

THREE M PAPER BOARDS LIMITED



COATED DUPLEX BOARD
BOTH SIDE COATED
WHITE BOARD

Regd. Office:

Royal Industrial Estate
Office No. A-33/34
5B Naigaon Cross Road, Wadala
Mumbai 400 031, Maharashtra
Tel.: +91-22-6812 5757 / 6812 5700
Email: account@threempaper.com
CIN No.: L22219MH1989PLC052740

To,

The Manager,
Department of Corporate Services,
BSE Limited
P. J. Towers, Dalal Street,
Mumbai 400 001

Script Code: 544214

Subject: Annual Report for the year 2025-26

Ref - Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended {"Listing Regulations"}.

Dear Sir/Madam,

Pursuant to the compliance of Regulations 34(1) of Listing Regulations, please find enclosed herewith the Annual Report 2025-26 along with the Notice of the 37th Annual General Meeting (AGM) of the Company to be held on Tuesday, 29th day of September, 2026 at 03.00 P.M.(IST).

This is for your information and records.

Thanking you.

Yours faithfully,

For **Three M Paper Boards Limited**

**Mittal Mayank
Mehta**

Digitally signed by Mittal
Mayank Mehta
Date: 2026.09.07 09:23:30
+05'30'

Mittal Mehta
Company Secretary & Compliance Officer
Membership No. : 36950

Date: 07.09.2026

Place: Mumbai

(Formerly known as "Three M Paper Boards Pvt. Ltd." & "Three M Paper Mfg. Co. Pvt. Ltd.")

Plant: F-1, MIDC, Kherdi-Chiplun, Dist. Ratnagiri 415 604, Maharashtra | Tel.: +91-70661 15678 / 78430 56882
Website: www.threempaper.com



**ANNUAL REPORT
THREE M PAPER BOARDS
LIMITED
2025-2026**



CONTENTS

1. Corporate Overview:

- Corporate Information
- Vision and Mission

2. Statutory Reports:

- Notice of 37th Annual General Meeting
- Management Discussion and Analysis Report
- Directors' Report
- Compliance Certificates

3. Financial Statements:

- Independent Auditor's Report
- Balance Sheet
- Statement of Profit and Loss
- Notes to the Financial Statements

For more additional information about the Company log on to www.threempaper.com

CORPORATE INFORMATION

Board of Directors:

Mr. Hitendra Dhanji Shah	DIN: 00448925	Chairman & Whole Time Director
Mr. Rushabh Hitendra Shah	DIN: 01874177	Managing Director
Mrs. Prafulla Hitendra Shah	DIN: 00457076	Whole Time Director
Mr. Ashok Kumar Bansal	DIN: 07325904	Non - Executive & Independent Director
Mrs. Jigna Ravilal Dedhia Shah	DIN: 10452692	Non - Executive & Independent Director
Mrs. Feni Shah	DIN: 10303831	Non - Executive & Independent Director

Key Managerial Personnel

Mr. Krunal Pravin Waghela	Chief Financial Officer
Ms. Mittal Mehta	Company Secretary & Compliance Officer

COMMITTEE OF BOARD OF DIRECTORS

Audit Committee:

Ms. Feni Shah	Chairperson	Independent Director
Mr. Ashok Bansal	Member	Independent Director
Ms. Jigna Shah	Member	Independent Director

**Stakeholders Relationship Committee:**

Ms. Jigna Shah	Chairperson	Independent Director
Mr. Ashok Bansal	Member	Independent Director
Ms. Rushabh Shah	Member	Managing Director

Nomination and Remuneration Committee

Mr. Ashok Bansal	Chairperson	Independent Director
Ms. Feni Shah	Member	Independent Director
Ms. Jigna Shah	Member	Independent Director

Executive Committee of Board

Mr. Hitendra Dhanji Shah	Chairman	Whole Time Director
Mr. Rushabh Hitendra Shah	Member	Managing Director
Ms. Feni Shah	Member	Independent Director

Corporate Identity Number

L22219MH1989PLC052740

Registered Office:

A 33& 34 Floor 2, Royal Industrial Estate
Naigaon Cross Road, Wadala,
Mumbai – 400 031.

Maharashtra, India.

Contact Details: 22-6812 5757

Website of the Company:

www.threempaper.com

Listed at:

Bombay Stock Exchange Limited – SME Platform

ISIN: INE0UK501010 Script Code: 544214

Auditors:**Statutory Auditors:**

Piyush Kothari & Associates

Chartered Accountants

Membership No.: 158407

Firm Registration No.: 140711W

Secretarial Auditors:

Hemali Shah & Associates

Practising Company Secretaries

Membership No. FCS-13618

Certificate of Practice No. COP – 18906

**Cost Auditors:**

Ms Ketki D. Visariya
Cost Accountants
Fellowship No. 16028
Firm Registration No. 102266

Internal Auditors

Kunder, D'Mello & Associates
Chartered Accountants
16 Agarwal Peace Heaven
Kauls Heritage City
Near McDonald's, Vasai Road (West)
Dist. Palghar - 401202
Membership No. 133062

Bankers:

SVC Co-operative Bank Limited
State Bank of India
Axis Bank Limited
Federal Bank Limited

Registrar and Transfer Agent:

Bigshare Services Private Limited
Office No. S6-2, 6th floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East), Mumbai - 400093
Email id: investor@bigshareonline.com

The Annual Report copy will be available on Company's website address at <https://www.threempaper.com/investor/annualreports> download and for information purpose.

IMPORTANT COMMUNICATION TO MEMBERS**Green Initiative in Corporate Governance**

In line with its ongoing commitment towards environmental sustainability and digital governance, the Ministry of Corporate Affairs (MCA) has introduced various Green Initiative measures permitting companies to serve notices, Annual Reports and other statutory documents to their members through electronic mode.

As a responsible corporate citizen committed to environmental conservation, **Three M Paper Boards Limited** fully supports this initiative. Electronic communication not only reduces paper consumption and printing costs but also ensures faster, secure and environmentally friendly dissemination of information.



Members holding shares in dematerialised form who have not yet registered or updated their e-mail addresses are requested to do so with their respective Depository Participants (DPs). Members holding shares in physical form, if any, are requested to register or update their e-mail addresses with the Company's Registrar and Share Transfer Agent (RTA).

By updating your e-mail address, you will help the Company contribute towards a greener environment while ensuring prompt receipt of all shareholder communications.

VISION

To be a globally respected and preferred manufacturer of sustainable paper and paperboard products by delivering innovative, high-quality and environmentally responsible solutions.

We aspire to set new benchmarks in operational excellence, technological advancement and resource efficiency, while creating long-term value for our customers, employees, shareholders and society. Through responsible manufacturing and a steadfast commitment to sustainability, we envision contributing to a greener future and becoming a trusted leader in the paper and packaging industry.

MISSION

Our mission is to manufacture world-class paper and paperboard products that consistently exceed customer expectations in quality, reliability and value.

We are committed to:

- Upholding the values of integrity, transparency and ethical business practices established by our founders.
- Adopting advanced manufacturing technologies and promoting continuous innovation to enhance productivity and product excellence.
- Conserving natural resources through efficient recycling, responsible sourcing and environmentally sustainable manufacturing practices.
- Providing a safe, inclusive and growth-oriented workplace that empowers our employees to achieve their full potential.
- Building enduring relationships with customers, suppliers, bankers, investors and all other stakeholders through trust, service excellence and mutual respect.
- Creating sustainable long-term value for our shareholders while contributing positively to the communities and environment in which we operate.

Through continuous improvement, responsible governance and an unwavering commitment to excellence, we endeavour to strengthen our position as one of India's leading manufacturers of recycled paper and paperboard products.

COMPANY PROFILE

History and Corporate Journey

Three M Paper Boards Limited traces its origins to **26 July 1989**, when it was incorporated as **Three-M-Paper Manufacturing Company Private Limited** under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra.



As part of its corporate evolution, the Company was converted into a public limited company in **1998** under the name **Three-M-Paper Manufacturing Company Limited**. Subsequently, in **1999**, it was reconverted into a private limited company and continued its operations as **Three-M-Paper Manufacturing Company Private Limited**.

With a view to aligning its corporate identity with its expanding business operations and strategic vision, the Company changed its name to **Three M Paper Boards Private Limited** on **11 January 2024**. Thereafter, pursuant to the approval of its shareholders, the Company was converted into a public limited company and renamed **Three M Paper Boards Limited** with effect from **29 January 2024**.

The Equity Shares of the Company are listed on the **BSE SME Platform**, marking a significant milestone in its growth journey and reaffirming its commitment to transparency, sound corporate governance and sustainable value creation for all stakeholders.

Over more than three decades, the Company has established itself as a reputed manufacturer of high-quality recycled paper and paperboard products. Backed by modern manufacturing facilities, experienced leadership and a strong commitment to sustainability, operational excellence and customer satisfaction, the Company continues to strengthen its presence in the paper and packaging industry while creating long-term value for its customers, shareholders, employees and society.

BRIEF ABOUT BOARD OF DIRECTORS

MR. HITENDRA DHANJI SHAH

Chairman & Whole-time Director

Mr. Hitendra Dhanji Shah is the Promoter, Chairman and Whole-time Director of the Company. He has been associated with the Company since its incorporation on **26 July 1989** and was re-designated as Chairman & Whole-time Director with effect from **11 January 2024**.

With over **36 years of rich entrepreneurial and industry experience**, Mr. Shah has been the driving force behind the Company's growth and success. A visionary entrepreneur, he laid the foundation of the business by acquiring and reviving a distressed paper mill and transforming it into a professionally managed, financially sound and sustainable enterprise.

Throughout his association with the Company, he has provided strategic leadership across all key functional areas, including business development, finance, marketing, administration and corporate planning. His foresight, unwavering commitment and sound business acumen have enabled the Company to expand its manufacturing capabilities, strengthen its market presence and establish a reputation for quality and reliability in the paper and paperboard industry.

Under his leadership, the Company has achieved several significant milestones, including its successful transition into a listed public company. He continues to guide the Company with a long-term vision focused on sustainable growth, operational excellence and value creation for all stakeholders.



MRS. PRAFULLA HITENDRA SHAH

Whole-time Director

Mrs. Prafulla Hitendra Shah has been associated with the Company since **1 July 1992** and was re-designated as Whole-time Director with effect from **11 January 2024**. She holds a Bachelor's Degree in Arts and possesses over **33 years of experience** in corporate administration and business management.

She has played a pivotal role in developing and strengthening the Company's administrative systems, statutory compliance framework and organisational processes. Her extensive experience in administration, human resource management and operational coordination has significantly contributed to the efficient functioning of the Company.

Mrs. Shah's meticulous approach, commitment to corporate discipline and strong organisational capabilities continue to provide valuable support to the management in achieving operational excellence and effective governance.

MR. RUSHABH HITENDRA SHAH

Managing Director

Mr. Rushabh Hitendra Shah has been associated with the Board since **5 November 2007** and has been serving as the Managing Director since **1 August 2022**.

He holds a Bachelor's Degree in Mechanical Engineering from **Robert Gordon University, Aberdeen, Scotland**, along with a Diploma in Mechanical Engineering from the Maharashtra State Board of Technical Education.

With over **18 years of professional experience**, Mr. Shah has been instrumental in modernising the Company's manufacturing operations, enhancing production efficiencies and expanding its domestic and export markets. He possesses strong expertise in production planning, project execution, engineering, marketing, information technology and strategic business development.

His dynamic leadership, innovative mindset and customer-centric approach have contributed significantly to improving operational performance, product quality and market competitiveness. He continues to spearhead the Company's growth initiatives through technological advancement, process optimisation and sustainable business practices.



MR. ASHOK KUMAR BANSAL

Non-Executive Independent Director

Mr. Ashok Kumar Bansal joined the Board as a Non-Executive Independent Director on **11 January 2024**.

He is a distinguished **Pulp and Paper Technologist** from the Institute of Paper Technology, Saharanpur (formerly affiliated with Roorkee University) and brings with him over **45 years of extensive experience** in the pulp and paper industry.

During his illustrious career, he has held several senior leadership positions and has successfully conceptualised, commissioned and modernised numerous paper and paperboard manufacturing projects across India. He also served as Executive Director of **N. R. Agarwal Industries Limited**, where he played a key role in driving technological innovation and operational excellence.

A Life Member of IPPTA and TAPPI (USA), Mr. Bansal brings invaluable technical expertise, strategic insights and industry knowledge to the Board, particularly in the areas of manufacturing excellence, process optimisation, product development and sustainability.

MS. JIGNA RAVILAL DEDHIA SHAH

Non-Executive Independent Director

Ms. Jigna Ravilal Dedhia Shah joined the Board as a Non-Executive Independent Director on **11 January 2024**.

She is an accomplished legal professional with over **28 years of experience** and is enrolled with the Bar Council of Maharashtra and Goa. She holds a Bachelor's Degree in Commerce and a Bachelor of Laws (LL.B.).

During her distinguished legal career, she has represented clients before the Hon'ble High Court, Sessions Courts, Family Courts and Metropolitan Magistrate Courts. Her expertise spans litigation, legal advisory services, regulatory compliance and dispute resolution.

Her extensive legal knowledge and practical experience strengthen the Company's governance framework and provide valuable guidance on legal, regulatory and compliance matters.

MS. FENI JAY SHAH

Non-Executive Independent Director

Ms. Feni Jay Shah has been serving as a Non-Executive Independent Director of the Company since **11 January 2024**.



She is a qualified Company Secretary, corporate legal professional and the Founder of **Feni Shah & Associates**, a firm specialising in corporate and commercial laws. She holds Bachelor's and Master's Degrees in Law and Commerce from the University of Mumbai and became an Associate Member of the Institute of Company Secretaries of India (ICSI) in 2012.

With over **14 years of professional experience**, she has developed deep expertise in Corporate Laws, SEBI Regulations, FEMA, Secretarial Audit, Corporate Governance, Listing Regulations, Intellectual Property Rights, Joint Ventures and Foreign Collaborations. She has advised numerous corporates on regulatory compliance and governance matters.

Prior to establishing her independent practice, she gained valuable experience with reputed organisations, including the Hinduja Group, Ratan Kapadia & Associates and Legaljini Law Services Private Limited. She is also a visiting faculty at reputed educational institutions and a regular speaker at professional programmes organised by ICSI and other industry bodies.

Her diverse professional experience, commitment to good governance and expertise in corporate law significantly enrich the deliberations of the Board. Beyond her professional pursuits, she actively contributes to social welfare initiatives and has been recognised for her contributions to women entrepreneurship and community development.

PRODUCTS RANGE AND PRODUCTION

The Company is engaged in the manufacture of **recycled paper-based Duplex Board**, which is primarily used in packaging applications across diverse industries, including food and beverages, pharmaceuticals, cosmetics, consumer goods and other fast-moving consumer product segments. With the increasing emphasis on sustainable packaging and the growing preference for recyclable and environmentally responsible materials, the Company is well positioned to cater to the evolving requirements of both domestic and international customers.

The Company has adopted a **customer-centric product and marketing strategy**, with a focus on delivering consistent quality, appropriate product specifications and competitive value across different grades and geographies. Its products are manufactured using **100% recycled waste paper** and are recyclable and biodegradable, thereby supporting the growing demand for sustainable packaging solutions.

The Company continuously focuses on **product development, process improvement, quality enhancement and optimisation of manufacturing efficiencies** to meet changing customer requirements and maintain competitiveness in an industry characterised by volatility in raw-material prices, energy costs, freight and selling realisations.

The Company has its corporate office in Mumbai and its manufacturing facility at **Chiplun, District Ratnagiri, Maharashtra**. The manufacturing facility is equipped with modern machinery and technology and has an installed production capacity of **1,08,000 MT per annum as at the close of FY 2025-26**. The Company's product portfolio comprises various



grades of Duplex Board, including **Royal Grey Back, Prima Grey Back and Royal White Back**, enabling it to cater to diverse packaging requirements.

The Company's strategic focus remains on **improving product mix, enhancing capacity utilisation, strengthening customer relationships, improving operational efficiencies and expanding its presence in both domestic and export markets**, while maintaining a prudent approach towards costs and working capital.

WHAT MAKES US DIFFERENT

- **Diversified Product Portfolio:** A range of Duplex Board grades designed to cater to varied packaging applications and customer specifications.
- **Sustainable Manufacturing:** Products manufactured using **100% recycled waste paper**, aligned with the increasing global emphasis on recyclable and sustainable packaging.
- **Established Manufacturing Capability:** Modern manufacturing infrastructure with an installed capacity of **1,08,000 MT per annum**, providing the Company with the ability to serve customers across multiple markets.
- **Experienced Promoters and Management:** Strong promoter experience and established industry relationships, supported by an experienced management team.
- **Customer-Centric Approach:** Focus on consistent quality, customised product specifications, timely deliveries and long-term customer relationships.
- **Strategic Location:** The Chiplun manufacturing facility provides proximity to key markets in **Maharashtra and Western India**, while also offering connectivity to major ports for serving export markets.
- **Focus on Operational Efficiency:** Continuous initiatives towards process optimisation, product development, energy efficiency, yield improvement and cost management.
- **Growing Sustainable Packaging Opportunity:** The Company's recycled paperboard portfolio positions it favourably to participate in the continuing shift towards sustainable and recyclable packaging solutions.



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

The global paper and paperboard industry is undergoing a structural transformation, driven by changing consumption patterns, increasing demand for sustainable packaging, technological advancement and the global transition towards a circular economy. While traditional paper consumption is being moderated by digitalisation in certain segments, the demand for paper and paperboard used in packaging applications continues to remain resilient.

The packaging segment, particularly paperboard and recycled fibre-based products, continues to benefit from the growth of e-commerce, organised retail, food and beverages, pharmaceuticals, consumer goods and other consumption-led industries. At the same time, the industry remains exposed to fluctuations in waste paper and other raw-material prices, energy and fuel costs, freight rates, foreign exchange movements, import competition and changes in selling realisations.

The global operating environment also remains influenced by geopolitical developments, trade restrictions, supply-chain realignments and uneven economic growth across geographies. These factors can create volatility in the availability and landed cost of imported raw materials as well as finished paper and paperboard products.

Global Trends

The global paper industry is increasingly moving towards **sustainable, recyclable and resource-efficient products**. Governments and businesses across major economies are adopting policies aimed at reducing plastic waste, promoting recycling and encouraging circular-economy practices. These developments are creating opportunities for recycled paper and paperboard products, particularly in packaging applications.

At the same time, the industry continues to face structural challenges. Volatility in recovered paper prices, energy costs, freight rates and currency movements can materially influence production costs and margins. In developed markets, demand for certain printing and writing paper products continues to face pressure from digitalisation, whereas packaging, tissue and hygiene-related applications continue to provide relatively stronger growth opportunities.

The global packaging industry is also witnessing increasing emphasis on **recyclability, reduction of plastic content, responsible sourcing and lower environmental impact**. This trend is expected to support the long-term demand for recycled fibre-based packaging materials.



Indian Industry Scenario

India remains one of the important growth markets for paper and paperboard, supported by rising consumption, urbanisation, increasing disposable incomes, organised retail, e-commerce, food processing, pharmaceuticals and the continued expansion of consumer-oriented industries.

Within the Indian paper industry, packaging paper and paperboard represent an important growth segment. The increasing requirement for packaged foods, pharmaceuticals, personal care products, consumer goods and e-commerce shipments is creating sustained demand for packaging materials.

The Government of India's focus on **waste management, recycling, resource efficiency, circular economy and reduction in dependence on single-use plastics** is also contributing to a favourable long-term environment for recyclable paper-based packaging solutions. Initiatives relating to Extended Producer Responsibility (EPR), plastic-waste management and sustainable packaging are encouraging industries to evaluate alternatives that are recyclable and have lower environmental impact.

