



**SARDA PAPERS LIMITED**

---

---

**25th ANNUAL REPORT  
2015-2016**

---

---



# SARDA PAPERS LIMITED

## BOARD OF DIRECTORS

---

Mr. Manish D Ladage	Director
Mrs. Kamini Kamal Johari	Director
Mr. Mahesh Salamatrai Makhijani	Independent Director
Mr. Krishnamurthy Anantharayanan	Independent Director

---

## SOLICITORS & ADVOCATES

Crawford Bayley & Co.  
Mumbai

---

## AUDITORS

Shyam Malpani & Associates  
Mumbai

---

## REGISTERED OFFICE & WORKS

A-70, M.I.D.C.,  
Sinnar, Dist. Nasik, Pin 422 103  
Maharashtra Tel : 02551-230135  
Email : info.spl1991@gmail.com  
Website : www.sardapapers.com

---

## BANKERS

Citi Bank  
Axis Bank

---

## REGISTRAR & TRANSFER AGENTS

**M/s. Universal Capital Securities Private Limited.**  
(Previously known as M/s. Mondkar Computers  
Private Limited)  
21, Shakil Niwas, Mahakali Caves Road,  
Andheri (East), Mumbai - 400093  
Tel: 022-28207201/03/05 Fax: 28207207

---

## STOCK EXCHANGE WHERE COMPANY'S SHARES ARE LISTED

Bombay Stock Exchange Limited

## CONTENTS

	Page No.
Notice .....	1
Director's Report .....	5
Auditor's Report .....	32
Balance Sheet .....	40
Profit and Loss Account .....	41
Cash Flow Statement .....	42
Notes .....	43



## NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of SARDA PAPERS LIMITED will be held on Wednesday, 28<sup>th</sup> day, September 2016 at 2.00 pm at the Registered Office of the Company at A/70 MIDC, Sinnar Nasik, - 422103 to transact the following business :

### **Ordinary Business**

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Manish Dharanendra Ladage (DIN 00082178) who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass the following resolution, with or without modification, as an Ordinary Resolution

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), pursuant to the recommendations of the Audit Committee the Company hereby ratifies the appointment of **M/s. SMMP & Associates (Formerly known as M/s. Shyam Malpani & Associates) , Chartered Accountants, Mumbai (Registration No. 120438W)** as the Statutory auditors of the Company to hold office from the conclusion of this AGM till the conclusion of next Annual General Meeting (“AGM”) of the Company to examine and audit the accounts of the Company for the Financial Year 2016-17 on such remuneration plus service tax as may be mutually agreed between the Board of Directors and Auditors and out of pocket expenses”.

By Order of the Board

Mrs. Kamini Johari  
Director  
(DIN 01309286)

Place: Mumbai  
Date: 13/08/2016

Registered Office:  
A/70 MIDC, Sinnar Nasik, - 422103

### **Notes**

- [a] The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item nos. 4 set out above.
- [b] A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member. The instrument of proxy duly completed and signed should, however, be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the Total Share Capital of the Company may appoint a single person as proxy, who shall not act a proxy for any other Member.

- [c] Members/ Proxies should bring the enclosed Attendance Slip duly filled in, along with the Annual Report for attending the Meeting.
- [d] The Register of Members and the Share Transfer Books of the Company will remain closed from **21<sup>st</sup> September, 2016 to 28<sup>th</sup> September, 2016 [both days inclusive]**.
- [e] Members are requested to notify any change in their address:
- [i] to their Depository Participants [DPs] in respect of shares held in Demat form; and
  - [ii] to the Registrar and Share Transfer Agents of the Company, Universal Capital Securities Pvt. Ltd, 21, Shakil Niwas, Mahakali Caves Road, Andheri [East], Mumbai - 400093, in respect of shares held in physical form, quoting their folio numbers.
- As per SEBI Circular No.MRD/DOP/Cir-05/2009 dated May 29, 2009, it is mandatory to quote PAN No. for transfer of shares in physical form. Therefore, the transferee[s] is required to submit a self attested PAN card copy to the Registrar and Share Transfer Agents of the Company for registration of transfer of shares.
- [f] Members desiring any information on accounts or operations of the Company are requested to forward their queries to the Company at least eight days prior to the date of the Meetings or at the required information is made available at the Meeting.
- [g] Electronic copy of the Annual Report for 2015-16 is being sent to all members whose e-mail IDs are registered with the Registrar /Depository Participant, unless any member has requested for a hard copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report is being sent in the permitted mode.
- [h] The Ministry of Corporate Affairs has undertaken a Green Initiative in the Corporate Governance and allowed companies to share documents with its shareholders through the electronic mode. Members are requested to support this green initiative by registering/ updating their e-mail addresses, in respect of shares held in dematerialized form with their respective Depository participants and in respect of shares in physical form with the Company or its Registrar & Share Transfer Agents M/s. Universal Capital Securities Pvt. Ltd, Shakil Niwas, Mahakali Caves Road, Andheri [East] Mumbai-400093, E-mail: info@unisec.in
- [i] A proxy form for the Annual General Meeting has been enclosed in the Annual Report
- [j] Voting through Electronic means
- I. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements), Regulations, 2015, The Company is pleased to provide its 'remote e-voting' (e-voting from a place other than venue of the Annual General Meeting) facility through Central Depository Services (India) Limited (CDSL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 25<sup>th</sup> Annual General Meeting (AGM) of the Company, dated 28<sup>th</sup> September (the AGM Notice). The e-voting facility is available at the link [www.evotingindia.com](http://www.evotingindia.com).
  - II. The facility for voting, either through electronic voting system or through ballot / polling paper shall also be made available at the venue of the 25<sup>th</sup> AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.



