penalty levied under section 271(1)(c ) by ITBA dated 22-11-2018 wide demand identification no 2018200940401569072C	3.92	3.92
	Outstanding tax demand with respect to income tax AY 2008-09	5.26	5.26
	Bank Guarantee	960.88	877.12
	Service Tax Payable on reverse charge mechanism	4.38	4.38
	Custom Duty (Showcause Notice)	230.34	230.34
	Custom Duty (Showcause Notice for Penalty)	481.38	481.38
	Outstanding tax demand with respect to VAT/ CST FY 2013-17 (Hyderabad)	8.09	-
	Notice issued for proposed adjustment u/s 143(1)(a) for AY 2018-19	3.59	-
1	The Company has received a demand of Customs Duty via Show Cause Notice dated 13th March, 2018 amounting to Rs.1,86,19,246/- (without interest and penalty) from the Office of the Principal Commissioner of Customs, Mumbai, alleging that the import of Cameras was classified under wrong CTH (Customs Tariff Head) and Company has wrongly availed the duty exemption. The Company is not accepting the demand raised by the customs department and is contesting it. The company as well as it legal advisor are of the view that the classification adopted and exemption claimed were correct and in order. However it is believed that this position will likely be upheld in the appellate process. Hence, in view of the contingent nature of demand, the Company has classified the same under contingent liability.		
	The Company has received Order-in-Original C.A.O. No. CC-VA/24/2018-19 Adj. (I) ACC dated 28.02.2019 confirming the demand of Customs Duty amounting to Rs. 2,30,33,813/-. The Order also imposes penalty Rs. 4,61,38,438/- and penalty of 20,00,000/-. The Order states that Cameras imported by the Company was classified under wrong CTH (Customs Tariff Head) and Company has wrongly availed the duty exemption. The Company is not accepting the demand confirmed by the customs department and is contesting it. The Company has already filed an appeal against the same before the Customs, Excise, & Service Tax Appellate Tribunal, Mumbai. The Company as well as it legal advisor are of the view that the classification adopted and exemption claimed by the Company were correct and in order. It is believed that this position will likely be upheld in the appellate process. Hence, in view of the contingent nature of demand, the Company has classified the same under contingent liability.		
	The above dispute is still to be decided and hence the position on the even date for the above matter remains same.		

## NOTE 36: Related Party Disclosures

<b>i) Directors and Key Managerial Personal</b>	<p>Ketan Patel - Chairman and Managing Director</p> <p>Purvi Ketan Patel - Whole-time Director</p> <p>Vijay Advani - Whole-time Director</p> <p>Abhijit Kanvinde - Chief Financial Officer</p> <p>Tejas Doshi - Company Secretary and Compliance Officer</p>
<b>Subsidiary Companies</b>	<p>Creative Peripherals and Distribution Limited (Hong Kong)</p> <p>Secure Connection Limited (Hong Kong)</p>
<b>Entities over which Key Managerial Persons have significant influence / control</b>	<p>Bittech Services</p>

	Click Retail Private Limited Secure Connection Private Limited Compunics Technologies LLC Rinavaa Technologies Pvt. Ltd. Shilpa Global Private Limited		
	<b>Related Parties</b> Ketan Patel HUF Nidhi Patel		
<b>ii)</b>	<b>Related Party Transaction</b>		
	<b>Particulars</b>	<b>31.03.2020</b>	<b>31.03.2019</b>
	<b>Nature of Transaction</b>	<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
	<b>Director's Remuneration &amp; KMP</b>		
	Ketan Chhaganlal Patel	47.25	44.14
	Vijay Advani	33.09	30.91
	Purvi Ketan Patel	21.14	19.73
	Abhijit Kanvinde	24.97	23.33
	Tejas Doshi	10.47	9.07
	<b>Bonus to Director's &amp; KMP</b>		
	Ketan Chhaganlal Patel	10.07	10.07
	Vijay Advani	7.57	0.07
	Purvi Ketan Patel	10.07	0.07
	Abhijit Kanvinde	7.57	0.07
	Tejas Doshi	0.42	0.42
	<b>Other Employee Benefit</b>		
	Ketan Chhaganlal Patel	1.01	0.96
	Vijay Advani	0.77	0.74
	Purvi Ketan Patel	0.57	0.55
	Abhijit Kanvinde	0.62	0.60
	Tejas Doshi	0.38	0.36
	<b>Interest Paid</b>		
	Ketan Chhaganlal Patel	9.97	13.25
	Vijay Advani	1.44	1.44
	Ketan Patel HUF	-	0.01
	Nidhi Ketan Patel	-	0.01
	<b>Loan Received</b>		
	Ketan Chhaganlal Patel	530.25	440.70
	<b>Repayment of loan</b>		
	Ketan Chhaganlal Patel	700.94	416.31
	Ketan Patel HUF	-	0.25
	Nidhi Ketan Patel	-	0.28
	<b>Salary</b>		
	Nidhi Ketan Patel	10.44	3.13
	<b>Reimbursement of Expenses</b>		
	Reimbursement of Expenses of Click Retail Private Limited	-	0.03