The Government's broader emphasis on **manufacturing, infrastructure development, logistics, exports, sustainability and the circular economy** is expected to support the development of the domestic paper and packaging ecosystem.

However, the Indian paper industry continues to face certain challenges, particularly the availability and cost of quality waste paper, dependence on imported recovered paper, volatility in energy and transportation costs, foreign exchange movements and competition from imported paper and paperboard. The industry therefore remains highly sensitive to cost management, product mix, capacity utilisation and working-capital efficiency.

DUPLEX BOARD INDUSTRY

Duplex Board is an important component of the packaging value chain and is used extensively in the manufacture of cartons and other packaging products for FMCG, food and beverages, pharmaceuticals, cosmetics, consumer durables and other industries.

The Company's focus on **recycled fibre-based Duplex Board** provides it with an opportunity to participate in the growing demand for sustainable packaging. The increasing preference of brand owners and consumers for recyclable packaging solutions is expected to support the long-term relevance of recycled paperboard.

At the same time, the Duplex Board segment remains competitive and price sensitive. Domestic manufacturers are required to continuously balance product quality, customer specifications, raw-material costs, energy consumption, logistics and selling prices. Import competition and fluctuations in international prices can also influence domestic market realisations.



Accordingly, the Company's strategy remains focused on **operational efficiency, quality consistency, product development, customer retention, product mix optimisation and prudent working-capital management.**

OUTLOOK

The medium- to long-term outlook for the Indian paper and paperboard industry remains constructive, particularly for packaging and recycled-fibre-based products.

The continued growth of **e-commerce, FMCG, food processing, pharmaceuticals, organised retail and consumer products**, together with increasing awareness of sustainable packaging, is expected to support demand for paper-based packaging.

The transition towards a circular economy is another important structural opportunity. Recovered paper is an important source of fibre for the recycled paperboard industry, and increasing emphasis on recycling and responsible resource utilisation is expected to strengthen the relevance of recycled paper-based products.

However, the Company remains conscious that the near- to medium-term operating environment may continue to be volatile. Raw-material prices, availability of quality waste paper, energy and fuel costs, freight rates, exchange-rate movements, import competition and selling-price realisations may exert pressure on margins.

The Company intends to address these challenges through the following initiatives:

- **Strengthening domestic procurement of waste paper** and improving sourcing efficiencies to optimise the raw-material mix and reduce excessive dependence on imports.
- **Improving fibre recovery, yield and production efficiencies** through process optimisation and technology upgradation.
- **Enhancing energy efficiency** and exploring suitable alternative and renewable energy solutions to manage the impact of energy-cost volatility.
- **Optimising product mix** with greater emphasis on value-added and premium grades wherever market conditions permit.
- **Strengthening domestic and export markets** and broadening the customer base to reduce concentration and improve market reach.
- **Improving capacity utilisation** and deriving greater operating efficiencies from the Company's manufacturing infrastructure.
- **Strengthening working-capital management**, particularly inventory, receivables and procurement cycles, in view of the working-capital-intensive nature of the industry.
- **Continuing investment in product development and quality improvement** to meet evolving customer requirements and international packaging standards.
- **Leveraging the Company's recycled-fibre manufacturing capabilities** to participate in the growing demand for sustainable and recyclable packaging.



The Company believes that disciplined cost management, operational efficiency, customer focus and a continued emphasis on sustainable recycled paperboard products will be important in navigating the cyclical nature of the industry and creating sustainable long-term value.

GLOBAL PAPER INDUSTRY OVERVIEW

The global pulp and paper industry is a diverse sector serving packaging, printing and writing, tissue and hygiene, specialty paper and other applications. While digitalisation has reduced demand for certain traditional paper products, the packaging segment continues to provide a significant growth opportunity.

The industry is increasingly influenced by three major structural trends:

1. **Shift towards sustainable packaging and reduction of plastic usage;**
2. **Growth of e-commerce and consumption-led packaging requirements; and**
3. **Transition towards circular-economy and resource-efficient manufacturing.**

The use of recovered paper as a source of fibre is particularly relevant to the circular economy. Recycling enables fibre to be reused in multiple applications and reduces dependence on virgin fibre, subject to the availability and quality of recovered paper.

Global manufacturers are therefore increasingly focusing on energy efficiency, renewable energy, water conservation, waste reduction, fibre optimisation and development of recyclable packaging solutions.

The global economic environment, however, remains subject to geopolitical tensions, changing trade policies, supply-chain disruptions, currency movements and fluctuations in commodity and energy prices. These factors can result in significant variations in production costs and international paper and paperboard prices.

For manufacturers such as the Company, the ability to manage raw-material sourcing, energy consumption, manufacturing efficiency, product quality and logistics costs will remain critical to maintaining competitiveness.

E-COMMERCE AND PACKAGING DEMAND

The rapid expansion of e-commerce has structurally increased the requirement for packaging materials. Products purchased through online channels require protective, transport-efficient and increasingly sustainable packaging throughout the distribution chain.

The growth of e-commerce in India and other emerging markets, together with the expansion of organised retail and direct-to-consumer businesses, is expected to support continued demand for paper-based packaging.



At the same time, global e-commerce companies and brand owners are increasingly seeking to reduce unnecessary plastic packaging and improve the recyclability of their packaging materials. This transition creates opportunities for recycled paperboard manufacturers to develop products suited to evolving packaging requirements.

The Company's focus on recycled Duplex Board positions it favourably to participate in this structural shift, particularly as customers increasingly consider sustainability alongside quality, performance and cost.

INDIAN PAPER INDUSTRY OVERVIEW

India's paper and paperboard industry plays an important role in the country's manufacturing and consumption ecosystem, supporting packaging, education, printing, hygiene and other applications. The industry uses a combination of recovered paper, wood-based fibre and agricultural residues, with recycled fibre playing an increasingly important role in meeting domestic demand.

The Indian market has significant long-term growth potential on account of a large consumer base, rising urbanisation, increasing consumption, expansion of organised retail, e-commerce, food processing, pharmaceuticals and growing demand for packaged products.

Government policies promoting **recycling, sustainable consumption, waste management, circular economy and responsible use of resources** are expected to remain important drivers for the industry. The increasing focus on reducing plastic waste and promoting environmentally responsible packaging is also expected to create opportunities for recyclable paper and paperboard products.

Nevertheless, the industry faces challenges relating to raw-material availability, quality and cost of recovered paper, energy prices, logistics, environmental compliance, import competition and periodic overcapacity in certain product segments. The ability of manufacturers to maintain cost competitiveness while meeting increasingly stringent quality and environmental expectations will remain a key differentiator.

COMPANY'S STRATEGIC POSITIONING

Against this industry backdrop, the Company believes that its focus on **100% recycled waste paper-based Duplex Board manufacturing** provides a relevant and sustainable platform for future growth.

The Company's manufacturing facility at Chiplun, Maharashtra, with an installed capacity of **1,08,000 MT per annum**, provides an established platform to serve customers across domestic markets and international destinations.



Going forward, the Company will continue to focus on:

- strengthening its position in recycled Duplex Board;
- improving product quality and consistency;
- increasing capacity utilisation;
- enhancing operational and energy efficiency;
- developing value-added products;
- expanding its domestic and export customer base;
- improving raw-material sourcing and procurement efficiency;
- maintaining disciplined working-capital management; and
- leveraging the growing preference for recyclable and sustainable packaging.

The Company remains cautiously optimistic about the long-term prospects of the paperboard industry. While near-term volatility in raw-material costs, energy prices, freight, exchange rates and market realisations may continue, the underlying structural shift towards **recyclable, sustainable and circular packaging solutions** provides a favourable long-term opportunity for the Company.

The management will continue to closely monitor industry developments, Government policies, global trade conditions and customer preferences and will take appropriate measures to ensure that the Company remains competitive, financially disciplined and well positioned to capture emerging opportunities in the recycled paperboard market.

COMPANY OVERVIEW

Three M Paper Boards Limited (“the Company”) was incorporated in 1989 and has established itself as a manufacturer of **recycled paper-based Duplex Boards** catering primarily to the packaging industry. The Company's products are used across a wide range of end-user industries, including food and beverages, pharmaceuticals, FMCG, cosmetics, consumer products and other packaging applications.

The Company's manufacturing facility is located at **Chiplun, District Ratnagiri, Maharashtra**, and is equipped with modern manufacturing infrastructure. The Company had an installed production capacity of **1,08,000 MT per annum as at the close of FY 2025-26**.

The Company manufactures Duplex Boards using **100% recycled waste paper**, thereby contributing to resource conservation and the circular economy. With growing awareness among consumers, brand owners and regulators regarding sustainable packaging and reduction of plastic usage, the Company's recycled paperboard portfolio provides a platform to participate in the evolving demand for environmentally responsible packaging solutions.

The Company serves both **domestic and export markets** and continues to focus on product quality, customer service, product development, operational efficiency and optimisation of its product mix. The management remains focused on strengthening the Company's competitive position through prudent capacity utilisation, efficient procurement, cost management and expansion of its customer base.



OPPORTUNITIES

The Company believes that the structural trends in the packaging industry provide several opportunities for sustainable growth:

- **Growth in Packaging Consumption:** Increasing consumption of packaged food, FMCG products, pharmaceuticals, personal care products and consumer goods is expected to support the demand for paperboard packaging.
- **Expansion of E-commerce:** The continued growth of e-commerce and organised retail is increasing the requirement for protective and recyclable packaging materials.
- **Shift towards Sustainable Packaging:** Growing consumer and corporate preference for recyclable and environmentally responsible packaging is creating opportunities for recycled paperboard manufacturers.
- **Government Focus on Plastic Waste Reduction:** Government policies relating to plastic-waste management, recycling, Extended Producer Responsibility and circular-economy practices are encouraging the development and adoption of sustainable packaging alternatives.
- **Growth in Value-added Products:** Increasing customer focus on printability, appearance, strength, surface quality and application-specific performance provides opportunities for manufacturers offering differentiated and value-added grades.
- **Export Market Potential:** Emerging markets in Asia, Africa, the Middle East and other developing regions offer opportunities for Indian paperboard manufacturers, subject to competitive pricing, product quality, freight economics and prevailing trade policies.
- **Capacity Utilisation:** The Company's installed capacity provides an opportunity to increase production volumes and improve operating leverage as market demand strengthens.

THREATS AND CHALLENGES

The paper and paperboard industry remains exposed to a number of external and structural challenges:

- **Raw-Material Price Volatility:** Waste paper is a significant input cost, and fluctuations in international prices, availability, quality and freight costs can materially impact manufacturing costs.
- **Import Dependence:** Dependence on imported recovered paper for certain grades and qualities exposes the Company to international market conditions, foreign exchange movements and changes in global supply chains.
- **Energy and Fuel Costs:** Paper manufacturing is energy intensive. Volatility in coal, power, fuel and other energy costs can adversely affect production costs and operating margins.
- **Import Competition:** The domestic market is exposed to competition from imported paperboard, particularly when international prices, freight rates or currency movements make imports commercially attractive.
- **Competitive Market Environment:** The Company operates in a competitive industry with established organised manufacturers as well as regional and unorganised players. Pricing pressure may arise during periods of excess supply or weak demand.



- **Foreign Exchange Risk:** Changes in foreign exchange rates may impact the landed cost of imported raw materials and the realisation from export sales.
- **Regulatory and Environmental Requirements:** Increasing environmental standards and regulatory requirements require continuous investment in processes, technology, waste management and compliance systems.
- **Economic and Geopolitical Uncertainty:** Global trade disruptions, geopolitical tensions, changes in tariffs and trade policies and fluctuations in freight costs may impact the availability and cost of raw materials and international market opportunities.

SEGMENT-WISE / PRODUCT-WISE PERFORMANCE

The Company is primarily engaged in the **manufacture and sale of Duplex Boards** and accordingly operates predominantly within a single business segment.

During FY 2025–26, the Company continued to focus on strengthening its presence in both domestic and export markets. **Domestic sales constituted approximately 80% of the Company's sales**, supported by demand from packaging, FMCG and other consumer-oriented industries. **Export sales accounted for approximately 20% of sales**, providing the Company with geographical diversification and access to selected international markets.

During the year, the Company continued to focus on improving its product mix, including higher grammage and value-added grades, wherever commercially viable, with a view to improving realisations and strengthening customer relationships.

The Company's product portfolio includes various grades of Duplex Boards, including **Royal Grey Back, Prima Grey Back and Royal White Back**, enabling it to cater to diverse customer requirements.

The management remains focused on improving capacity utilisation, enhancing product quality and consistency, increasing manufacturing efficiency and developing products aligned with evolving packaging requirements.

RISKS AND CONCERNS

The Company's operations are exposed to various business, operational, financial and market risks. The principal risks and the broad mitigation measures are outlined below:

1. Raw-Material Risk

Waste paper constitutes a major component of the Company's raw-material consumption. Any significant increase in waste paper prices, shortage of suitable grades, deterioration in quality or disruption in supply may adversely affect margins.



Mitigation: The Company continuously evaluates domestic and international sourcing opportunities, monitors global waste-paper markets and seeks to optimise the raw-material mix, procurement timing and inventory levels.

2. Energy Cost Risk

Manufacturing operations are energy intensive and are exposed to fluctuations in the cost of coal, electricity, fuel and other energy inputs.

Mitigation: The Company continues to focus on energy conservation, process optimisation, reduction in specific energy consumption and evaluation of appropriate alternative energy and fuel solutions.

3. Market and Pricing Risk

The paperboard industry is competitive and selling realisations can be affected by changes in demand-supply conditions, imports, competitor pricing and movements in international paperboard prices.

Mitigation: The Company seeks to maintain a diversified customer base, improve product quality, optimise product mix and develop value-added products to reduce excessive dependence on commodity-oriented grades.

4. Foreign Exchange Risk

Import of waste paper and other inputs as well as export sales expose the Company to foreign exchange fluctuations.

Mitigation: The Company monitors its foreign currency exposures and adopts appropriate risk-management measures in accordance with its internal policies and prevailing market conditions.

5. Regulatory and Environmental Risk

The paper industry is subject to environmental, waste-management, pollution-control and other regulatory requirements. Changes in environmental standards may require additional investments and process modifications.

Mitigation: The Company maintains appropriate compliance systems and continues to focus on environmentally responsible manufacturing practices and efficient utilisation of resources.

6. Working Capital and Liquidity Risk

The paperboard industry requires significant working capital towards raw materials, inventories, receivables and operating expenses. Any increase in the operating cycle may affect liquidity.



Mitigation: The Company monitors receivables, inventory levels, procurement cycles and banking facilities on a continuous basis and seeks to maintain adequate liquidity and disciplined working-capital management.

7. Geopolitical and Supply-Chain Risk

International geopolitical developments, trade restrictions, shipping disruptions and changes in global supply chains may affect raw-material availability, freight costs and export opportunities.

Mitigation: The Company continues to diversify sourcing and customer markets and closely monitors international market developments to respond appropriately to changes in the operating environment.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established an **internal control framework commensurate with the size, scale and nature of its operations**. The internal control system is designed to safeguard the Company's assets, ensure proper authorisation and recording of transactions, promote operational efficiency, support reliable financial reporting and facilitate compliance with applicable laws and regulations.

The Company has implemented appropriate controls over key areas including procurement, inventory, production, sales, receivables, payments, banking transactions, statutory compliances and financial reporting.

Internal audit and review mechanisms are undertaken periodically, and significant observations are placed before the appropriate management and Board-level committees for review and necessary corrective action.

The Company continues to strengthen its **ERP-based systems and processes** with a focus on improving data integrity, transaction-level controls, inventory accounting, management reporting and reconciliation processes.

The management believes that the Company's internal control systems are adequate and commensurate with its present requirements. The effectiveness of these controls is reviewed periodically and strengthened wherever considered necessary.

FINANCIAL PERFORMANCE VIS-À-VIS OPERATIONAL PERFORMANCE

During FY 2025–26, the Company recorded **revenue of ₹29,718.61 lakhs**, as compared with **₹26,553.41 lakhs** in FY 2024–25, representing an increase of approximately **11.92%**.

The improvement in revenue was supported by higher business volumes and continued demand from the Company's domestic and export markets.



However, the operating environment during the year remained challenging due to fluctuations in raw-material prices, energy and logistics costs and competitive pressures in the paperboard market. Consequently, the improvement in revenue did not translate proportionately into operating margins.

The Company continued to focus on improving its product mix, manufacturing efficiency, capacity utilisation and cost management to partially mitigate these pressures. Management remains focused on improving operational efficiencies and strengthening margins through better procurement, productivity improvement, product mix optimisation and disciplined cost management.

The Company's financial performance should therefore be viewed in the context of the **cyclical and cost-sensitive nature of the paperboard industry**, where changes in raw-material and energy prices can have a significant impact on profitability even when sales volumes remain healthy.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Human resources continue to be an important component of the Company's ability to achieve operational excellence and sustainable growth. The Company recognises that skilled and experienced employees are essential for maintaining product quality, operational efficiency, safety standards and customer service.

The Company continues to focus on:

- employee training and skill development;
- technical and operational capability enhancement;
- workplace safety and employee well-being;
- strengthening managerial and supervisory capabilities;
- improving productivity and operational discipline; and
- fostering a culture of accountability, teamwork and continuous improvement.

Industrial relations remained **cordial and stable** during FY 2025–26. The Company continues to maintain constructive engagement with employees and seeks to provide a safe, professional and conducive working environment.

As on **31 March 2026**, the Company had **197 employees** on its rolls.

The Company believes that continued investment in people, training and organisational capabilities will remain important as it expands its manufacturing capacity, strengthens its systems and pursues opportunities in domestic and international markets.



MANAGEMENT'S PERSPECTIVE

The management remains **cautiously optimistic** about the long-term prospects of the Company and the recycled paperboard industry. While the near-term business environment may continue to be influenced by raw-material and energy-price volatility, import competition, global economic conditions and geopolitical developments, the structural growth drivers for sustainable packaging remain intact.

The Company's strategy will therefore remain focused on **sustainable growth rather than volume alone**, with emphasis on product quality, customer relationships, capacity utilisation, cost efficiency, working-capital discipline, product diversification and prudent financial management.

The Company believes that its established manufacturing base, recycled-fibre product portfolio, experienced management, domestic and export customer base and installed capacity provide a sound platform to participate in the long-term growth of the sustainable packaging industry.

The management will continue to closely monitor market conditions and Government policies and will take appropriate measures to manage risks, strengthen competitiveness and create sustainable value for all stakeholders.

Key Financial Ratios

Particulars	FY 2025-26	FY 2024-25
Debtors Turnover	3.21%	4.70%
Inventory Turnover	75.78	73.81
Interest Coverage Ratio	1.98	1.86
Current Ratio	1.21	1.31
Debt Equity Ratio	0.19	0.23
Operating Profit Margin (%)	4.39%	3.83%
Net Profit Margin (%)	2.41%	3.76%
Return on Net Worth (%)	6.46%	12.14%

Cautionary Statement

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations, or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference include raw material availability and prices, economic developments, changes in government policies and regulations, tax laws, and other incidental factors.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 37th Annual General Meeting (AGM) of the Members of Three M Paper Boards Limited ("The Company") will be held on Tuesday, September 29, 2026 at 03.00 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2026, together with the reports of the Board and Auditors thereon.
2. To appoint a Director in place of Shri Rushabh Hitendra Shah (DIN 01874177) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

1. RATIFICATION OF COST AUDITOR'S REMUNERATION FOR THE FINANCIAL YEAR 2026-27

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to Ms. Ketki D. Visariya, Cost Accountants, Mumbai, Cost Auditors (Firm Registration No. 102266) appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2027, amounting to Rs. 1,35,000 (Rupees One Lakh Thirty Five Thousand Only) per annum respectively and also the payment of GST as applicable and reimbursement of



out-of-pocket expenses incurred in connection with the aforesaid Audit be, and is hereby, ratified and confirmed.”

By Order of the Board
Three M Paper Boards Limited

CS Mittal Mehta
Company Secretary and Compliance Officer
Membership No. 36950

Registered Office:
A 33& 34 Floor 2, Royal Industrial Estate
Naigaon Cross Road, Wadala,
Mumbai – 400 031. Maharashtra, India

Date: September 5, 2026
Place : Mumbai

NOTES:

1. The Ministry of Corporate Affairs, Government of India (“MCA”), vide its latest Circular No. 09/2024 dated 19th September, 2024, read with earlier circulars dated 8th April, 2020 (No. 14/2020), 13th April, 2020 (No. 17/2020), 5th May, 2020 (No. 20/2020), 13th January, 2021 (No. 02/2021), 8th December, 2021 (No. 21/2021), 28th December, 2022 (No. 10/2022), and 25th September, 2023 (No. 09/2023) (collectively referred to as “MCA Circulars”), has permitted companies to conduct their Annual General Meetings (“AGM”) through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) on or before 30th September, 2026, without the physical presence of members at a common venue. In line with the above, the Securities and Exchange Board of India (“SEBI”), vide its circulars SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023, and SEBI/HO/CFD/CFDPoD-2/P/CIR/2024/133 dated 3rd October, 2024 (collectively referred to as “SEBI Circulars”), has also provided relaxations under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) in relation to the conduct of general meetings through electronic means. Accordingly, in compliance with the aforementioned MCA Circulars, SEBI Circulars, the Companies Act, 2013, and the SEBI Listing Regulations, the 15th Annual



General Meeting (“AGM”) of the Company for the financial year ended 31st March, 2026 is being convened and conducted through VC/OAVM facility, without the physical presence of the Members at the deemed venue for the AGM will be the Registered Office of the Company, i.e. A33 & 34, FLOOR -2,

ROYAL INDUSTRIAL ESTATE, 5-B NAIGAON CROSS ROAD, WADALA, MUMBAI, Maharashtra, India 400031 India, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is provided in the Notes below and is also available on the Company’s website at <https://www.threempaper.com>.

2. Information regarding appointment/ re-appointment of Director(s) and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/ or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard II is annexed hereto.
3. Pursuant to the Circular No. 14/2020 dated 08th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.
4. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”), as revised with effect from 01st April, 2024, read with Clarification/ Guidance on applicability of Secretarial Standards 2 dated April 15, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.
6. Pursuant to the MCA Circulars read with SEBI Circular dated 5th January, 2023 and SEBI Circular SEBI/HO/ CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 (“SEBI Circular”), the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Hence, the Proxy Form and



Attendance Slip including Route Map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Institutional/Corporate Shareholders are required to send a scanned copy (PDF/JPG format) of its Board or governing body resolution / authorization etc., authorising its representative to attend the AGM through VC/ OAVM on its behalf and to vote through remote e-voting. The said resolution/ authorization shall be sent to the company by email to compliance@threempaper.com with a copy marked to www.evoting.nsdl.com and scrutinizer at cshemalishah@gmail.com, at least 48 hours before the commencement of AGM.

7. 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 for 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, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. Electronic dispatch of Notice and Annual Report in accordance with the MCA General Circular Nos. 20/2020 dated 5th May, 2020 and 10/2022 dated 28th December, 2022 and SEBI Circular No. SEBI/HO/ CFD/PoD-2/P/CIR/2023/4 dated 5th January, 2023, the Financial Statements (including Board's Report, Auditors' Report or other documents required to be attached therewith) for the Financial Year ended 31st March 2026 pursuant to Section 136 of the Companies Act, 2013 and Notice calling the AGM pursuant to section 101 of the Companies Act, 2013, read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose email addresses are registered with the Company/ Bigshare Services Private Limited or the Depository Participant(s). The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same.
9. The Notice has also been uploaded on the website of the Company at <https://www.threempaper.com> and the website of the Stock Exchange i.e. BSE



at www.bseindia.com and is also made available on the website of National Securities Depository Limited (NSDL)(agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone / mobile numbers, Permanent Account Number PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc. to their respective Depository Participants.
11. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the meeting. This would enable the Company to compile the information and provide the replies at the Meeting.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
13. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 29th September 2026. Members seeking to inspect such documents can send an email to compliance@threempaper.com.
14. Pursuant to regulation 44(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is providing VC/ OAVM facility to its members to attend the AGM.
15. There being no physical shareholders in the Company, the Register of members and share transfer books of the Company will not be closed. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. 19th September 2026, shall be entitled to avail the facility of remote e-voting as well



as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

16. The members who have cast their vote by remote e-voting prior to AGM may also attend the AGM but shall not be entitled to cast their vote again.
17. As all the shares of the Company is in dematerialised mode, our Company is not required to comply with the SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated 02nd July, 2025 w.r.t. Special Window for Re-lodgement of Transfer Requests of Physical Shares.

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

1. Pursuant to the General Circular No. 03/2025 dated September 22, 2025 ('MCA Circulars') and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/ AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/ AGM shall be conducted through VC / OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/ AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/ AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/ 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 EGM/ AGM through VC/OAVM will be made available for 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 EGM/ AGM without restriction on account of first come first served basis.



4. The attendance of the Members attending the EGM/ AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. 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) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/ AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the EGM/ AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/ AGM has been uploaded on the website of the Company at <https://www.threempaper.com/> . The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the EGM/ AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/ AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on September 26, 2026 at 09:00 A.M. and ends on September 28, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 22, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 22, 2026.

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



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

tep 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will



	be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on  App Store   Google Play 
Individual Shareholders holding securities in demat mode with CDSL	Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.



	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.



Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****



c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
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5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL



7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

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



Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr. Suketh Shetty at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to compliance@threempaper.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (compliance@threempaper.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. **In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with**



Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.



4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (compliance@threempaper.com). The same will be replied by the company suitably.
6. Registration of Speaker related point needs to be added by company.

By Order of the Board
Three M Paper Boards Limited

CS Mittal Mehta
Company Secretary and Compliance Officer
Membership No. 36950

Registered Office:
A 33& 34 Floor 2, Royal Industrial Estate
Naigaon Cross Road, Wadala,
Mumbai – 400 031. Maharashtra, India

Date: September 5, 2026
Place : Mumbai



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT AS REQUIRED UNDER REGULATION 36(5) of SEBI LISTING REGULATIONS:

Item No. 3

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Board of Directors at its Meeting held on July 11, 2024, subject to the ratification of the remuneration by the Members, approved the re-appointment of Ms. Ketki D. Visariya, Cost Accountants, Mumbai, Cost Auditors (Firm Registration No. 102266) as the Cost Auditors of the Company for the financial year ending March 31, 2027 and also payment of remuneration of ₹ 1.35 lakhs plus applicable taxes and reimbursement of out-of-pocket expenses.

Accordingly, the Board recommends the Ordinary Resolution at item no. 3 of this Notice for approval by the members.

None of the Directors or Key Managerial Personnel of the Company (including relatives of the Directors and Key Managerial Personnel) is concerned or interested, financially or otherwise, in this resolution at item no. 3.

INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI LISTING REGULATIONS AND SECRETARIAL STANDARDS

Item no. 2 relating to the re-appointment of Mr. Rushabh Shah (DIN: 01874177), who retires by rotation:

The Information/Disclosure in compliance with the Secretarial Standard (SS-2) issued by the Institute of Company Secretaries of India along with Regulation 36(3) of the SEBI LISTING Regulations has been provided herein below:

Name of Director	Mr. Rushabh Hitendra Shah
DIN	01874177
Date of Birth (Age in Years)	42 years
Category of Director	Managing Director
Expertise in specific functional areas	He has over 17 years of experience in production and marketing operations, factory coordination of the Company



Date of First Appointment on the Board	05/11/2007
Brief Resume, Education Qualification, No. of Years of Experience and Expertise in specific functional areas	Mr. Rushabh Hitendra Shah has been associated with the Board since 5 November 2007 and has been serving as the Managing Director since 1 August 2022. He holds a Bachelor's Degree in Mechanical Engineering from Robert Gordon University, Aberdeen, Scotland, along with a Diploma in Mechanical Engineering from the Maharashtra State Board of Technical Education. With over 18 years of professional experience, Mr. Shah has been instrumental in modernising the Company's manufacturing operations, enhancing production efficiencies and expanding its domestic and export markets. He possesses strong expertise in production planning, project execution, engineering, marketing, information technology and strategic business development. His dynamic leadership, innovative mindset and customer-centric approach have contributed significantly to improving operational performance, product quality and market competitiveness. He continues to spearhead the Company's growth initiatives through technological advancement, process optimisation and sustainable business practices.
Terms and conditions of appointment/re-appointment	Same as per Original Terms of Appointment.
Directorships held in other Companies	NIL
Chairmanship/ Membership of Committees of the Company	Member of Stakeholders Relationship Committee and Executive Committee of Board.



Chairmanships/ Memberships of committees of other Companies	NIL
Number of Board Meetings attended during the year	4
Relationships between Directors inter-se	He is a relative of Mrs Prafulla Shah and Mr Hitendra Shah the existing Directors.
Last Remuneration Drawn	₹6,00,000/- per month
Proposed Remuneration	Within the Original Limits approved by the Shareholders in the Extra-ordinary general meeting held on January 16, 2024.
Number of shares held in the Company	1451000 Equity Shares as on March 31, 2026
Disclosure of relationships between directors inter-se	Mrs Prafulla Shah – Mother Mr Hitendra Shah – Father
shareholding of non-executive directors in the listed entity, including shareholding as a beneficial owner	NA
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	NA



He is not disqualified from being appointed as a director in terms of section 164 of the Act.

By Order of the Board
Three M Paper Boards Limited

CS Mittal Mehta
Company Secretary and Compliance Officer
Membership No. 36950

Registered Office:
A 33& 34 Floor 2, Royal Industrial Estate
Naigaon Cross Road, Wadala,
Mumbai – 400 031. Maharashtra, India

Date: September 5, 2026
Place : Mumbai



DIRECTORS' REPORT

To
THE MEMBERS
THREE M PAPER BOARDS LIMITED

Your Directors are pleased to present the **37th Annual Report** of the Company, together with the **Audited Financial Statements** for the financial year ended **March 31, 2026**, along with the reports of the Auditors thereon.

FINANCIAL HIGHLIGHTS

The financial performance of the Company for the financial year under review, as compared with the previous financial year, is summarised below:

PARTICULARS	STANDALONE	
	2025-2026	2024-2025
Revenue from Operations (Gross)	29718.61	26553.41
Earnings before interest, depreciation and taxation (EBITDA)	2109.86	2491.88
Finance Costs	659.41	618.58
Depreciation	804.33	667.48
Profit before Tax (PBT)	646.12	1205.82
Tax expenses	(70.86)	206.51
Profit after Tax (PAT)	716.98	999.31

COMPANY PERFORMANCE AND STATE OF AFFAIRS

During the financial year under review, your Company continued to focus on the manufacture of **Duplex Boards using 100% recycled waste paper**, while taking various initiatives towards improving operational efficiency, energy optimisation and cost management.



- **Production & Sales:** During the year, the Company achieved production of 76,983 MT as against 73,043 MT in the previous financial year. The Company's installed capacity was enhanced from **72,000 MT to 1,08,000 MT** with effect from the financial year 2025-26, providing additional capacity to cater to the growing demand for Duplex Boards. During the year under consideration, the Company's revenue increased to **₹29,718.61 lakhs** as against **₹26,553.41 lakhs** in the previous financial year.
- **Market Conditions:** The Duplex Board industry continued to experience volatility arising from fluctuations in waste paper prices, international pulp and raw-material prices, freight and logistics costs, foreign exchange movements and changes in domestic and international demand.
- **Domestic Market:** Demand from the packaging industry, particularly from the FMCG, pharmaceutical, food and beverage and e-commerce sectors, continued to support the Company's domestic business. The Company continued to focus on maintaining its customer base and strengthening its market presence.
- **Exports:** The Company continued to cater to selected export markets. Export business remained subject to global market conditions, freight costs, currency movements and competitive pricing. The Company continues to evaluate opportunities in existing as well as new export markets.
- **Operational Efficiency:** During the year, the Company continued to undertake various measures for improving operational efficiency, including optimisation of raw-material consumption, process improvements, energy conservation initiatives, automation and upgrading of process-control systems. The commissioning and operation of the **RDF / MSW Boiler** is an important initiative towards partial substitution of conventional fossil fuel with suitable segregated non-recyclable plastic waste and improving the overall energy efficiency of the manufacturing operations.
- **Technology and Modernisation:** The Company has continued to invest in modernisation and process improvement, including initiatives relating to the **BM Steam & Condensate System, Maglev Turbine Vacuum Pump, IBS Turn-Up System and Synchrofly Sheeter Machine**, with the objective of improving production efficiency, energy utilisation, automation, process control and product quality.

Despite challenging market conditions and cost pressures, the Company continued to focus on operational improvements, prudent cost management and strengthening its market position. The Management remains focused on improving capacity utilisation, operational efficiencies and long-term sustainable growth.

RESERVES

The Board of Directors has decided to retain the profits of the Company and carry forward the same to the **Retained Earnings/Surplus in the Statement of Profit and Loss**, with a view to conserving resources for the Company's ongoing operations, capital expenditure and future growth requirements.



DIVIDEND

In view of the Company's requirement to conserve resources for working capital, capital expenditure, modernisation and other future business requirements, the Board of Directors has **not recommended any dividend for the financial year ended March 31, 2026.**

CHANGES IN SHARE CAPITAL

During the financial year under review, there was **no change in the Authorised Share Capital** of the Company.

As on **March 31, 2026**, the Authorised Share Capital of the Company stood at **₹2,500 lakhs**, comprising **2,50,00,000 Equity Shares of ₹10/- each.**

There was no further issue, allotment or alteration in the paid-up Equity Share Capital of the Company during the financial year under review.

As on March 31, 2026, all the Equity Shares of the Company were held in **dematerialised form** and were traded in electronic form on the Stock Exchange, in accordance with the applicable provisions.

The Company has **not issued any Equity Shares with differential voting rights or sweat equity shares and has not granted any Employee Stock Options** during the financial year under review. Further, the Company has **not bought back any of its own securities** during the year.

Accordingly, the disclosures relating to issue of shares with differential voting rights, sweat equity shares, employee stock options and buy-back of securities, as applicable under the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, are not applicable to the Company for the financial year under review.

CASH FLOW ANALYSIS

In accordance with the provisions of **Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** and **Section 2(40) of the Companies Act, 2013**, the Cash Flow Statement for the financial year ended **March 31, 2026** forms part of the Audited Financial Statements of the Company.

The Cash Flow Statement provides details of the Company's cash flows from operating, investing and financing activities during the financial year under review.



TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

During the financial year under review, **no amount was required to be transferred to the Investor Education and Protection Fund ("IEPF")** established by the Central Government pursuant to the provisions of **Section 125 of the Companies Act, 2013**, as there were no unpaid or unclaimed dividends pending for transfer to the IEPF.

TRANSFER OF SHARES TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

Pursuant to the provisions of the **Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016**, as amended from time to time, equity shares in respect of which dividend remains unpaid or unclaimed for a period of **seven consecutive years or more** are required to be transferred to the Investor Education and Protection Fund ("IEPF"), in accordance with the applicable provisions of the Companies Act, 2013.

During the financial year under review, **the Company has not transferred any equity shares to the IEPF**, as there were no equity shares due for such transfer during the year.

CHANGE IN NATURE OF BUSINESS

During the financial year under review, there was **no change in the nature of business** of the Company. Further, no changes were made to the **Main Objects of the Memorandum of Association** of the Company during the year.

SUBSIDIARY AND ASSOCIATE COMPANIES

The Company **does not have any subsidiary, associate or joint venture** as on **March 31, 2026**.

Accordingly, the provisions relating to consolidation of financial statements under **Section 129(3) of the Companies Act, 2013** and the requirement to furnish particulars in **Form AOC-1** are not applicable to the Company for the financial year under review. Accordingly, **Form AOC-1 has not been annexed to this Report**.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to **Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** ("SEBI LODR Regulations"), the **Management Discussion and Analysis Report** for the financial year under review is presented in a separate section and forms an integral part of this Annual Report.



DIVIDEND DISTRIBUTION POLICY

The provisions of **Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, relating to formulation of a Dividend Distribution Policy, are **not applicable to the Company**, considering the applicability criteria prescribed under the said Regulations.

Accordingly, the Company is not required to formulate or adopt a Dividend Distribution Policy under Regulation 43A of the SEBI LODR Regulations.

DETAILS OF EMPLOYEE STOCK OPTIONS

The Company does not have any **Employee Stock Option Scheme/Plan** in place. Accordingly, no Employee Stock Options were granted or exercised during the financial year under review.

ANNUAL RETURN

Pursuant to the provisions of **Section 92 of the Companies Act, 2013**, the Annual Return of the Company for the financial year ended **March 31, 2026** will be made available on the Company's website at: www.threempaper.com

The web-link to the Annual Return shall be updated on the Company's website in accordance with the applicable provisions of the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on **March 31, 2026**, the Board of Directors of the Company comprised **Six (6) Directors**, consisting of **Two (2) Whole-Time Directors, One (1) Managing Director and Three (3) Independent Directors**.

During the financial year under review, the Company received the requisite declarations/disclosures, including **Form DIR-8**, from all the Directors in accordance with the applicable provisions of the **Companies Act, 2013** and the **Companies (Appointment and Qualification of Directors) Rules, 2014**.

Based on the declarations and disclosures received from the Directors, none of the Directors of the Company is disqualified from being appointed or continuing as a Director under **Section 164(2) of the Companies Act, 2013**.

Further, none of the Directors has been debarred or disqualified from holding the office of Director by any order of the **SEBI, Ministry of Corporate Affairs or any other statutory or regulatory authority**, as applicable.



The Directors have made all necessary disclosures, declarations and confirmations as required under the **Companies Act, 2013**, the SEBI LODR Regulations and other applicable laws, rules and regulations.

The composition of the Board during the year was in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI LODR Regulations.

Composition of the Board as on 31 March 2026

DIN	Name of Director	Category of Directors
00448925	Mr Hitendra Dhanji Shah	Chairman and Whole Time Director
00457076	Mrs Prafulla Hitendra Shah	Whole Time Director
01874177	Mr. Rushabh Hitendra Shah	Managing Director
10452692	Mrs. Jigna Ravilal Dedhia Shah	Women Independent Director
07325904	Mr. Ashok Kumar Bansal	Independent Director
10303831	Mrs. Feni Jay Shah	Women Independent Director

CHANGES IN KEY MANAGERIAL PERSONNEL

There was **no change in the Key Managerial Personnel (KMP) of the Company during the financial year under review**. The Key Managerial Personnel of the Company continued to hold their respective positions during the year.

Retirement of Director by Rotation

Mr. Rushabh H. Shah, Managing Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting, as per the provisions of the Companies Act, 2013 and being eligible, offered herself for reappointment.

A detailed profile of Mr. Rushabh H. Shah, Managing Director along with additional information required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice of the AGM.

BOARD EVALUATION

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and Directors, including the Chairman of the Board as per the requirements as specified in the guidance note issued by the Securities Exchange Board of India (SEBI) and the provisions of the Companies Act, 2013. The performance evaluation exercise was carried out through a structured evaluation process (by circulation of detailed evaluation matrix to all the Directors and was reviewed & confirmed by each Director) covering various aspects of the functioning of the Board and Committees such as their composition, experience & competencies, performance of specific duties & obligations, governance issues etc. NRC reviewed the performance



of individual Directors on the basis of criteria as specified in the Guidance note and in a separate meeting of independent directors, performance of Non-Independent Directors and the Board as a whole was evaluated. The above evaluations were then discussed in the Board meeting and performance valuation of Independent directors was done by the entire Board, excluding the Independent Director being evaluated and the Board was satisfied with their performances, which reflected the overall engagement of the Board, Committees and the directors with the Company.