<b>Purchases</b>			
Bittech Services		32.15	24.30
Secure Connection Private Limited		176.78	151.20
Creative Peripherals & Distribution Limited (HK)		63.71	-
Secure Connection Limited-HK		213.70	-
<b>Sales</b>			
Compunics Technologies Llc		99.68	-
Secure Connection Private Limited (Service and Sample)		31.33	40.98
Bittech Services		15.14	7.99
Creative Peripherals & Distribution Limited (HK)		658.48	-
Secure Connection Limited-HK		31.12	-
Click Retail Private Limited		52.42	-
<b>Advance given in the course of business</b>			
Advance given to Secure Connection Private Limited		71.22	130.54
<b>Advance taken in the course of business</b>			
Secure Connection Limited-HK		584.48	-
<b>iii) Balances at the end of year</b>			
<b>Particulars</b>		<b>31.03.2020</b>	<b>31.03.2019</b>
		<b>Rs. In Lakhs</b>	<b>Rs. In Lakhs</b>
<b>Entities over which Key Managerial Persons have significant influence / control</b>			
Bittech Services		4.13	0.10
Click Retail Private Limited		6.42	-
Secure Connection Private Limited		617.71	2.99
Creative Peripherals & Distribution Limited (HK)		-10.27	-
Secure Connection Limited-HK		-767.06	-
<b>Unsecured Loans</b>			
Ketan Chhaganlal Patel		148.07	315.57
Vijay Advani		12.32	12.32

### Note 37. Foreign Currency Transactions

(Rs. in Lakhs)

Particulars	Nature of Transaction	As at March 31, 2020	As at March 31, 2019
Value of Exports (FOB)	Earnings	10554.65	7960.48
Value of Imports	Expenses	31133.38	19867.33
Foreign Travelling Expenses	Expenses	19.84	16.94

### Note 38: Dividend

Dividends declared by the Company are based on profits available for distribution. Distribution of dividends out of General reserve and Retained earnings is subject to applicable dividend distribution tax. On May 27, 2019, the Board of Directors of the Company have proposed a final dividend of Rs. 0.50 per Equity Share in respect of the year ending March 31, 2019 subject to the approval of shareholders at the Annual General Meeting. Further, promoters of the Company have opted out from their rights to receive dividend. So the above said dividend will be provided to Public share holdings.

## Note 39: Segment Information

The Company has identified following reporting segments based on the informations:

1	Imaging	
2	IT	
3	Others includes Lifestyle, Security etc.	

The above business segments have been identified considering:

1	the nature of products and services	
2	the differing risks and returns	
3	the internal organisation and management structure, and	
4	the internal financial reporting systems	

Consolidated Segment Revenue are as as follows:

Particulars	As at March 31, 2020 Rs. In Lacs
Segment Revenue	
- Imaging	19,608.22
- IT	19,227.58
- Others includes Lifestyle, Security etc.	6,936.01
<b>Revenue from Operations</b>	<b>45,771.81</b>
Segment Results	
Net Revenue from each segment after deducting allocable cost	
- Imaging	2,459.53
- IT	2,141.14
- Others includes Lifestyle, Security etc.	467.81
<b>Total</b>	<b>5,068.48</b>
Less: Finance Cost	479.68
Less: Unallocable cost	3,472.34
<b>Total Profit before Tax</b>	<b>1,116.46</b>

Consolidated Segment Assets and Liabilities are as as follows:

Particulars	As at March 31, 2020 Rs. In Lacs
<b>Total Assest</b>	
- Imaging	3116.78
- IT	4101.27
- Others includes Lifestyle, Security etc.	587.88
<b>Total</b>	<b>7805.93</b>
<b>Total Liability</b>	
- Imaging	(310.17)
- IT	2897.00
- Others includes Lifestyle, Security etc.	343.60
<b>Total</b>	<b>2930.43</b>

Note: During the year the reportable segments are identified and hence the information of Revenue, assets and liabilities are provided only for current year.