Number of Meetings of the Board of Director's

There were 4 (Four) meetings of the Company's Board of Directors during the financial year 2025-26 such that the intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013 (the Act) and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations). Details of the meetings are given below:

Sr No	Date of meeting	No. of directors entitled to attend the meeting	Attendance	
			No of directors present at the meeting	% of Attendance
1.	26 th May, 2025	6	6	100
2.	5 th September, 2025	6	6	100
3.	14 th November, 2025	6	6	100
4.	12 th March, 2026	6	6	100

Attendance of Directors in the Meeting

Name	Category	No. of Board Meetings Attended during the Financial Year
Ms. Prafulla Hitendra Shah	Whole time director	4
Mr. Rushabh Hitendra Shah	Managing director	4
Mr. Hitendra Dhanji Shah	Whole time director	4
Ms. Feni Jay Shah	Independent Director	4
Ms. Jigna Shah	Independent Director	4
Mr. Ashok Kumar Bansal	Independent Director	4



COMMITTEES OF BOARD

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following committees of our Board:

Audit Committee:

The Company has constituted an Audit Committee (“Audit Committee”), vide Board Resolution dated January 11, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The composition of Audit Committee as on March 31, 2026 is as follows:

Name, Category and Designation

1. Ms. Feni Shah – Non-Executive Independent Director, Chairperson
2. Mr. Ashok Bansal - Non-Executive Independent Director, Member
3. Ms. Jigna Shah Non-Executive Independent Director, Member

The Company Secretary of our Company shall act as a Secretary to the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to answer shareholder queries.

The primary role of the Audit Committee includes overseeing the financial reporting process, ensuring the accuracy and credibility of financial statements, reviewing the appointment and remuneration of auditors, monitoring related party transactions, and assessing internal controls and risk management systems. The Committee also scrutinizes inter-corporate loans, evaluates internal audit functions, and ensures compliance with legal requirements related to financial statements. The Company Secretary of the Company is also the secretary of the Audit Committee.

The scope and terms of reference of the Audit Committee is in accordance with the Act and the SEBI (LOBR) Regulations, 2015. The Terms of reference of the Committee can be accessed at www.threempaper.com.

Following is the detail of the attendance of each of the members of the Audit Committee at its Meeting held during the year under review:

Sr. No.	Date of Meeting	Total No. of Members as on date of meeting	Attendance	
			No. of Members attended	% of Attendance
1.	26th May, 2025	3	3	100
2.	5 th September, 2025	3	3	100
3.	14 th November, 2025	3	3	100
4.	12 th March, 2026	3	3	100



Stakeholders Relationship Committee

The Company has constituted the Stakeholders Relationship Committee as per the applicable provisions of the Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI Listing Regulation, 2015 vide Resolution dated January 11, 2024. The composition of Stakeholders Relationship Committee as on March 31, 2026 is as follows:

Name, Category and Designation

1. Ms. Jigna Shah - Non-Executive Independent Director, Chairperson
2. Mr. Ashok Bansal - Non-Executive Independent Director, Member
3. Mr. Rushabh Shah - Managing Director, Member

During the Financial Year, 1 (One) stakeholder Relationship Committee meetings was held.

Sr. No.	Date of Meeting	Total No. of Members as on date of meeting	Attendance	
			No. of Members attended	% of Attendance
1.	14 th November, 2025	3	3	100

Nomination and Remuneration Committee

The Company has constituted the Nomination and Remuneration Committee, vide Board Resolution dated January 11, 2024 as per the applicable provisions of the Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. The Nomination and Remuneration Policy of the Company contains the guidelines on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3), which can be accessed at www.threempaper.com.

The composition of Nomination and Remuneration Committee as on March 31, 2026 is as follows:

Name, Category and Designation

1. Mr. Ashok Bansal - Non-Executive Independent Director, Chairman
2. Ms. Feni Shah - Non-Executive Independent Director, Member
3. Ms. Jigna Shah - Non-Executive Independent Director, Member



During the year under review, the Nomination and Remuneration Committee met 1(one) time namely as mentioned in table below. Following is the detail of the attendance of each of the members of the Nomination and Remuneration Committee at its Meeting held during the year under review:

Sr. No.	Date of Meeting	Total No. of Members as on date of meeting	Attendance	
			No. of Members attended	% of Attendance
1.	14 th November, 2025	3	3	100

Executive Committee of Board

In order to enhance operational efficiency and facilitate expeditious decision-making on routine and time-sensitive matters, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, constituted an Executive Committee of the Board (ECB) with effect from 24th February, 2025.

The ECB comprises a mix of Executive and Independent Directors, supported by the Company Secretary as Secretary to the Committee. The Committee has been entrusted with such powers and responsibilities as may be delegated by the Board from time to time, subject to applicable laws and regulations. The constitution of the ECB is expected to strengthen the governance framework of the Company and assist the Board in discharging its functions more effectively.

The composition of Executive Committee of the Board (ECB) as on March 31, 2026 is as follows:

Name, Category and Designation

1. Mr. Rushabh Shah – Managing Director, Chairman
2. Mr. Hitendra Dhanji Shah - Whole Time Director , Member
3. Ms. Feni Shah - Non-Executive Independent Director, Member

During the year under review, the Executive Committee of the Board (ECB) met 6 (six) time namely as mentioned in table below. Following is the detail of the attendance of each of the members of the Nomination and Remuneration Committee at its Meeting held during the year under review:



Sr. No.	Date of Meeting	Total No. of Members as on date of meeting	Attendance	
			No. of Members attended	% of Attendance
1.	26 th May, 2025	3	3	100
2.	12 th June, 2025	3	3	100
3.	24 th June, 2025	3	3	100
4.	16 th July, 2025	3	3	100
5.	18 th August, 2025	3	3	100
6.	26 th November, 2025	3	3	100

There were 6(Six) Committee Meeting held during the year 2025-26.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting ("AGM")	Tuesday, September 29, 2026 at 3.00(IST)
Financial Year	In accordance with the General Circular issued by the MCA on May 5, 2022 read with General Circular dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021, May 05, 2022, December 28, 2022 and September 25, 2023 the AGM will be held through VC/OAVM only
Listing on stock exchanges	July 22, 2024
Stock code	544214
Book Closure	Friday, September 26, 2025 to Sunday, September 28, 2025 (both days inclusive)
Registrar and Share Transfer Agent (RTA)	Bigshare Services Private Limited Office No. S6-2, 6th floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093 Email id: investor@bigshareonline.com
Financial Year	April to March
Listing on stock exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001
Address for correspondence:	A 33& 34 Floor 2, Royal Industrial Estate Naigaon Cross Road, Wadala, Mumbai - 400 031. Maharashtra, India. Contact Details: 22-6812 5757



CREDIT RATING

For FY 2025-26, the CARE ratings reaffirmed the ratings of CARE BBB-; stable for long-term facilities and CARE A3 for short-term facilities. The ratings took into consideration the Company's balanced capital structure and strong liquidity profile with the availability of surplus liquid investments amidst low debt levels and cushion in the fund-based working capital limits utilisation.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Contracts or arrangements with related parties referred to under Section 188 of the Act, entered into during the year under review, were on an arm's length basis. No material contracts or arrangements with related parties were entered into during the year under review. Accordingly, transactions are being reported in Form AOC-2 in terms of section 134 of the Act which is annexed as **Annexure I** to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review neither any loans nor any guarantees were extended to Company in which Directors are interested, which were covered under Section 186 of the Act.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company in accordance with the provisions of Section 177 (9) of the Act has established a robust Vigil Mechanism Policy for Directors and employees to report genuine concerns to the management viz, instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and assist the Audit Committee. The Directors and employees are encouraged to come forward and express his/her concern(s) without fear of punishment or unfair treatment and also to provide avenues to the stakeholders to bring to the attention of the management, the concerns about behaviours employees that raise concerns including fraud by using the mechanism provided in the Whistle Blower Policy.

The Whistle Blower Policy/ Vigil Mechanism Policy of the Company is available on the website at www.threempaper.com.

STATEMENT REGARDING THE DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

Pursuant to Section 134(3)(n) of the Companies Act, 2013 and relevant provisions of Listing Regulations, the Company has adopted Risk Management Policy for identification and implementation of Risk Mitigation Plan for the Company. The Company has laid down appropriate procedures to inform the Board about the risk assessment and minimization procedures. The Board periodically revisits and reviews the overall risk management plan for making desired changes in response to the dynamics of the business.



The Risk Management Policy of the Company is available on the website at www.threempaper.com.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant or material order was passed during the year under review by any regulators, courts or tribunals impacting the going concern status of the Company or its future operations. The Company has not filed any application or no proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.

MATERIAL CHANGES AND COMMITMENT, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY THAT OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The Board is pleased to inform that during the year under review, the Company successfully completed its Initial Public Offering (IPO) and got listed on the BSE SME Platform of BSE Limited. The equity shares of the Company were listed and admitted to dealings on the BSE SME Exchange with effect from July 22, 2024.

This milestone marks a significant achievement in the Company's journey and provides a strong foundation for future growth, improved visibility, enhanced corporate governance, and access to capital markets. The Board expresses its gratitude to all stakeholders, including investors, regulatory authorities, and advisors, for their continued support and confidence in the Company.

CHANGE OF NAME

During the year under review the name of the Company has not been changed.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, to redress complaints received regarding sexual harassment. The Company has in place a policy in line with the requirements of the said Act. The policy formulated by the Company for prevention of sexual harassment is available on the website of the Company at www.threempaper.com.



During the year under review, nil complaint with allegations of sexual harassment was received by the Company.

COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961, including all applicable amendments and rules framed thereunder. The Company is committed to ensuring a safe, inclusive, and supportive workplace for women employees. All eligible women employees are provided with maternity benefits as prescribed under the Maternity Benefit Act, 1961, including paid maternity leave, nursing breaks, and protection from dismissal during maternity leave.

The Company also ensures that no discrimination is made in recruitment or service conditions on the grounds of maternity. Necessary internal systems and HR policies are in place to uphold the spirit and letter of the legislation.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have submitted their declaration of independence, stating that:

- a. They continue to fulfill the criteria of independence provided in Section 149 (6) of the Act along with Rules framed thereunder and Regulation 16(1)(b); and
- b. There has been no change in the circumstances affecting his/ their status as Independent Directors of the Company.

The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct. In terms of Section 150 of the Act and Rules framed thereunder, the Independent Directors have also confirmed their registration (including renewal of applicable tenure) and compliance of the online proficiency self-assessment test (unless exempted) with the Indian Institute of Corporate Affairs (IICA).

The Board opined and confirm, in terms of Rule 8 of the Companies (Accounts) Rules, 2014 that the Independent Directors are persons of high repute, integrity and possess the relevant expertise and experience in their respective fields.

FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS

The Independent Directors are regularly informed during meetings of the Board and Committees on the business strategy, business activities, manufacturing operations,



updates on the drone industry, and regulatory updates. The Directors when they are appointed are given a detailed orientation on the Company, industry, strategy, policies and Code of Conduct, regulatory matters, business, financial matters, human resource matters, and Corporate Social Responsibility initiatives of the Company. The details of familiarization programs provided to the Directors of the Company is available on the website of the Company at www.threempaper.com.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director, and other matters forms part of report on Corporate Governance. The detailed policy is available on the Company's website at: www.threempaper.com.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors report that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) it has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts are prepared on a going concern basis;
- (e) proper internal financial controls are in place and that such internal financial controls are adequate and are operating effectively; and
- (f) systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

In terms of the provisions of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules are provided in the Annual Report. The disclosures of Median Employee's Remuneration (MRE) as specified under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as **Annexure II**.



STATUTORY AUDITORS

M/s. Piyush Kothari & Associates, Chartered Accountants, the present Statutory Auditors ("Auditors") of the Company. The Auditors were initially appointed as Auditors of the Company for one term of five years i.e. till the conclusion of 40th AGM.

The Auditors' Report for the financial year 2025-26 does not contain any qualification, reservation, adverse remark or disclaimer. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the financial year 2025-26.

SECRETARIAL AUDITOR

M/s. Hemali Shah & Associates, Company Secretaries, Mumbai were appointed as Secretarial Auditor of the Company to conduct secretarial audit pursuant to the provisions of Section 204 of the Companies Act, 2013.

The secretarial audit of the Company has been conducted on a concurrent basis in respect of the matters as set out in the said rules and Secretarial Audit Report given by Hemali Shah & Associates, Company Secretaries, Mumbai, Secretarial Auditors of the Company forms part of this report and is marked as **Annexure-'III'**.

There are no qualifications, reservations or adverse remarks made by Hemali Shah & Associates, Company Secretaries, Mumbai Secretarial Auditor of the Company, in their report.

COST AUDITORS AND MAINTENANCE OF COST RECORDS

Your Company has maintained cost accounts and cost records to the extent provisions under Section 148 of the Companies Act, 2013, were applicable. Your Directors have re-appointed Ms. Ketiki D. Visariya, Cost Accountants as Cost Auditors of the Company for the financial year 2025-26. A resolution seeking approval of the shareholders for ratifying remuneration payable to the Cost Auditors for FY 2025-26 is provided in the Notice of the ensuing AGM. In this regard, your Directors recommend passing of Ordinary Resolution.

Cost accounting records for the financial year under review were maintained as per the Companies (Cost Records and Audit) Rules, 2014. Ms. Ketiki D. Visariya Cost Accountants were appointed as Cost Auditors of the Company to audit the Cost Records for the year ended March 31, 2026. The Cost Audit Report for the year ended March 31, 2026 will be filed within the due date.

INTERNAL AUDITOR

The Company has appointed M/s. Kunder D'mello & Associates, Chartered Accountants, Mumbai (FRN: 130093W) as Internal Auditor for the financial year 2025-2026.



BOARD'S COMMENT ON THE AUDITORS' REPORT:

The observations of the Statutory Auditors, when read together with the relevant notes to accounts and other accounting policies are self-explanatory and do not call for any further comment.

PUBLIC DEPOSITS

During the year under review, the Company has not invited, accepted or renewed any deposits under chapter V of Companies act, 2013.

ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Act. For the year ended March 31, 2026, the Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations. During the year, no reportable material weakness was observed.

COMPLIANCE OFFICER

The Compliance Officer of the Company is Ms. Mittal Mehta who is the designated Company Secretary of the Company.

CORPORATE GOVERNANCE

As per regulation 15(2) of the SEBI(LODR) Regulations, 2015, the Compliance with respect to the Corporate Governance provisions shall not apply in respect of the following class of the Companies:

- a) Listed entity having paid up equity share capital not exceeding ₹.10 Crore and Net Worth not exceeding ₹.25 Crore, as on the last day of the previous Financial year;
- b) Listed entity which has listed its specified securities on the SME Exchange.

Since, our Company falls within the ambit of aforesaid exemption (b); hence compliance with the provision of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the Financial Year 2025-2026.



DISCLOSURES AS PER SCHEDULE V PARA A (2A) OF THE SEBI (LODR) REGULATIONS, 2015

In accordance with Regulation 34(3) read with Schedule V Para A (2A) of the SEBI LODR, 2015 the additional disclosure relating to disclosure of transactions of the listed entity with any person or entity belonging to the promoter/ promoter group which holds 10% or more shareholding in the Company are already provided in the financial statements of the Company.

SECRETARIAL STANDARDS

During the year under review, the Company has generally complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

INSIDER TRADING REGULATIONS AND CODE OF DISCLOSURE

Pursuant to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations 2015") and amendments thereto, the Board has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 which is available on our website at the <https://www.threempaper.com/>

Further, as per the provisions of Regulation 3 of SEBI PIT Regulations 2015 the structured digital database (SDD) is maintained by the Company in the Prohibition of Insider Trading Archive Compliance Software for the purpose of maintaining record of UPSI shared with various parties on need to know basis for legitimate purposes with date and time stamp containing all the requisite information that needs to be captured in SDD.

WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

In terms of Regulation 17(8) of Listing Regulations, the Company has obtained compliance certificate from the Whole -Time Director and Chief Financial Officer.

INSURANCE

All the insurable interest of the Company including Plant & Machinery, Furniture and Fixtures, Inventory and other insurable interest have been adequately insured.

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

Information as required to be given under Section 134(3) (m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in the annexure to this report as **Annexure IV**.



LISTING FEES

The Equity Shares of the Company are listed on BSE - SME Segment and the Company has paid the annual listing fees for the year 2025-2026.

STATEMENT ON FORMAL ANNUAL EVALUATION OF BOARD

Nomination and Remuneration Committee annually evaluates the performance of individual Directors, Committees, and of the Board as a whole in accordance with the formal system adopted by it. Further, the Board also regularly in their meetings held for various purposes evaluates the performance of all the Directors, committees and the Board as a whole. The Board considers the recommendation made by Nomination and Remuneration Committee in regard to the evaluation of board members and also tries to discharge its duties more effectively. Each Board member's contribution, their participation was evaluated and the domain knowledge they bring. They also evaluated the manner in which the information flows between the Board and the Management and the manner in which the board papers and other documents are prepared and furnished.

CSR EXPENDITURE

During the year Company was required to spend an amount of ₹20,37,474/- towards CSR (Corporate Social Responsibility) and it has spent ₹20,50,000/- in Promoting Education, Promoting Healthcare, Preventive Healthcare etc. which are covered under Section 135 read with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The annual report on Corporate Social Responsibility activities, as required under Sections 134 and 135 of the Companies Act, 2013 read with (Corporate Social Responsibility Policy) Rules, 2014 is provided in **Annexure V** which forms the part of this Report.

The Company is not required to constitute a Corporate Social Responsibility Committee as the amount of expenditure towards CSR activities does not exceed ₹50 Lakhs.

The CSR (Corporate Social Responsibility) Policy of the Company is available on the website at www.threempaper.com.

REGISTRAR AND SHARE TRANSFER AGENT

The Company has appointed M/s. Bigshare Services Private Limited as its Registrar and Share Transfer Agent and executed post IPO Agreement for availing its various services.



ACKNOWLEDGEMENTS

The Board of Directors is grateful and wish to record its appreciation for the co-operation and support of the shareholders of the Company, Bankers of the Company, clients of the Company and all employees including the workers, staff and management and all others concerned with the Company's business.

Your Directors gratefully acknowledge the on-going support and co-operation provided by Central and State Government, Stock Exchange, SEBI, NSDL, CDSL and other regulatory bodies.