## Note 40

Figures for the previous years have been regrouped / restated wherever necessary to conform to current year's presentation

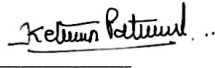
For Gupta Raj and Co.  
Chartered Accountants  
Firm reg No : 001687N



CA Nikul Jalan (Partner)

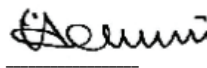
Membership No. 112353  
UDIN: 20112353AAAAB49394  
Mumbai, Dated: 25th June, 2020

For and on Behalf of the Board of Directors  
of Creative Peripherals and Distribution Limited



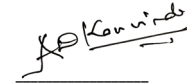
Ketan C Patel

Chairman and Managing  
Director  
DIN: 00127633



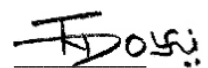
Vijay Advani

Whole - Time Director  
DIN: 02009626



Abhijit Kanvinde

Chief Financial Officer



Tejas Doshi

Company Secretary and  
Compliance Officer

### CDSL e-Voting System – For Remote e-voting and e-voting during AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.ecreativeindia.com](http://www.ecreativeindia.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

#### THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 26<sup>th</sup> September, 2020, Saturday, 09:00 AM and ends on 28<sup>th</sup> September, 2020, Monday, 05:00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 20<sup>th</sup> September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- OR

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

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Shareholders holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
<b>Dividend Bank Details</b> <b>OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "**m-Voting**". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.



**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like 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 **Company/RTA email id**.
2. For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 **Company/RTA email id**.

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

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Further shareholders 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/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR e-VOTING DURING 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 shareholders, who are 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 available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders 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.

**Note for Non – Individual Shareholders and Custodians**

1. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
2. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk](#).

[evoting@cDSLindia.com](mailto:evoting@cDSLindia.com).

3. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
4. The list of accounts linked in the login should be mailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) and on approval of the accounts they would be able to cast their vote.
5. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
6. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@ecreativeindia.com](mailto:cs@ecreativeindia.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) or call on 022-23058542/43.

## Key Events

Sr. No.	Particulars	Date / Particulars
1	Cut-off date / BenPos date to send Notice and Annual Report to Shareholders	28 <sup>th</sup> August, 2020
2	Cut-off Date for e-Voting	22 <sup>nd</sup> September, 2020
3	Book Closure Date (Beginning)	26 <sup>th</sup> September, 2020
4	Record Date for Dividend	26 <sup>th</sup> September, 2020
5	Proposed Final Dividend for AGM	Re. 0.50/- Per Share (5%)
6	e-Voting Starts	Saturday, 26 <sup>th</sup> September, 2020, 09:00 AM
7	e-Voting ends	Monday, 28 <sup>th</sup> September, 2020, 05:00 PM
8	Annual General Meeting Date & Time	Tuesday, 29 <sup>th</sup> September, 2020, 11.00 AM
9	Annual General Meeting Venue	Online through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'),
10	Book Closure Date (End)	29 <sup>th</sup> September, 2020
11	Contact details for any support / grievance	Mr. Tejas Doshi Company Secretary and Compliance Officer Email : cs@ecreativeindia.com Contact No. : +91 22 5061 2700



Creative Peripherals

# 16th Annual Report 2019-20



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**CREATIVE PERIPHERALS AND DISTRIBUTION LIMITED**

**CIN: L52392MH2004LC148754**

**Meet:** 3rd & 4th Floor, Plot No. 137AB, Charkop,  
Kandivali West, Mumbai - 400 067

**Talk:** +91 022 5061 2700

**Email:** [cs@ecreativeindia.com](mailto:cs@ecreativeindia.com)

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