On behalf of the Board of Directors
For THREE M PAPER BOARDS LIMITED

Hitendra Dhanji Shah
Whole Time Director
DIN: 00448925

Rushabh Hitendra Shah
Managing Director
DIN: 01874177

PLACE: MUMBAI
DATE: September 5, 2026



COMPLIANCE CERTIFICATE

[Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Rushabh Shah, Managing Director and Krunal Wagela, CFO certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2026 and to the best of our knowledge and information:
 - 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. We also certify that based on our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to be taken to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:
 - 1) That there are no significant changes in the internal control over financial reporting during the year;
 - 2) There are no significant changes in the Accounting Policies during the year and financial statements; and
 - 3) There are no instances of significant fraud of which we have become aware. For Emami Paper Mills Limited

On behalf of the Board of Directors
For THREE M PAPER BOARDS LIMITED

Rushabh Shah
Managing Director

Krunal Waghela
CFO

Place: Mumbai
Date: September 5, 2026



COMPLIANCE WITH CODE OF CONDUCT

[Regulation 34(3) read with Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to declare that as of 31st March, 2026, all Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as laid down in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On behalf of the Board of Directors
For THREE M PAPER BOARDS LIMITED

Rushabh Shah
Managing Director

Place: Mumbai
Date: September 5, 2026



ANNEXURE I

FORM NO. AOC-2

[Pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

- 1. Details of contracts or arrangements or transactions not at Arm's Length basis: NA**
- 2. Details of material* contracts or arrangements or transactions at arm's length basis:**

Sr. No.	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
1	Harsha Rushabh Shah (Wife of Rushabh H Shah and Daughter-in-law of Hitendra D. Shah)	SALARY	2025-26	At arm's length basis and in the ordinary course of business. Aggregate value of ₹ 8,56,825/-	May 26, 2025	NIL

On behalf of the Board of Directors
For THREE M PAPER BOARDS LIMITED

Hitendra Dhanji Shah
Whole Time Director
DIN: 00448925

Rushabh Hitendra Shah
Managing Director
DIN: 01874177



ANNEXURE II

Disclosure under Section 197(12) of the Companies Act, 2013

Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of Director/KMP	Designation	Remuneration (₹ in Lakhs)	Ratio to Median Employee's Remuneration
Mr. Rushabh Hitendra Shah	Managing Director	72,00,000	20.58
Mr. Hitendra Dhanji Shah	Whole-time Director	1,20,00,000	34.30
Mrs. Prafulla Hitendra Shah	Whole-time Director	24,00,000	6.86
Mr. Krunal Pravin Waghela	Chief Financial Officer	9,97,875	2.85
Mrs. Mittal Mayank Mehta	Company Secretary	3,60,025	1.03

2. Percentage increase in remuneration of each Director, CFO, CEO, CS or Manager, if any:

Name of Director/KMP	% Increase in Remuneration
Mr. Rushabh Hitendra Shah	N.A.
Mr. Hitendra Dhanji Shah	N.A.
Mrs. Prafulla Hitendra Shah	N.A.
Mr. Krunal Pravin Waghela	N.A.
Mrs. Mittal Mayank Mehta	N.A.

3.

Percentage increase in the median remuneration of employees in the financial year:	8%
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4.

Number of permanent employees on the rolls of the Company:	197
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5.

Average percentile increase made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof:	• Average increase for employees (excluding managerial personnel): 8% • Average increase for managerial personnel: 8% The increase in managerial remuneration was in line with performance parameters and market benchmarks. The increase for employees was based on performance evaluation and inflation adjustment. Retention of talented technical and managerial personnel as per Remuneration policy of the company.
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6.

Affirmed that the remuneration paid to Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.	Yes, the remuneration has been paid as per the Remuneration Policy of the Company.
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ANNEXURE III

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026**

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

To,

The Members,

THREE M PAPER BOARDS LIMITED (Formerly known as "Three-M-Paper Manufacturing Company Private Limited" and "Three M Paper Boards Private Limited") (CIN: L22219MH1989PLC052740)

**A 33 & 34, FLOOR -2, ROYAL INDUSTRIAL ESTATE,
5-B NAIGAON CROSS ROAD, WADALA,
MUMBAI, MAHARASHTRA, INDIA, 400031**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by THREE M PAPER BOARDS LIMITED (Formerly known as "Three-M-Paper Manufacturing Company Private Limited" and "Three M Paper Boards Private Limited") (CIN - L22219MH1989PLC052740) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended on 31st March, 2026 according to the provisions of:



- a) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder; (To the extent applicable)
- c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (To the extent applicable)
- d) 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; (To the extent applicable)
- e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- f) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- g) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- h) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during audit period)
- i) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during audit period)
- j) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- k) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- l) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during audit period)
- m) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during audit period) and
- n) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time;
- o) As informed and certified by the management of the company, the Other Laws which are specifically applicable to the company are as under:

I) The Income Tax Act, 1961

II) The Goods and Service Tax Act, 2017

III) The Maternity Benefit Act, 1961

IV) The Industrial Dispute Act, 1948

V) The Contract Labour (Regulation and Abolition) Act, 1970

VI) The Trade Union Act, 1926

VII) The Equal Remuneration Act, 1976

VIII) The Payment of Gratuity Act, 1972

IX) The Workmen's Compensation Act, 1923



- X) The Employees Provident Funds and Miscellaneous Provisions Act, 1952
- XI) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- XII) Indian Electricity Act, 2003
- XIII) Motor Vehicle Act, 1988
- XIV) Central Motor Vehicle Act, 1989
- XV) Customs Act, 1962
- XVI) Environment Protection Act, 1986
- XVII) Competition Act, 2002
- XVIII) Intellectual Property Regulations

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India.
2. The Listing Agreement entered into by the Company with Stock Exchange(s)

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

I further report that:

The Board of Directors of the Company is duly constituted. There is no changes in the composition of the Board of Directors during the period under review.

Except in case of meetings convened at a shorter notice, adequate notice was 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.

As per the minutes of the meetings, the decisions of the Board were taken with requisite majority.

I 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.



I report further that, during the audit period, there were no specific events/actions in pursuance of the aforesaid laws, rules, regulations, etc. having a major bearing on the company's affairs.

**For Hemali Shah & Associates,
Company Secretaries**

**Hemali Shah
Proprietor
FCS - 13618/COP - 18906
Peer Review Certificate no. 6924/2025
UDIN: F013618H001245299**

**Date: August 27, 2026
Place: Mumbai**

Note: This report is to be read with my letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.



Annexure A

To,

The Members,

THREE M PAPER BOARDS LIMITED (Formerly known as “Three-M-Paper Manufacturing Company Private Limited” and “Three M Paper Boards Private Limited”)

(CIN: L22219MH1989PLC052740)

A 33 & 34, FLOOR -2, ROYAL INDUSTRIAL ESTATE,

5-B NAIGAON CROSS ROAD, WADALA,

MUMBAI, MAHARASHTRA, INDIA, 400031

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

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

**For Hemali Shah & Associates,
Company Secretaries**

Hemali Shah

Proprietor

FCS - 13618/COP - 18906

Peer Review Certificate no. 6924/2025

UDIN: F013618H001245299

Date: August 27, 2026

Place: Mumbai



ANNEXURE -IV

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO (As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

A. CONSERVATION OF ENERGY

1. Steps taken or impact on conservation of energy

During the year under review, the Company continued to focus on energy efficiency, optimisation of fuel consumption and reduction in specific energy consumption across its manufacturing operations.

The Company has commissioned and put into regular operation **RDF/MSW Boiler**, utilising segregated non-recyclable plastic waste as an alternative fuel to partially substitute conventional fossil fuel, particularly coal, for steam generation. The system has been integrated with appropriate fuel feeding, pre-treatment, metering, combustion-control and pollution-control arrangements to ensure stable combustion and reliable steam generation for the Company's duplex board manufacturing process.

The major measures undertaken/implemented by the Company include:

- Utilisation of segregated non-recyclable plastic waste as an alternative fuel in the **RDF / MSW** Boiler, thereby reducing dependence on conventional fossil fuel and promoting beneficial utilisation of suitable waste material.
- Optimisation of the steam distribution network and condensate recovery system to minimise heat losses and improve overall steam-cycle efficiency.
- Installation and use of **Variable Frequency Drives (VFDs)** on major motors and implementation of appropriate operational controls for compressors, pumps and other intermittent electrical loads.
- Regular monitoring of energy consumption and periodic energy audits to identify opportunities for reduction in specific energy consumption.
- Preventive maintenance of boilers, steam traps, insulation, turbines and major rotating equipment to maintain operating efficiency and minimise avoidable energy losses.
- Recovery and reuse of condensate and optimisation of feed-water heating/economiser systems to reduce specific steam consumption.
- Continuous optimisation of process parameters, equipment loading and operating practices with a view to improving energy efficiency and reducing energy consumption per tonne of production.
- Investment in modern process equipment and automation systems to improve production efficiency, optimise energy utilisation and reduce avoidable process losses.



2. Additional investments and proposals, if any, undertaken for reduction of consumption of energy

The Company has made and continues to make investments in modernisation, energy efficiency and process optimisation. During the year, the Company has incurred/made commitments towards capital expenditure relating to the **RDF / MSW Boiler**, including associated engineering, civil works, fuel-feeding systems, auxiliary equipment, instrumentation and pollution-control systems.

The Company is also making investments in the following equipment and systems with the objective of improving process efficiency, energy utilisation, steam and condensate recovery, production reliability and overall operating efficiency:

- **Maglev Turbine Vacuum Pump – Complete Package, Model CG/V 400 DSHH**, for improving vacuum-system efficiency and reducing energy consumption in the process.
- **IBS Turn-Up System – RCS 3001, Stand-Alone, Left-Hand Version**, including paper tape, core starting tape and associated accessories, to improve operational efficiency and automation in the production process.
- **BM Steam & Condensate System**, as per Purchase Order No. **PO/26-27/053 dated 01.06.2026**, aimed at improving steam utilisation, condensate recovery and thermal efficiency of the Board Machine.
- **Synchrofly Sheeter Machine – ZNSD1700 Double Knife Rotary**, equipped with Italy Servo Motor, Siemens PLC, four slitter knives and two additional knives as spares, for improving automation, precision, productivity and process efficiency in the sheeting operation.

The Company proposes to continue investments in:

- Further optimisation of the RDF / MSW Boiler and associated fuel-handling and combustion systems;
- Improvement in steam distribution and condensate recovery systems;
- Heat-recovery initiatives and improvement in feed-water preheating;
- Online energy monitoring and metering at critical process points;
- Energy-efficient motors, drives and process equipment;
- Automation and process-control systems for improving operating efficiency; and
- Energy-efficient LED lighting and other energy-saving initiatives across the plant.

3. Impact of the above measures

The above measures and investments are expected to/ have contributed to:



- Reduction in the consumption of conventional fossil fuel, particularly coal, for steam generation;
- Improved utilisation of alternative fuel through the RDF / MSW Boiler;
- Reduction in specific fuel and energy consumption per tonne of production;
- Improved thermal efficiency through better steam utilisation, condensate recovery and heat-recovery measures;
- Improved operational efficiency and process control through automation and modern equipment;
- Reduction in avoidable process losses and improvement in production reliability;
- Better monitoring and control of energy consumption across major process areas; and
- Beneficial utilisation of suitable non-recyclable plastic waste, supporting resource conservation and circularity.

The Company continues to monitor the performance of the RDF / MSW Boiler and other energy-efficient systems with due emphasis on fuel efficiency, process stability, emission control, safety and compliance with applicable environmental requirements.

B. TECHNOLOGY ABSORPTION

1. Efforts made towards technology absorption

The Company has undertaken various initiatives towards absorption and effective utilisation of modern technology in its manufacturing operations, particularly in the areas of **alternative fuel utilisation, steam and condensate management, process automation, vacuum systems, sheeting and production efficiency**.

The principal initiatives include:

- Evaluation and adoption of technology suitable for utilisation of segregated non-recyclable plastic waste as an alternative fuel for steam generation, considering its calorific value, moisture content, combustion characteristics and operational requirements.
- Adaptation and optimisation of fuel-feeding, metering, combustion-control and refractory systems to ensure stable combustion and continuous steam generation suitable for the duplex board manufacturing process.
- Installation and integration of appropriate pollution-control and monitoring systems for safe and controlled operation of the Plastic-Fired Boiler.
- Implementation of a modern **BM Steam & Condensate System** for improved steam utilisation and condensate recovery.
- Adoption of an advanced **Maglev Turbine Vacuum Pump system** to improve vacuum-system performance and energy efficiency.
- Installation of the **IBS Turn-Up System** to improve automation, operational consistency and efficiency during the production process.
- Investment in the **Synchrofly ZNSD1700 Double Knife Rotary Sheeter Machine**, incorporating servo-motor technology and Siemens PLC-based controls, to improve automation, precision, productivity and operational efficiency.



- Technical assistance from equipment suppliers, technology providers and external specialists during installation, commissioning, performance optimisation and stabilisation of the systems.
- Training of operations and maintenance personnel in operation, process control, safety, troubleshooting and preventive maintenance of the newly installed equipment.
- Development and implementation of appropriate Standard Operating Procedures (SOPs) and preventive maintenance practices for the new systems.
- Continuous monitoring of operating parameters and optimisation of equipment based on actual plant operating conditions.

2. Benefits derived from the above efforts

The technology absorption and modernisation initiatives are expected to provide the following benefits:

- Reduction in dependence on conventional fossil fuel through increased utilisation of suitable alternative fuel;
- Improved steam and condensate utilisation and thermal efficiency;
- Reduction in specific energy consumption;
- Improved vacuum-system efficiency and reliability, along with Saving in Power Consumption;
- Improved automation and process control;
- Higher operational efficiency and production reliability;
- Improved precision and productivity in the sheeting operation;
- Reduction in process losses and downtime;
- Development of in-house technical and operational expertise; and
- Overall improvement in cost efficiency and environmental performance.

The Company will continue to evaluate and adopt appropriate technologies that improve production efficiency, reduce energy consumption, optimise manufacturing costs, improve product quality and strengthen the Company's environmental performance.

3. Import of technology

Technology imported during the last three years: Not Applicable.

The Company has not imported any technology during the last three years requiring disclosure under this section.

C. Foreign Exchange Earnings and Outgo

- Foreign exchange earned: Rs.3775.65 Lakhs.
- Foreign exchange outgo: Rs.8764.62 Lakhs.



ANNEXURE -V

Annual Report on Corporate Social Responsibility (CSR) activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company.

- a) The Company would spend not less than 2% of the average net profit from the preceding three financial years., calculated in accordance with Section 198 of the Companies Act, 2013.
- b) CSR activities shall be undertaken by the Company, as projects/programs of activities (either new or ongoing) as prescribed under Schedule VII of the Companies Act, 2013 excluding the activities undertaken in pursuance of its normal course of business by the Company;
- c) The Board may decide to undertake the Activities either by itself or through a registered trust or a registered society or a company established by the Company under Section 8 of the Act or otherwise.

2. Composition of CSR Committee:

As the Section 135(9), CSR amount to be spent is not more than 50 lacs, Company need not to have separate CSR committee. The Company's Policy on Corporate Social Responsibility is available on the website of the Company at <https://www.threempaper.com/>

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: at <https://www.threempaper.com/>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: *Not Applicable*

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:



SR. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2022-23	-	-
2	2023-24	-	-
3	2024-25	2,299	2,299
	Total	2,299	2,299

6. Average net profit of the company as per section 135(5): ₹ 10,18,73,692

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 20,37,474

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set off for the financial year, if any: 2,299

(d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 20,35,175

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 20,50,000	Nil	NA	Nil	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities	Local area (Yes)	Location of the project	Project duration	Amount allocated for the	Amount spent in the current	Amount transferred to Unspent CSR Account	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency



		in Schedule VII to the Act	(No)	State	Dist rict		proje ct (in Rs.)	nt finan cial Year (in Rs.).	nt for the project as per Section 135(6) (in Rs.)		Na me	CSR Registr ation number .
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:
2025-26

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
1	Shri Bhavna Charitable Trust	Social welfare & health	No	Gujrat	Surenagar	1,800,000	No	Shri Bhavna Charitable Trust	CSR00090578
2	Shree Kutch Moti Rayan Mumbai Mahajan	Education	Yes	MH	Mumbai	2,25,000	Yes	-	-
3	Shri Matunga Gujarat	Education	Yes	MH	Mumbai	25,000	Yes	-	-
						20,50,000			

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable



(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 20,50,000

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 20,37,474
(ii)	Total amount spent for the Financial Year	₹ 20,50,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 12,526
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-2,299
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 14,825

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1	2022-23	-	-	-	-	-	-
2	2023-24	-	-	-	-	-	-
3	2024-25	-	-	-	-	-	-



(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Not Applicable

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

**On behalf of the Board of Directors
For THREE M PAPER BOARDS LIMITED**

Hitendra Dhanji Shah
Whole Time Director
DIN: 00448925

Rushabh Hitendra Shah
Managing Director
DIN: 01874177

PLACE: Mumbai
DATE: September 5, 2026

INDEPENDENT AUDITOR'S REPORT

To The Members of Three M Paper Boards Limited

Report on the Audit of the financial statements

We have audited the accompanying financial statements of **Three M Paper Boards Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and its cash flows for the Year ended on that date.

Basis for Opinion

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

Information Other than the financial statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis and Directors Report (the "Reports"), but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the financial statements

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

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

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

Auditor's Responsibility for the Audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - A. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - B. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- C. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- D. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- E. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- F. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- G. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the period is in accordance with the provisions of section 197 of the Act.
- H. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company does not have any pending litigations which would impact its financial position.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d)
 - i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources

or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company.
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) (i) and (d) (ii) contain any material mis-statement.

e) The Company has not paid any dividend during the year and hence, compliance with Section 123 of the Act is not applicable.

f) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, as proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2026.

g) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.

**For PIYUSH KOTHARI & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm's Registration No. - 140711W)**

**Piyush Kothari
(Partner)
(M. No. 158407)
(UDIN -26158407ULSTOB6300)**

Place: Ahmedabad

Date: 27-05-2026

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT
(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Three M Paper Boards Limited** (“the Company”), as of March 31, 2026 in conjunction with our audit of the 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. 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 respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company and its joint operations companies incorporated in India (retain as applicable) 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the criteria for

internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

**For PIYUSH KOTHARI & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm's Registration No. - 140711W)**

**Piyush Kothari
(Partner)
(M. No. 158407)
(UDIN - 26158407ULSTOB6300)**

Place: Ahmedabad
Date: 27-05-2026

ANNEXURE – B: Report under the Companies (Auditor’s Report) Order, 2020

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date on the accounts of **Three M Paper Boards Limited** (“the Company”), for the year ended March 31, 2026)

- i. According to the information & explanation given to us and on the basis of our examination of the records of the Company, in respect of property, plant & equipment and intangible assets:
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its property, plant & equipment.
(B) The Company has maintained proper records showing full particulars of Intangible assets.
 - b) The Property, Plant & Equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information & explanation given to us, no material discrepancies were noticed on such verification.
 - c) The title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
 - d) The Company has not revalued its property, plant & equipment (including right to use assets) or intangible assets or both during the year and hence, reporting under clause 3(i)(d) of the order is not applicable.
 - e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder and hence, reporting under clause 3(i)(e) of the order is not applicable.
- ii. a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

- b) During the year, The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during the year. We have examined the statements filed by the company with banks or financial institutions and reconciled the same with books of accounts. We didn't find any material discrepancies and are in agreement with the book of account of the Company.
- iii. In our opinion and according to the information and explanations give to us, the Company has not made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties during the year, hence reporting under paragraph 3(a),(b),(c),(d),(e) and (f) of the Order is not applicable.
 - iv. According to the information and explanations given to us and as per records examined by us, the Company has not granted any loans, not made any investments and has not provided guarantees and securities as applicable with the provisions of Section 185 and 186 of the Companies Act, 2013.
 - v. The Company has not accepted any deposit or amounts which are deemed to be deposit within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Hence, reporting under clause 3 (v) of the Order is not applicable.
 - vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie the prescribed cost records have been made and maintained
 - vii. According to the information & explanation given to us, in respect of statutory dues:
 1. In our opinion, the Company has been generally been regular in depositing undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Customs Duty, Value Added Tax, Goods and Services Tax, Cess and other material statutory dues applicable to it with the appropriate authorities during the year. There were no undisputed amounts payable in respect of Goods & Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Customs Duty, Value Added Tax, Goods & Services Tax,

Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

2. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount Involved (Rs.)	Amount paid (Rs.)	Year to which the amount relates	Forum where dispute is ongoing
The Income Tax Act, 1961	Income Tax	16,10,975/-	NIL	AY 2010-11	High Court of Bombay
The Income Tax Act, 1961	Income Tax & Interest	Tax- 2,25,69,875/- Interest- 3,33,51,657/-	20,00,000/-	AY 2012-13	Commissioner of Income Tax (A)-6

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. Based on information and explanation provided by the management of Company and on the basis of our examination of the records of the Company,
 1. The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence reporting under clause (ix)(a) of the Order is not applicable.
 2. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority
 3. According to the information and explanation given to us and on the basis of our examination of the records of the company, the Company has utilized the loan amount taken during the year for intended purpose.
 4. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

5. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
6. The Company does not have any subsidiary, associate or joint venture. Hence, reporting under paragraph 3(ix) (e) and (f) of the Order is not applicable to the company.
- x. (a) During the year, the Company has not raised any money by way of Initial Public offer or further public offer (including debt instruments). Accordingly, Clause 3(x)(a) of the Order is not applicable to the company.
- (b) The Company has not made preferential allotment or private placement of shares during the year and the requirement to report on clause 3(x)(b) of the order is not applicable to the company.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (C) Whistle-blower complaints have not been received during the year by the Company.
- xii. In our opinion and according to information and explanations given to us, clause (xii) of para 3 to Companies (Auditor's Report) Order, 2020 w.r.t. Nidhi Company is not applicable to company. Accordingly, the paragraph 3(xii) of the order is not applicable to the company and hence not commented upon.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the Internal audit reports of the company issued till date, for the period under audit.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the company.
- xvi. In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a) (b) (c) and (d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses during the financial year and the immediately preceding financial year. Hence reporting under paragraph 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our examination of books and records of the company there are no unspent amount towards Corporate Social Responsibility (CSR) on either ongoing projects or

other than ongoing projects under section 135 of the Act and accordingly, reporting under paragraph 3(xx)(a) and (b) of the order is not applicable to the Company;

- xxi. The company does not have any subsidiary company so consolidated financial statements are not required to prepare.

**For PIYUSH KOTHARI & ASSOCIATES
CHARTERED ACCOUNTANTS
(Firm's Registration No. – 140711W)**

**Piyush Kothari
(Partner)
(M. No. 158407)
(UDIN -26158407ULSTOB6300)**

Place: Ahmedabad
Date: 27-05-2026



THREE M PAPER BOARDS LIMITED
(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

BALANCE SHEET as at March 31, 2026

(₹ in Lakhs)

PARTICULARS	Notes	As at March 31, 2026	As at March 31, 2025
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	4	1,923.74	1,923.74
Reserves and surplus	5	9,176.98	8,460.00
		11,100.72	10,383.74
Share Application Money pending Allotment		-	-
Non-current liabilities			
Long-term borrowings	6	2,109.30	2,376.99
Deferred tax liabilities (Net)	7	492.00	574.06
Other Long term liabilities	8	-	-
Long-term provisions	9	206.71	177.15
		2,808.01	3,128.21
Current liabilities			
Short-term borrowings	6	5,407.32	3,860.66
Trade payables	10		
(A) Total outstanding dues of Micro, Small and Medium Enterprises		345.63	156.37
(B) Total outstanding dues of creditors other than Micro, Small and Medium Enterprises		6,447.03	5,719.76
Other current liabilities	8	705.42	600.72
Short-term provisions	9	335.00	211.59
		13,240.42	10,549.11
TOTAL		27,149.14	24,061.06
ASSETS			
Non-current assets			
Property, Plant and Equipment	11	10,734.82	8,529.96
Intangible assets		2.00	2.97
Capital work-in-progress		140.57	1,485.43
		10,877.40	10,018.36
Non-current investments	12	112.14	118.72
Long-term loans and advances	13	197.89	98.41
		310.04	217.13
Current assets			
Current investments	12	-	-
Inventories	14	5,346.97	4,254.93
Trade receivables	15	6,314.28	5,889.98
Cash and cash equivalents	16	11.99	13.06
Short-term loans and advances	13	2,701.88	2,159.15
Other current assets	17	1,586.59	1,508.45
		15,961.71	13,825.57
TOTAL		27,149.14	24,061.06

Significant Accounting Policies

2

The Note Nos. 1 to 26 are an integral part of the Financial Statements.

1-26

In terms of our attached report of even date

FOR PIYUSH KOTHARI & ASSOCIATES

Chartered Accountants

Firm's Registration No. 140711W

CA. PIYUSH KOTHARI

Partner

Membership No. 158407

UDIN -26158407ULSTOB6300

Place : Mumbai

Date : May 27, 2026

For and on behalf of the Board of Directors

HITENDRA SHAH
Whole-Time Director
DIN-00448925

RUSHABH SHAH
Managing Director
DIN-01874177

KRUNAL WAGHELA
Chief Financial Officer
PAN - ABCPW7215L

MITTAL MEHTA
Company Secretary
Membership No. 36950



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

STATEMENT OF PROFIT AND LOSS For the year ended March 31, 2026

(₹ in Lakhs)

PARTICULARS	Notes	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from Operations	18	29,718.61	26,553.41
Other Income	19	333.99	297.47
Total		30,052.60	26,850.88
EXPENSES			
Cost of Materials Consumed	20	18,055.21	16,700.57
Changes in Inventories of Finished goods and Work-in-progress	21	357.10	110.77
Employee Benefits Expense	22	1,623.70	1,286.43
Finance Costs	23	659.41	618.58
Depreciation and Amortization Expenses	11	804.33	667.48
Other Expenses	24	7,906.72	6,261.22
Total Expenses		29,406.48	25,645.06
Profit before Exceptional items and Tax		646.12	1,205.82
Exceptional items		-	-
Profit before tax		646.12	1,205.82
<u>Tax Expense</u>			
Current Tax		107.85	209.44
MAT Credit (Entitlement)/Reversal		(96.65)	108.56
Prior period tax		-	7.27
Deferred Tax	7	(82.06)	(118.76)
		(70.86)	206.51
Profit after tax		716.98	999.31
Earnings per Equity Share (Face value of Rs. 10/- each)	4		
Basic (in Rs.)		3.73	5.19
Diluted (in Rs.)		3.73	5.19
Significant Accounting Policies	2		
The Note Nos. 1 to 26 are an integral part of the Financial Statements.	1-26		

In terms of our attached report of even date

FOR PIYUSH KOTHARI & ASSOCIATES

Chartered Accountants

Firm's Registration No. 140711W

For and on behalf of the Board of Directors

HITENDRA SHAH
Whole-Time Director
DIN-00448925

RUSHABH SHAH
Managing Director
DIN-01874177

CA. PIYUSH KOTHARI

Partner

Membership No. 158407

UDIN -26158407ULSTOB6300

Place : Mumbai

Date : May 27, 2026

KRUNAL WAGHELA
Chief Financial Officer
PAN - ABCPW7215L

MITTAL MEHTA
Company Secretary
Membership No. 36950



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

(₹ in Lakhs)

Particulars	As at March 31, 2026 (Audited)	As at March 31, 2025 (Audited)
Cash flows from Operating Activities:		
Net profit before taxation and extraordinary item	646.12	1,205.82
Adjustments for:		
(1) Depreciation	804.33	667.48
(2) Foreign Exchange Loss	-	1.44
(3) Interest Income	(230.86)	(181.29)
(4) Interest Expense	615.21	545.35
(5) Dividend Income	(0.00)	(0.01)
(5) Sundry Balance Write off	0.25	3.04
(6) Sundry Liability Write back	(2.59)	(0.29)
(7) Bad debts	-	-
(8) Provision for Gratuity	47.65	15.24
(9) Provision for Bonus	17.74	2.18
(10) Loss/(Gain) on Sale of Assets	-	0.17
Operating Profit before Working Capital Changes	1,897.84	2,259.13
(Increase) / Decrease in Inventories	(1,578.57)	(1,315.57)
(Increase) / Decrease in Trade Receivable	(424.31)	(469.77)
(Increase) / Decrease in Short-term loans and Advances	75.61	(526.85)
(Increase) / Decrease in Other Current Assets	(78.14)	(117.82)
Increase / (Decrease) in Trade Payable	917.98	1,281.43
Increase / (Decrease) in Other Current Liabilities	167.75	117.51
Increase / (Decrease) in Short-term Provision	15.56	(15.89)
Cash Generated from Operations	993.71	1,212.18
Income Taxes paid	(232.62)	(243.21)
Cash flow before extraordinary item	761.09	968.96
Net Cash from / to Operating Activities (A)	761.09	968.96
Cash Flows from Investing Activities		
Purchase of Fixed Assets	(1,663.36)	(2,885.68)
Sale of Fixed Assets	-	5.45
Purchase of Investments	6.57	2.98
Interest received	230.86	181.29
Dividends received	0.00	0.01
Net Cash from / to Investing Activities (B)	(1,425.92)	(2,695.95)
Cash Flows from Financing Activities		
Net Proceeds from long-term borrowings	1,278.97	(1,026.44)
Proceeds from issuance of share capital	-	3,982.68
Share Issue Expenses (net)	-	(683.36)
Interest paid	(615.21)	(545.35)
Net Cash from / to Financing Activities (C)	663.76	1,727.53
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	(1.07)	0.54
Cash and Cash Equivalents at the beginning of the year	13.06	12.52
Cash and Cash Equivalents at the end of the year	11.99	13.06

In terms of our attached report of even date
FOR PIYUSH KOTHARI & ASSOCIATES
Chartered Accountants
Firm Registration No. 140711W

For and on behalf of the Board of Directors

CA. PIYUSH KOTHARI
Partner

Membership No. 158407
UDIN -26158407ULSTOB6300
Place : Mumbai
Date : May 27, 2026

HITENDRA SHAH
Whole-Time Director
DIN-00448925

RUSHABH SHAH
Managing Director
DIN-01874177

KRUNAL WAGHELA
Chief Financial Officer
PAN - ABCPW7215L

MITTAL MEHTA
Company Secretary
Membership No. 36950



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

Notes to Financial Statements for the year ended March 31, 2026

COMPANY INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

1 Company Information:

Three M Paper Boards Limited (Formerly known as Three M Paper Boards Private Limited and Three M Paper Manufacturing Company Private Limited) is a Public limited Company incorporated on 26th July, 1989 with its registered office at Royal Industrial Estate, Office No. A, 33/34 5B Naigaon Cross Road, Wadala, Mumbai -400031 Maharashtra. The Company has been converted from Private Limited Company to Public Limited Company on 29th January, 2024. The Company is primarily engaged in the manufacturing of recycled paper in India and the manufacturers of grey back and white back Duplex Boards for over 30 years. The Company is also engaged in the activity of generation of Wind Energy.

2 Basis of Preparation of Financial Statements:

a) Statement of Compliance:

The Financial Statements are prepared in accordance with the Generally Accepted Accounting Principles under the Historical Cost Convention on accrual and going concern basis. Accounting Standards notified under Section 133 of the Companies Act, 2013 and the relevant provisions thereof are consistently applied by the Company.

b) Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

c) Use of estimates and judgements:

In preparation of the financial statements the Company makes judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based upon Company's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

Appropriate changes in estimates are made as Company becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3 Significant Accounting Policies:

3.1 Property, Plant and Equipment:

Property, Plant and Equipment (PPE) acquired are stated at cost, net of tax/duty credit availed and includes amounts added on revaluation, less accumulated depreciation and impairment losses, if any. Cost include expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent expenditures relating to PPE is capitalized only when it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gain or losses are recognized in the statement of profit and loss.

Capital work-in-progress comprises the cost of fixed assets that are not ready for their intended use at the reporting date.

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. The intangible assets are carried at cost less accumulated amortization. Intangible assets are amortized over their estimated useful economic life over a period of four years using Straight Line Method.

Leasehold land is amortized over the period of lease.



3.2 Depreciation and Amortization:

The Company depreciates its property, plant and equipment (PPE) over the useful life in the manner prescribed in Schedule II to the Act. Management believes that useful life of assets are same as those prescribed in Schedule II to the Act, except for plant and equipment's wherein based on technical evaluation, useful life has been estimated to be different from that prescribed in Schedule II of the Act.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal, any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the property, plant and equipment is de-recognized.

Depreciation on additions / deletions is calculated pro-rata from the month of such addition / deletion, as the case may be.

Useful life considered for calculation of depreciation for various assets class are as follows

Category of Assets	Useful Life (Years)
Building	30-60
Furniture & Fixture	10
Vehicles*	10
Windmill	19
Computers & Softwares	03
Plant & Machinery used in Mfg of Paper*	19
Plant & Machinery used in Power Generation*	19

*For these class of assets based on internal assessment and independent technical evaluation carried out by external valuers the company estimates the useful life as given above best represents the period over which Company expects to use these assets. Hence the useful life for these assets are different from the useful life as prescribed under Part C of Schedule of Companies Act, 2013

3.3 Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The specific recognition criteria described below also be met before revenue is recognised.

Sale of Goods:

Revenue from the sale of goods is recognised, when control of goods has been transferred to the customer and where there are no longer any unfulfilled obligations. The performance obligations in contracts are considered as fulfilled in accordance with the terms agreed with the respective customers. Revenue include transport charges, insurance and other incidental charges charged to customers.

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales as disclosed, are exclusive of Goods and Services Tax.

Revenue arising from sale of Wind Energy is recognised in the succeeding month of generation, when such Wind Energy is invoiced to customer.

Export Incentives:

Income from export incentives and duty drawbacks are recognised on accrual basis when no significant uncertainties as to the amount of consideration that would be derived and as to its ultimate collection exist.

Interest Income:

Interest income is recognized on a time proportionate method using underlying interest rates. Interest is recognized on delayed payment by trade receivables as and when debit notes are raised by company on such trade receivables .

Dividend Income:

Dividend income is recognized when the unconditional right to receive the income is established.



Insurance claims are recognized where there exists no significant uncertainty with regard to the amount to be realised and the ultimate collection thereof.

3.4 Inventories:

Inventories such as Raw Materials, Stock-in-Progress, Finished Goods and Stores and Spares are valued at lower of cost or net realisable value (except scrap/waste which are valued at net realisable value) in line with Accounting Standard 2 ('AS-2') "Valuation of Inventory". The cost is computed on first in first out (FIFO) basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

3.5 Employee Benefits:

Defined Contribution plan:

Contribution to defined contribution schemes such as employees' state insurance, labour welfare fund 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.

Defined benefit plans:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The plan is managed by a trust and the fund is invested with Life Insurance Corporation of India under its Group Gratuity Scheme. The Company makes annual contributions to gratuity fund and the Company recognizes the liability for gratuity benefits payable in future based on an independent actuarial valuation.

3.6 Income Taxes:

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss.

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.

Deferred tax:

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities. Where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.



3.7 Operating Lease:

Lease rentals in respect of assets taken on operating lease are charged to the Profit and Loss Account on Straight line basis over the period of lease term. The accounting for the lease has been done in accordance with the Accounting Standard AS - 19 "Leases" notified by The Ministry of Corporate Affairs.

3.8 Provisions and Contingent Liabilities/Assets:

Provisions are recognised when the Company has a present probable 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. The amount of which can be reliably estimated which are reviewed at each Balance Sheet date. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement. Contingent liabilities are not recognised but are disclosed in notes.

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 event 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.

3.9 Purchases:

Purchase of goods is recognised on receipt into factory premises and purchases include non refundable Taxes and other incidental charges charged by suppliers and it is net of the purchase returns, discounts and quality rebates.

3.10 Foreign currency transactions and translations:

The functional currency of the Company is Indian Rupees (or INR) which is also the presentation currency for the financial statements.

a) Initial Recognition:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency Items at the Balance Sheet Date:

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non- monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

3.11 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.12 Segment information:

Information about primary segment:

The Company has one reportable business segment i.e. Paper and Board and two geographical reportable segments i.e. Operations within India and exports. The performance is reviewed by the Board of Directors.



3.13 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 weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity share outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

Notes to Financial Statements for the year ended March 31, 2026

4. SHARE CAPITAL		(₹ in Lakhs)	
PARTICULARS	As at March 31, 2026	As at March 31, 2025	
Authorised 2,50,00,000 Equity Shares of ₹10/- each	2,500	2,500	
Issued, subscribed and paid-up 1,92,37,360 Equity Shares of ₹10/- each fully paid-up	1,924	1,924	
TOTAL	1,924	1,924	

Reconciliation of the shares outstanding at the beginning and at the end of the year

PARTICULARS	As at March 31, 2026		As at March 31, 2025	
	Number	Amount in ₹	Number	Amount in ₹
Shares outstanding at the beginning of the year	1,92,37,360	1,923.74	1,34,65,360	1,346.54
Additional shares after splitting during the year	-	-	-	-
Bonus Shares Issued	-	-	-	-
Shares Issued during the year	-	-	57,72,000	577.20
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	1,92,37,360	1,923.74	1,92,37,360	1,923.74

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by the Promoters at the end of the year

Promoter Name	As at March 31, 2026		
	No. of Shares	% of Total Shares	% Change during the Year
Hitendra Shah	91,36,760	47.49	0.01
Prafulla Shah	20,53,600	10.68	-
Rushabh Shah	14,51,000	7.54	0.08

Shares held by the Promoters Group at the end of the year

Promoter Group Name	As at March 31, 2026	
	No. of Shares	% of Total Shares
Hitendra Dhanji Shah (HUF)	6,80,000	3.53
Harsha Rushabh Shah	50,000	0.26
Jagdish Dhanji Gada	40,000	0.21
Sarla Jagdish Gada	72,000	0.37

**Details of shareholder holding more than 5% shares in the Company**

Name of Shareholder	As at March 31, 2026		As at March 31, 2025	
	No of Equity shares held	Percentage	No of Equity shares held	Percentage
Hitendra Shah	91,36,760	47.49	91,34,760	47.48
Prafulla Shah	20,53,600	10.68	20,53,600	10.68
Rushabh Shah	14,51,000	7.54	14,35,000	7.46
Hitendra Shah (HUF)	6,80,000	3.53	6,80,000	3.53

Earnings per Share

PARTICULARS	(₹ in Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Profit attributable to equity holders	716.98	999.31
Weighted average number equity shares Pre bonus and split	-	-
Weighted average number equity shares Post bonus and split	-	-
Number of Outstanding shares as at year end	1,92,37,360	1,92,37,360
Basic EPS (in ₹)	3.73	5.19
Diluted EPS (in ₹)	3.73	5.19



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

Notes to Financial Statements for the year ended March 31, 2026

5. RESERVES AND SURPLUS				
PARTICULARS	(₹ in Lakhs)			
	Securities Premium	General Reserve	Surplus	Total
Opening Balance on 01.04.2024	-	529.00	4,209.57	4,738.57
Add: Transfer During the year	-	-	-	-
From General Reserve to Surplus	-	(529.00)	529.00	-
Issue of fresh shares at Premium during the year	3,405.48	-	-	3,405.48
Net Profit for the year	-	-	999.31	999.31
	3,405.48	-	5,737.88	9,143.36
Deductions During the year				
Share Issue Expenses (net)	(683.36)			(683.36)
Closing Balance on 31.03.2025	2,722.12	-	5,737.88	8,460.00
Add: Transfer During the year				
Net Profit for the year	-	-	716.98	716.98
Closing Balance on 31.03.2026	2,722.12	-	6,454.86	9,176.98

6. Long Term Borrowings and Short Term Borrowings				
PARTICULARS	(₹ in Lakhs)			
	Long Term		Short Term	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Secured				
Loans from Banks:				
- Term Loans	1,067.76	1,185.64	-	-
- Working Capital Loan from Banks	-	-	4,405.60	3,198.24
- Current maturities of long term borrowings	-	-	883.59	531.09
	1,067.76	1,185.64	5,289.19	3,729.33
Unsecured				
- Current maturities of long term borrowings	-	-	-	-
- Banks	-	84.42	84.42	95.58
- NBFC	-	33.74	33.71	35.75
Loans from Related Parties	900.04	1,038.18	-	-
Inter Corporate Deposits	141.50	35.00	-	-
	1,041.54	1,191.35	118.14	131.33
Total	2,109.30	2,376.99	5,407.32	3,860.66



Disclosure Required for Borrowings:			(₹ in Lakhs)
Bank Name	Terms of Repayment, Security, Rate of Interest & Guarantee	As at March 31, 2026	As at March 31, 2025
A. Term, GECL loans from Banks:			
HDFC Bank Ltd - GECL	Secured by way of second pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and second pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	-	79.32
	Effective rate of interest - April 03, 2025 @ 9.25% p.a., March 31, 2025 @ 9.25% p.a.	-	-
	Terms of Repayment : 61 Month (Moratorium period 24 Month) monthly installments of ₹ 3.20 lakhs - Balance Term Loan takeover by AXIS Bank Limited on April 03, 2025	-	-
		-	-
AXIS Bank Ltd. - GECL	Secured by way of second pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and second pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	45.14	-
	Effective Rate of Interest - March 31, 2026 9.25% p.a.	-	-
	Terms of Repayment : 28 Months with NIL Moratorium with monthly Principal Repayment of ₹ 2.82 Lakhs Take over of ECLGS from HDFC Bank on Run Down Basis	-	-
		-	-
SVC Co-operative Bank Ltd. - GECL	Secured by way of first pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and first pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	99.44	218.78
	Effective rate of interest - March 31, 2026 @ 9.25% p.a., March 31, 2025 @ 9.25% p.a.	-	-
	Terms of Repayment : 60 Month (Moratorium period 24 Month) monthly installments of ₹ 9.94 lakhs	-	-
		-	-



Disclosure Required for Borrowings:			(₹ in Lakhs)
Bank Name	Terms of Repayment, Security, Rate of Interest & Guarantee	As at March 31, 2026	As at March 31, 2025
SVC Co-operative Bank Ltd. - GECL	Secured by way of first pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and first pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	78.00	150.00
	Effective rate of interest - March 31, 2026 @ 9.25% p.a., March 31, 2025 @ 9.25% p.a.	-	-
	Terms of Repayment : 60 Month (Moratorium period 24 Month) monthly installments of ₹ 6.00 lakhs	-	-
		-	-
SVC Co-operative Bank Ltd. - Term Loan	Secured by way of second pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and second pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	716.35	942.11
	Effective rate of interest - March 31, 2026 @ 9.25% p.a., March 31, 2025 @ 10.50% p.a.	-	-
	Terms of Repayment : 84 Month & monthly installments of ₹ 25.50 lakhs	-	-
		-	-
SVC Co-operative Bank Ltd. - Term Loan	Secured by way of second pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and second pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	226.67	306.67
	Effective rate of interest - March 31, 2026 @ 9.25% p.a., March 31, 2025 @ 10.50% p.a.	-	-
	Terms of Repayment : 60 Month & monthly installments of ₹ 8.65 lakhs	-	-
		-	-



Disclosure Required for Borrowings:			(₹ in Lakhs)
Bank Name	Terms of Repayment, Security, Rate of Interest & Guarantee	As at March 31, 2026	As at March 31, 2025
AXIS Bank Ltd. - Term Loan	Secured by way of first pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and first pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	400.00	-
	Effective Rate of Interest - March 31, 2026 @ 9.25% p.a.	-	-
	Terms of Repayment : 84 Months with 12 Months Moratorium with 71 equal monthly intallment of ₹ 21.00 Lakhs each and last installment of ₹ 9.00 Lakhs	-	-
	Total Sanction ₹ 1500.00 Lakhs & Disbursed ₹ 400.00 Lakhs as on March 31, 2026	-	-
		-	-
Federal Bank Ltd. - Term Loan	Secured by way of first pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and first pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	376.00	-
	Effective Rate of Interest - March 31, 2026 @ 9.20% p.a.	-	-
	Terms of Repayment : 81 Months with 9 Months Moratorium monthly intallment of ₹ 8.33 Lakhs	-	-
	Total Sanction ₹ 600.00 Lakhs & Disbursed ₹ 376.00 Lakhs as on March 31, 2026	-	-
		-	-
B. Vehicle loans from Banks		-	-
HDFC Bank Ltd	Hypothecation of commercial equipment	-	0.99
	Effective rate of interest - October 01, 2025 @ 7.00% p.a., March 31, 2025 @ 7.00% p.a.	-	-
	Terms of Repayment : 48 monthly installments of ₹ 0.14 lakhs - Loan Fully Repaid on October 01, 2025	-	-
		-	-
HDFC Bank Ltd	Hypothecation of commercial equipment	-	1.55
	Effective rate of interest - October 01, 2025 @ 7.00% p.a., March 31, 2025 @ 7.00% p.a.	-	-
	Terms of Repayment : 48 monthly installments of ₹ 0.23 lakhs - Loan Fully Repaid on October 01, 2025	-	-
		-	-



Disclosure Required for Borrowings:			(₹ in Lakhs)
Bank Name	Terms of Repayment, Security, Rate of Interest & Guarantee	As at March 31, 2026	As at March 31, 2025
HDFC Bank Ltd	Hypothecation of commercial equipment	-	2.87
	Effective rate of interest - September 05, 2025 @ 7.50% p.a., March 31, 2025 @ 7.50% p.a.	-	-
	Terms of Repayment : 37 monthly installments of ₹ 0.49 lakhs - Loan Fully Repaid on September 05, 2025	-	-
		-	-
Saraswat Co-Op. Bank Ltd	Hypothecation of car	9.74	14.45
	Effective rate of interest - March 31, 2026 @ 8.25% p.a., March 31, 2025 @ 8.25% p.a.	-	-
	Terms of Repayment : 36 monthly installments of ₹ 0.47 lakhs	-	-
		-	-
C. Loans Repayable on Demand:		-	-
HDFC Bank Ltd - Cash Credit	Secured by way of second pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and second pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	-	400.78
	Effective rate of interest - April 03, 2025 @ 10.02% p.a., March 31, 2025 @ 10.02% p.a. takeover by AXIS Bank Limited on April 03, 2025	-	-
		-	-
State Bank of India - Cash Credit	Secured by way of first pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and first pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	1,099.57	1,104.29
	Effective rate of interest - March 31, 2026 @ 9.65% p.a., March 31, 2025 @ 10.20% p.a.	-	-
		-	-
SVC Co-op. Bank Ltd - Cash Credit	Secured by way of first pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and first pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	2,066.61	1,693.17
	Effective rate of interest - March 31, 2026 @ 9.25% p.a., March 31, 2025 @ 10.50% p.a.	-	-



Disclosure Required for Borrowings:			(₹ in Lakhs)
Bank Name	Terms of Repayment, Security, Rate of Interest & Guarantee	As at March 31, 2026	As at March 31, 2025
		-	-
AXIS Bank Ltd - Cash Credit	Secured by way of first pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and first pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	597.48	-
	Effective Rate of Interest - March 31, 2026 @ 9.25%p.a.	-	-
	Total Sanction ₹ 800.00 Lakhs & Disbursed ₹ 600.00 Lakhs as on March 31, 2026	-	-
		-	-
Federal Bank Ltd - Cash Credit	Secured by way of first pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and first pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	441.94	-
	Effective Rate of Interest - March 31, 2026 @ 8.95%p.a.	-	-
	Total Sanction CC General ₹ 600.00 Lakhs with WCDL (sub-Limit of CC) ₹ 300.00 & Disbursed ₹450.00 Lakhs as on March 31, 2026	-	-
		-	-
D. Working Capital Demand Loan:		-	-
Federal Bank Ltd - Cash Credit	Secured by way of first pari passu charge on entire current assets of the Company, moveable assets including plant and machinery at Chiplun plant and first pari passu charge on Land and Building situated at Chiplun, Dist. Ratnagiri by way of equitable mortgage. Personal Guarantees of Shri Hitendra Shah, Shri Rushabh Shah and Smt. Prafulla Shah.	200.00	-
	Effective Rate of Interest - March 31, 2026 @ 8.70%p.a.	-	-
	Total Sanction WCDL (sub-Limit of CC) ₹ 300.00 & Disbursed ₹ 200.00 Lakhs as on March 31, 2026	-	-
Total		6,356.94	4,914.97



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

Notes to Financial Statements for the year ended March 31, 2026

7. DEFERRED TAX		
PARTICULARS	(₹ in Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Deferred income tax liabilities		
Temporary difference in the carrying amount of property, plant and equipment	956.05	920.28
	956.05	920.28
Deferred income tax assets		
Unabsorbed Depreciation/Earlier Years Credits	401.61	313.02
Provisions for employee benefits	62.44	33.20
	464.05	346.22
Net Deferred Tax (Assets) / Liabilities	492.00	574.06

8. OTHER LONG TERM/ CURRENT LIABILITIES				
PARTICULARS	(₹ in Lakhs)			
	Non-Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Employee Benefit Payable	-	-	114.12	111.93
Creditors for Capital Expenditure			188.55	200.02
Other payables			-	-
(i) Retention Money	-	-	13.32	18.61
(ii) Trade advances	-	-	11.79	31.55
(iii) Statutory dues	-	-	377.19	238.16
(iv) Accrued Expenses	-	-	0.45	0.45
TOTAL	-	-	705.42	600.72



THREE M PAPER BOARDS LIMITED

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Notes to Financial Statements for the year ended March 31, 2026

9. PROVISIONS				
PARTICULARS	(₹ in Lakhs)			
	Long Term		Short Term	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits				
Gratuity	206.71	177.15	-	-
Bonus	-	-	17.74	2.18
Others	-	-	-	-
Provision for Tax (Net of Advance Tax)	-	-	317.26	209.41
Total	206.71	177.15	335.00	211.59

10. TRADE PAYABLES		
PARTICULARS	(₹ in Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Creditors for Goods	3,385.40	2,682.39
Creditors for Expenses	3,407.27	3,193.74
Total	6,792.67	5,876.13

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro and small enterprises	345.63	156.37
Total outstanding dues of creditors other than micro and small enterprises	6,447.03	5,719.76
Total	6,792.67	5,876.13

Trade payables are non-interest bearing and are normally settled within 15 - 120 days

Trade Payable Ageing Schedule - Outstanding for periods from due date (As at March 31, 2026)					(₹ in Lakhs)
PARTICULARS	Outstanding for following periods from due date of payment/ transaction date				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
(i) MSME	345.63	-	-	-	345.63
(ii) Others	6,229.98	211.21	3.04	2.80	6,447.03
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	6,575.61	211.21	3.04	2.80	6,792.67

Trade Payable Ageing Schedule - Outstanding for periods from due date (As at March 31, 2025)					(₹ in Lakhs)
PARTICULARS	Outstanding for following periods from due date of payment/ transaction date				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	156.37	-	-	-	156.37
(ii) Others	5,633.34	83.62	2.80	-	5,719.76
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	5,789.70	83.62	2.80	-	5,876.13



THREE M PAPER BOARDS LIMITED

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Notes to Financial Statements for the year ended March 31, 2026

11. PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSETS										(₹ in Lakhs)
11A. Property, Plant and Equipment										
PARTICULARS	Leasehold Land	Factory Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipments	Vehicles	Computers	TOTAL	Computer Software	TOTAL
Gross Carrying Value										
At April 1, 2024	14.61	1,098.27	13,946.43	29.79	31.00	209.31	46.78	15,376.20	30.10	30.10
Additions	-	182.73	1,369.01	0.58	5.64	16.65	5.74	1,580.35	3.05	3.05
Disposals	-	-	-	-	-	(12.87)	-	(12.87)	-	-
At March 31, 2025	14.61	1,281.00	15,315.44	30.37	36.64	213.09	52.53	16,943.68	33.15	33.15
Additions	-	811.14	2,172.03	-	3.34	18.89	2.83	3,008.22	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2026	14.61	2,092.14	17,487.47	30.37	39.98	231.98	55.35	19,951.90	33.15	33.15
Accumulated Depreciation										
At April 1, 2024	1.55	434.42	7,105.06	21.97	18.87	131.44	41.26	7,754.58	29.09	29.09
Charge for the Year	0.22	18.86	624.74	1.32	3.76	14.56	2.94	666.40	1.09	1.09
Disposals	-	-	-	-	-	(7.25)	-	(7.25)	-	-
At March 31, 2025	1.77	453.28	7,729.80	23.29	22.63	138.75	44.20	8,413.72	30.18	30.18
Charge for the Year	0.22	33.48	742.05	1.11	5.19	18.20	3.11	803.36	0.97	0.97
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2026	1.99	486.76	8,471.85	24.40	27.82	156.95	47.31	9,217.08	31.15	31.15
Net Carrying Value										
At March 31, 2026	12.62	1,605.38	9,015.62	5.97	12.16	75.03	8.04	10,734.82	2.00	2.00
At March 31, 2025	12.84	827.73	7,585.64	7.08	14.01	74.34	8.32	8,529.96	2.97	2.97

Note - 1) No revaluation has been done during the year.

2) Title deeds of Immovable Properties are held in name of the Company.

11B. CAPITAL WORK IN PROGRESS		
PARTICULARS	At March 31, 2026	At March 31, 2025
Factory Bldg. - Road Construction.	-	449.90
Plant & Machinery	140.57	1,035.53
TOTAL	140.57	1,485.43

CWIP Ageing Schedule										
PARTICULARS	At March 31, 2026					At March 31, 2025				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	140.57	-	-	-	140.57	1,485.43	-	-	-	1,485.43
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
TOTAL	140.57	-	-	-	140.57	1,485.43	-	-	-	1,485.43



THREE M PAPER BOARDS LIMITED

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Notes to Financial Statements for the year ended March 31, 2026

12. NON-CURRENT INVESTMENTS

PARTICULARS	Nature of Control	No. of Securities	Fully Paid-up	Basis of Valuation	(₹ in Lakhs)			
					NON CURRENT		CURRENT	
					As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Trade Investments								
Investments in Equity Instruments								
The Bassein Catholic Co-op.Bank Ltd.	Others	44	Fully Paidup	Cost	0.01	0.01		
The Kalupur Commercial Co-op.Bank Ltd.	Others	100	Fully Paidup	Cost	0.03	0.03		
Saraswat Co-Op Bank Ltd	Others	50	Fully Paidup	Cost	0.01	0.01		
SVC Co-Op Bank Ltd	Others	100	Fully Paidup	Cost	0.78	0.03		
Total					0.82	0.07	-	-
Non-Trade Investments								
Other Non Trade Investments								
Group Gratuity Fund Scheme with Life Insurance Corporation of India	Others			Cost	111.32	118.64	-	-
Total					111.32	118.64	-	-
TOTAL					112.14	118.72	-	-

AGGREGATE VALUE OF QUOTED INVESTMENTS

PARTICULARS	(₹ in Lakhs)			
	Non Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Carrying Amount	-	-	-	-

AGGREGATE VALUE OF UNQUOTED INVESTMENTS

PARTICULARS	(₹ in Lakhs)			
	Non Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Carrying Amount	112.14	118.72	-	-



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

Notes to Financial Statements for the year ended March 31, 2026

13. LONG TERM LOANS AND ADVANCES				
PARTICULARS	(₹ in Lakhs)			
	Long Term		Short Term	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
UNSECURED AND CONSIDERED GOOD				
Capital Advances	-	-	532.89	514.23
Other Loans and Advances	-	-	-	-
Security Deposits	197.89	98.41	-	-
Advances to Trade payables	-	-	878.25	733.93
Employee Loans and Advances	-	-	44.57	35.35
Others Advances	-	-	1.72	-
Balance with Revenue Authorities	-	-	1,235.27	865.71
Prepaid expenses	-	-	9.19	9.93
TOTAL (A)	197.89	98.41	2,701.88	2,159.15
CONSIDERED DOUBTFUL	-	-	-	-
TOTAL (B)	-	-	-	-
Less : Allowance for Bad & Doubtful Loans and Advances	-	-	-	-
TOTAL (C)	-	-	-	-
TOTAL (A + B + C)	197.89	98.41	2,701.88	2,159.15

There are no amounts outstanding in loans and advances which are pertaining to loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or loans and advances due by firms or private companies respectively in which any director is a partner or a director or member.

14. INVENTORIES (At lower of cost or net realisable value)		
PARTICULARS	(₹ in Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Raw Materials	4,338.35	2,516.20
Coal - in stock	49.71	245.72
Finished Goods	371.84	412.46
Semi Finished Goods	133.43	447.69
Work-in-Progress	28.63	30.84
Stores and Spares	335.02	558.41
Packing Materials	89.99	43.62
TOTAL	5,346.97	4,254.93

Note:- Inventories have been offered as security against the working Capital loans provided by bank.



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

Notes to Financial Statements for the year ended March 31, 2026

15. TRADE RECEIVABLES		
PARTICULARS	(₹ in Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Trade receivables - Considered Good Unsecured	6,314.28	5,878.92
Trade receivables - which have significant increase in credit risk	-	11.06
Total Trade Receivables	6,314.28	5,889.98

Trade Receivable Ageing Schedule - Outstanding for period from due date (As at March 31, 2026)						(₹ in Lakhs)
PARTICULARS	Less than 6 months	6 months to 1 year	1 - 2 year	2-3 year	More than 3 years	Total
(i) Undisputed considered good	5,462.98	542.91	215.27	50.71	-	6,271.87
(ii) Undisputed considered doubtful	-	-	-	-	-	-
(iii) Disputed considered good	-	-	-	-	42.41	42.41
(iv) Disputed considered doubtful	-	-	-	-	-	-
Total Billed And Due (A)	5,462.98	542.91	215.27	50.71	42.41	6,314.28
Less: Allowance for bad and doubtful debts	-	-	-	-	-	-
Total Trade Receivables (A + B)	5,462.98	542.91	215.27	50.71	42.41	6,314.28

Trade Receivable Ageing Schedule - Outstanding for period from due date (As at March 31, 2025)						(₹ in Lakhs)
PARTICULARS	Less than 6 months	6 months to 1 year	1 - 2 year	2-3 year	More than 3 years	Total
(i) Undisputed considered good	5,553.80	111.23	166.59	6.08	-	5,837.70
(ii) Undisputed considered doubtful	-	-	-	-	-	-
(iii) Disputed considered good	-	-	-	-	41.22	41.22
(iv) Disputed considered doubtful	-	-	-	-	11.06	11.06
Total Billed And Due (A)	5,553.80	111.23	166.59	6.08	52.28	5,889.98
Less: Allowance for bad and doubtful debts	-	-	-	-	-	-
Total Trade Receivables (A + B)	5,553.80	111.23	166.59	6.08	52.28	5,889.98

There are no Amounts Outstanding in Trade Receivables which are pertaining to Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or member.

16. CASH AND CASH EQUIVALENTS		
PARTICULARS	(₹ in Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Balance with Banks		
In Current Account	0.29	0.10
Cash on Hand	8.60	9.36
Balance held as Margin Money	3.10	3.60
Total	11.99	13.06



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

Notes to Financial Statements for the year ended March 31, 2026

17. OTHER CURRENT ASSETS				
PARTICULARS	(₹ in Lakhs)			
	Non-Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
(a) Long Term Trade Receivables				
(i) Secured and Considered Good	-	-	-	-
(ii) Unsecured and Considered Good	-	-	-	-
(iii) Considered doubtful	-	-	-	-
Total Long Term Trade Receivables	-	-	-	-
Less: Provision for Doubtful debts	-	-	-	-
Long Term Trade Receivables				
(a) Security Deposits	-	-	-	-
(b) Deferred IPO Cost	-	-	-	-
(c) Others				
Term Deposits with bank for Margin money against bank borrowings	-	-	-	-
Unamortised share issue expenses	-	-	-	-
Unamortised ancillary borrowing costs	-	-	-	-
Unearned revenue	-	-	-	-
Unamortised premium on forward contracts	-	-	-	-
Interest Income Accrued But Not Due	-	-	-	-
Claim Lodged with Insurance Co.	-	-	1,585.14	1,507.51
Other Receivables	-	-	1.46	0.93
TOTAL	-	-	1,586.59	1,508.45

There are no Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

Notes to Financial Statements for the year ended March 31, 2026

18. REVENUE FROM OPERATIONS		(₹ in Lakhs)	
PARTICULARS	Year Ended March 31, 2026	Year Ended March 31, 2025	
Sale of Products			
Domestic Sale	25,242.70	22,366.27	
Export Sale	4,137.36	3,941.53	
Wind Energy	26.28	17.11	
Total Sale of Products	29,406.34	26,324.91	
Other Operating Revenue			
Export Incentives	312.27	228.50	
TOTAL	29,718.61	26,553.41	

19. OTHER INCOME		(₹ in Lakhs)	
PARTICULARS	Year Ended March 31, 2026	Year Ended March 31, 2025	
Net Gain on Foreign Currency Transactions and Translation	87.03	107.87	
Insurance claim	4.61	0.30	
Interest income	230.86	181.29	
Other miscellaneous income	8.89	7.72	
Sundry balances written back	2.59	0.29	
TOTAL	333.99	297.47	

20. COST OF MATERIALS CONSUMED		(₹ in Lakhs)	
PARTICULARS	Year Ended March 31, 2026	Year Ended March 31, 2025	
Inventory at the beginning of the year	2,559.81	1,596.63	
Add:	-	-	
Waste Paper	15,833.12	14,009.74	
Chemical	3,609.34	3,532.35	
Packing Material	481.28	355.09	
	22,483.56	19,493.81	
Less: Sale of Raw Material	-	(233.43)	
Less: Inventory at the end of the year	(4,428.35)	(2,559.81)	
TOTAL	18,055.21	16,700.57	

DETAILS OF RAW MATERIALS PURCHASED		(₹ in Lakhs)	
PARTICULARS	Year Ended March 31, 2026	Year Ended March 31, 2025	
Item Description			
Waste Paper	13,591.76	12,094.23	
Chemicals	3,470.68	3,328.29	
Packing Material	479.04	351.12	
TOTAL	17,541.48	15,773.64	

DETAILS OF RAW MATERIALS INVENTORY		(₹ in Lakhs)	
PARTICULARS	Year Ended March 31, 2026	Year Ended March 31, 2025	
Item Description			
Waste Paper	4,116.76	2,370.05	
Chemicals	221.60	146.14	
Packing Material	89.99	43.62	
TOTAL	4,428.35	2,559.81	



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

Notes to Financial Statements for the year ended March 31, 2026

21. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE			(₹ in Lakhs)	
PARTICULARS	Year Ended March 31, 2026	Year Ended March 31, 2025		
Inventory at the beginning of the year				
Finished Goods	412.46	307.07		
Semi finished Goods	447.69	663.86		
Work in Process	30.84	30.84		
TOTAL (A)	890.99	1,001.77		
Inventory at the end of the year				
Finished Goods	371.84	412.46		
Semi finished Goods	133.43	447.69		
Work in Process	28.63	30.84		
TOTAL (B)	533.89	890.99		
TOTAL (A-B)	357.10	110.77		

22. EMPLOYEE BENEFIT EXPENSES			(₹ in Lakhs)	
PARTICULARS	Year Ended March 31, 2026	Year Ended March 31, 2025		
Salaries and Wages	1,454.06	1,180.15		
Contributions to Provident and Other Funds	37.09	35.52		
Gratuity	47.65	15.24		
Bonus	33.69	3.11		
Leave Encashment	4.17	5.41		
Staff Welfare Expenses	47.04	47.00		
TOTAL	1,623.70	1,286.43		

23. FINANCE COST			(₹ in Lakhs)	
PARTICULARS	Year Ended March 31, 2026	Year Ended March 31, 2025		
Interests expenses	615.21	545.35		
Other Bank charges	44.21	73.23		
TOTAL	659.41	618.58		



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

Notes to Financial Statements for the year ended March 31, 2026

24. OTHER EXPENSES		(₹ in Lakhs)	
PARTICULARS	Year Ended March 31, 2026	Year Ended March 31, 2025	
Consumption of Stores, Spares and Tools	745.86	302.82	
Power and Fuel	4,712.44	3,848.18	
Office Rent	31.05	31.05	
Loss on Sale of Car	-	0.17	
Insurance	41.14	46.00	
Legal and Professional	98.61	106.21	
Repairs and Maintenance	153.46	113.50	
Postage and Courier Charges	3.82	4.94	
Travelling and Conveyance Expenses	12.58	12.02	
Vehicle Expenses	4.52	5.98	
Printing and Stationery	5.70	12.62	
Auditor's Remuneration	8.85	8.45	
Selling and Distribution Expenses	1,683.43	1,373.60	
Sales Commission	49.84	90.45	
Telecommunication Charges	2.82	3.55	
Other Factory Overheads	281.36	244.00	
Rates & Taxes	33.77	14.36	
Corporate Social Responsibility	20.50	15.55	
Donation	2.69	4.47	
Windmill Expenses	0.51	1.95	
Sundry balances written off	0.25	3.04	
Miscellaneous Expenses	13.53	18.31	
TOTAL	7,906.72	6,261.22	



25. Ratio Analysis

Note- The Numerator and Denominator description given below is based on standard format only for understanding purpose. This need to be amended by each company based on specific items with reference to nomenclature used in its financial statement.

Sr. No.	Ratios	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025	% Variance	Comment if variation is above 25%
1	Current ratio (in times)	Current Assets	Current Liabilities	1.21	1.31	-8.02%	
2	Debt equity ratio (in times)	Total Debt	Shareholder's Equity	0.19	0.23	16.99%	Ratio improved due to increase in networth and debt repayment
3	Debt service coverage ratio (in times)	EBITDA	Debt Service Obligation	2.64	2.61	1.11%	
4	Return on Equity (%)	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	6.67%	12.14%	-45.00%	Since the Company completed its IPO during FY 2024-25, the average shareholders' equity during FY 2024-25 was lower compared to FY 2025-26. Accordingly, the Return on Equity (ROE) for FY 2025-26 is lower, primarily due to the higher average shareholders' equity during the year.
5	Inventory turnover ratio (in times)	Turnover	Average Inventory	75.78	73.81	-2.68%	
6	Trader receivable turnover ratio (in times)	Turnover	Average Trade Receivable	4.87	4.70	-3.72%	
7	Trade payable turnover ratio (in times)	Cost of goods and services	Average Trade Payable	5.11	5.41	5.51%	
8	Net capital turnover ratio (in times)	Turnover	Working Capital	7.82	8.30	-5.85%	
9	Net profit ratio (%)	Net Profit after tax	Turnover	2.41%	3.76%	-35.89%	Although the Company's turnover increased during FY 2025-26, the Net Profit Ratio declined primarily due to the higher depreciation charge arising from the capital expenditure undertaken during the year. The increase in depreciation, along with other operating costs, impacted the overall profitability despite the growth in turnover.
10	Return on capital employed (%)	Earning before interest and tax	Capital Employed	7.85%	10.87%	-27.76%	ROCE declined primarily due to the increase in capital employed following the IPO undertaken during FY 2024-25, while EBIT remained relatively stable. The higher capital employed in FY 2025-26, compared to the previous year, resulted in a lower ROCE during the year.



THREE M PAPER BOARDS LIMITED

(Formerly known as "Three M Paper Boards Private Limited" and "Three M Paper Manufacturing Company Private Limited")

COMPANY INFORMATION, BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

26 Further Notes to Financial Statements:

1 In the opinion of the Board and to the best of their knowledge and belief, the Current Assets, Loans and Advances payable or receivable are approximately of the value stated, if realised in the ordinary course of the business and the provisions for all known and determined liabilities is adequate and not in excess of the amount reasonably required.

2 Unsecured Loans, Loans and Advances, Sundry Debtors and Sundry Creditors are subject to confirmation and reconciliation.

3 The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

4 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits':

a. General Description:

i. Contribution to Provident Fund (Defined Contribution):

The Company's provident fund scheme is a defined contribution plan. The expenses charged to the Statement of Profit and Loss under the head Contribution to Provident Fund is Rs. 35.66 Lakhs (PY Rs. 33.93 Lakhs).

ii. Gratuity (Defined benefit plan):

The Company has a defined benefit gratuity plan. The Company during the year provided Rs. 47.65 Lakhs (P.Y. : Rs. 15.24 Lakhs) towards gratuity. The Employees Gratuity Fund scheme is managed by The Life Insurance Corporation of India and contribution made during the year is Rs. 3.61 Lakhs (P.Y : Rs. 0.49 Lakhs). Gratuity Obligation has been accounted as per Actuarial Valuation in Line with AS-15 Employee Benefits.

b. The following tables set out disclosures prescribed by AS 15 in respect of company's funded gratuity plan:

i. Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Opening defined benefit obligation	177.15	172.61
Interest Cost	11.20	11.86
Current service cost	14.07	13.28
(Benefits paid)	(18.10)	(10.69)
Actuarial (gain) / loss	22.39	(9.90)
Closing defined benefit obligation	206.71	177.15

ii. Changes in the present value of Assets

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Fair Value of Plan Assets as at 1st April	118.64	121.63
Adjustment to Opening Fair Value of Plan Assets	-	(0.30)
Expected Return of Plan Assets	7.42	8.24
Employer Contribution	3.61	0.49
Less : Benefits paid	(18.10)	(10.69)
Actuarial Gain / (Loss) on plan Assets	(0.26)	(0.72)
Fair Value of Plan Assets as at 31st March	111.32	118.64



iii Expense recognised in the Statement of Profit and Loss:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Current service cost	14.07	13.28
Interest cost on benefit obligation	11.20	11.86
Expected return on plan assets	(7.42)	(8.24)
Actuarial (gain)/loss	22.65	(9.18)
Net Cost	40.49	7.72

iv. Movements in the liability recognized in the Balance Sheet

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Opening Net Liability	58.51	50.98
Net Benefit Expense	40.49	8.02
Less : Contribution paid	(3.61)	(0.49)
Closing Liability / (Asset)	95.39	58.51

v. Actuarial assumption:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Discount rate	7.07%	6.66%
Salary escalation	4.00%	4.00%
Expected Rate of Return on Plan Assets	7.07%	6.66%
Withdrawal Rate	2.00%	2.00%

* The estimates of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

5 Contingent Liabilities and Commitments (To the extent not provided for):

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
i) Contingent Liabilities:		
(a) Claims against the Company not acknowledged as debt		
(i) Disputed income tax and penalty demands in respect of which the Company has filed an appeal before the Bombay High Court and the same is pending disposal.*	16.11	16.11
(ii) Disputed income tax and penalty demands in respect of which the Company has preferred an appeal.**	559.22	534.99
(iii) On account of Counter guarantees given to bankers	1.00	1.00
(ii) Commitments:		
<u>(i) Capital Commitments</u>		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	-	2,100.00
<u>(ii) EPCG Commitments</u>		
Future export obligations / commitments under import of Capital Goods at Concessional rate of customs duty	99.90	73.43

*A.Y 2010-11: Disputed income tax and penalty demands in respect of which the Company has filed an appeal before the Bombay High Court and the same is pending disposal ₹ 16.11 Lakhs.

**A.Y 2012-13: Disputed income tax, interest and penalty demands in respect of which the Company has preferred an appeal before ITAT, Mumbai and the same is pending disposal - ₹ 245.70 Lakhs (₹ 20.00 Lakhs Paid) and interest ₹ 309.29 Lakhs upto date. The ITAT vide its order dated June 26th, 2024 set aside the order passes by CIT(A) and adjudicate a fresh proceedings. The matter is now with CIT(A) pending disposal.



6 Payment to Statutory Auditors:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Statutory Audit Fees	5.50	4.25
Tax Audit Fees	0.30	0.30
Other Taxation matters	1.25	1.25
Certificates and other services Fees	1.80	2.65
Total	8.85	8.45

7 Additional information pursuant to the provision of Schedule III to the

I. Turnover, Opening and Closing Stock of Goods:

(₹ in Lakhs)

Year Ended March 31, 2026						
Particulars	Turnover		Closing Stock		Opening Stock	
	Qty(M.T)	Amount	Qty(M.T)	Amount	Qty(M.T)	Amount
Paper and Paperboard (M.T)	77,123.22	29,380.07	1,075.78	371.84	1,216.33	412.46
Wind Energy (KWH)	7,03,805	26.04	-	-	-	-
Year Ended March 31, 2025						
Paper and Paperboard (M.T)	72,045.42	26,307.80	1,216.33	412.46	927.98	307.07
Wind Energy (KWH)	4,64,802	17.20	-	-	-	-

II. Consumption of Raw Materials:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026		Year Ended March 31, 2025	
	Qty (M.T.)	Amount	Qty (M.T.)	Amount
Waste Paper	81,385	14,086.42	76,291	12,756.16
Chemicals	13,827	3,533.89	13,020	3,576.19
Packing Material	-	434.90	-	368.21
Total	95,213	18,055.21	89,311	16,700.57

III. Consumption of Imported and Indigenous Materials:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026		Year Ended March 31, 2025	
	% of Total Consumption	Rupees	% of Total Consumption	Rupees
1. Raw Material				
Imported	51.05%	8,995.95	55.02%	8,985.48
Indigenous	48.95%	8,624.37	44.98%	7,346.88
Total	100.00%	17,620.31	100.00%	16,332.35
2. Stores & Spares Parts				
Imported	3.40%	25.35	2.14%	6.48
Indigenous	96.60%	720.51	97.86%	296.34
Total	100.00%	745.86	100.00%	302.82
3. Packing Material				
Imported	0.93%	4.06	0.12%	0.43
Indigenous	99.07%	430.84	99.88%	367.78
Total	100.00%	434.90	100.00%	368.21



IV. C.I.F. value of Imports:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Raw Material & Consumables	10,804.40	9,800.70

V. Earnings in Foreign Exchange:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
FOB Value of Exports	3,985.55	3,775.65

VI. Expenditure incurred in Foreign Currency:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Commission	130.76	90.45

8 Unhedged foreign currency exposure:

(₹ in Lakhs)

Purpose	Currency	Year Ended March 31, 2026		Year Ended March 31, 2025	
		Amount in foreign currency	Amount in Lakhs	Amount in foreign currency	Amount in Lakhs
Receivables	US Dollar	6,33,375.64	586.19	5,41,746.81	463.72
Payables	US Dollar	56,521.90	53.27	23,519.53	20.53

Exports of the Company are higher in comparison to its imports. Foreign currency exchange rate exposure is covered by exports of goods.

9 Segment Reporting:

The operations of the Company are limited to one segment viz. Paper and Paper Boards. The products being sold under this segment are of similar nature and comprises of paper products only.

Geographical revenues is allocated based on the location of the customer. Information regarding geographical revenue is as follows:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
India	25,242.70	22,366.27
Outside India	4,137.36	3,941.53
Total	29,380.07	26,307.80

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

10 Disclosure as required by Accounting Standard 18 (AS-18) 'Related Party Disclosures' issued by The Related Party Disclosures

(a) Details of Related Parties

i) Key Management Personnel

Rushabh Hitendra Shah	Managing Director
Hitendra Dhanji Shah	Whole Time Director
Prafulla Hitendra Shah	Whole Time Director
Hitendra Dhanji Shah HUF	Entity of Director - Hitendra Dhanji Shah is Karta of this HUF
Krunal Pravin Waghela (w.e.f. June 25th, 2024)	Chief Financial Officer
Mittal Mayank Mehta (w.e.f. October 7th, 2024)	Company Secretary

ii) Non-Executive/Independent Directors on the Board

Ashok Kumar Bansal	Independent Director
Feni Jay Shah	Independent Director
Jigna Ravilal Dhedia Shah	Independent Director



iii) Relatives of Key Management Personnel

Harsha Rushabh Shah	Manager - Accounts
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iv) Enterprises over which any person described in (a) is able to exercise significant influence

Parshwa Biotech LLP	
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(b) Transactions during the year

i) Key Management Personnel

(₹ in Lakhs)

Particulars	Nature of Transaction	Year Ended March 31, 2026	Year Ended March 31, 2025
Hitendra Dhanji Shah	Remuneration	120.00	120.00
Rushabh Hitendra Shah	Remuneration	72.00	72.00
Prafulla Hitendra Shah	Remuneration	24.00	24.00
Dhiren Chunilal Chheda	Salary	-	0.23
Krunal Pravin Waghela	Salary	9.98	7.54
Sneha Parth Shah	Salary	-	1.15
Mittal Mayank Mehta	Salary	3.60	1.74

ii) Relatives of Key Management Personnel

Harsha Rushabh Shah	Salary	8.57	6.50
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iii) Non-Executive/Independent Directors on the Board

Ashok Kumar Bansal	Sitting Fees	0.50	0.50
Feni Jay Shah	Sitting Fees	0.50	0.50
Jigna Ravilal Dhedia Shah	Sitting Fees	0.50	0.50

(c) Balances at the year end

(₹ in Lakhs)

Particulars	Payable	Year Ended March 31, 2026	Year Ended March 31, 2025
Unsecured Borrowings from Key Management Personnel	Payable	900.04	1,038.18
Remuneration and Salary payable	Payable	9.53	12.47

The remuneration paid to key managerial personal excludes gratuity and compensated absences, as the provision is computed for the Company as a whole and separated figures are not available.

The company has not granted any Loans or Advances in the nature of loans to Promoter, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

(d) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest bearing and settlement occurs in cash. There have been no financials guarantees provided to a Related Party. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amount owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.



11 CSR Responsibility

As per section 135 of the Companies Act, 2013, the areas of CSR activities are promoting health care, promoting education and rural development activities. The expenditure incurred during the year on these activities are as specified in schedule VII of the Companies Act, 2013.

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Gross Obligation for the Financial Year		
(a) Gross amount required to be spent by the Company during the year	20.37	15.55
(b) Amount spent during the year		
Healthcare	20.50	15.55
(c) Excess amount spent eligible for set-off in the subsequent year	0.13	0.02

The Company is liable to spend Rs.21.27 Lakhs on Corporate Social Responsibility during the financial year 2026-27, being 2% of the average net profit for the immediately preceding three financial years.

12 Reporting of Events

On account of flood at Chiplun on 22nd July, 2021, the Company had incurred loss of Rs.2241.06Lakhs/- during the financial year 2021-22 against which the Company has filed the claim with the Insurance Company. During the financial year 2022-23, the Company has received Rs.1378.61Lakhs and for the balance amount including financial charges of Rs.15,85.14 Lakhs, the Company has initiated Arbitration proceedings and the management is confident that the outcome would be decided in the Company's favour and hence, the necessary provision for the said amount has been made under "Other Current Assets" in the books of accounts.

13 Corresponding figures of the previous period have been regrouped/rearranged wherever necessary.

The Note Nos. 1 to 26 are an integral part of the Financial Statements.

In terms of our attached report of even date

FOR PIYUSH KOTHARI & ASSOCIATES

For and on behalf of the Board of Directors

Chartered Accountants

Firm's Registration No. 140711W

HITENDRA SHAH
Whole-Time Director
DIN-00448925

RUSHABH SHAH
Managing Director
DIN-01874177

CA. PIYUSH KOTHARI

Partner

Membership No. 158407

UDIN -26158407ULSTOB6300

Place : Mumbai

Date : May 27, 2026

KRUNAL WAGHELA
Chief Financial Officer
PAN - ABCPW7215L

MITTAL MEHTA
Company Secretary
Membership No. 36950