Shri Jigarkumar Gandhi, Proprietor of JNG & Co., Company Secretaries, Mumbai, has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

A) The **instructions** to members for voting electronically are as under:-

- (i) The remote e-voting period commences on 24th September, 2016 (09:30 a.m.) and ends 27<sup>th</sup> September, 2016 (05:00 p.m.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) 21<sup>st</sup> September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field</li></ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name>, i.e., Sarda Papers Limited on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system and forward one copy of the same documents to the scrutinizer at [info@jngandco.in](mailto:info@jngandco.in), for the scrutinizer to verify the same
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty-fifth Annual Report on the business and operations together with the Audited Financial Statements of the Company for the year ended on March 31, 2016.

**1] FINANCIAL RESULTS**

<b>Particulars</b>	<b>For the year ended March 31, 2016</b>	<b>For the year ended March 31,2015</b>
<b>Total Income</b>	<b>84,48,543</b>	<b>13,30,471</b>
<b>Earnings before interest, depreciation and tax</b>	<b>(1,79,362)</b>	<b>3,61,271</b>
Interest and Finance Charges	-	-
Depreciation	16,636	1,52,418
<b>Profit before exceptional item</b>	<b>(1,95,998)</b>	<b>2,08,853</b>
Profit on sale of fixed assets	7,97,94,519	-
<b>Profit before Taxation</b>	<b>7,95,98,521</b>	<b>2,08,853</b>
Provision for Current Tax	56,00,000	-
Provision for Deferred Tax	2,68,66,303	-
<b>Profit after tax</b>	<b>4,71,32,218</b>	<b>2,08,853</b>
Earnings per Equity share-Basic & Diluted	15.11	0.07

**2] PERFORMANCE**

Since last many years, the paper industry has gone through tremendous technological changes with new generation machineries having come in which have changed the entire business dynamics and the company has not been able to cope up with the changes due to its financial constraints and lack of capability to adopt to these technological changes and eventually the turnover of the company kept deteriorating year after year leading to substantial losses. Accordingly manufacturing operations were suspended in June, 2009 and eventually the old obsolete machinery has been sold to clean some of the liabilities.

The company has now restarted its business operations by dealing in the paper products by trading in the same. This will need some working capital. The company does not envisage starting again its manufacturing unit and hence sold the factory, land and building for a lumpsum consideration of Rs.9.00 Crores on 3<sup>rd</sup> June, 2015 to the Nobel Hygiene Private Limited after taking the shareholders approval and other formalities. Out of the sale proceeds the company has redeemed the Preference shares of Rs.4.25 Crores which was issued to Nobel Hygiene Private Limited, and also repaid all its liabilities such as sales tax deferred loan, Inter corporate deposits and advances received in the earlier years.

**3] DIVIDEND**

In view to preserve its resources the Board of Directors, do not propose any dividend for the financial year ended 31st March, 2016.

**4] TRANSFER TO RESERVE**

For the year under review, nil amounts to be transferred to General Reserve.

**5] SHARE CAPITAL**

The paid up Equity Share Capital as on March 31, 2016 was Rs3,12,00,000/-. The Company had approved a Resolution at the Board Meeting held on June 11, 2015 for Redemption of 425000 - 1% Redeemable Preference Shares of Rs 100/- each. After the completion of redemption all Preference Shares was Redeemed during the year.

The Company has not issued and allotted any securities during the year ended March 31, 2016.

**6] FINANCE**

Cash and cash equivalent as at March 31, 2016 was Rs. 4,12,641/- against Rs. 3,76,210/- last year.

**7] DEPOSITS**

During the year under review the Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies [Acceptance of Deposits] Rules, 2014.

**8] PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

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

**9] MANAGEMENT DISCUSSION & ANALYSIS**

Pursuant to regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), the Management Discussion & Analysis is presented in separate section forming part of the Annual Report as **Annexure 1**.

**10] CORPORATE GOVERNANCE:**

Pursuant to Regulation 15 (2), of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) shall not be mandatory, for the time being, in respect of the listed entity having paid up equity share capital not exceeding Rs. 10 Crore and net worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year. As our company's paid up equity share capital is not exceeding Rs. 10 Crore and Net Worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year, compliance with Regulation Para C, D and E of schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), a Report on Corporate Governance is not applicable.

**11] DIRECTORS**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Manish Dharanendra Ladage [DIN: 00082178], retires by rotation and, being eligible, has offered himself for reappointment.

**12] MEETINGS**

During the year under review, the Board mates 4 times on (1) 29.05.2015, (2) 11.06.2015, (3) 14.08.2015,(4) 10.11.2015 and (5) 12.02.2016; the Members of Audit Committee mates 4 times on (1) 29.05.2015, (2) 14.08.2015,





(3) 10.11.2015 and (4) 12.02.2016; The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Obligations and Disclosure Requirements, Regulations, 2015. The details of the Meetings of the board of Directors are set as follows:

Name	Designation	Number of Board Meeting attended	Last AGM attended
Manish Dharanendra Ladage (DIN: 00082178)	Director	5	Yes
Mahesh Salamatrai Makhijani (DIN: 00322226)	Director	5	No
Kamini Kamal Johari (DIN: 01309286)	Director	5	Yes
Krishnamurthy Anantharayanan (DIN: 06579510)	Director	5	No

**13] DECLARATION BY INDEPENDENT DIRECTORS**

All Independent Directors have submitted the declaration of Independence as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 as well as LODR.

**14] BOARD EVALUATION**

In compliance with the provisions of the Companies Act, 2013 read with the Rules framed there- under and Regulation 17 of the LODR, the Board had carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Committees. The Board of Directors expressed their satisfaction with the evaluation process.

**15] AUDIT COMMITTEE**

The Audit Committee is constituted in line with the regulatory requirements mandated by the Companies Act, 2013 and the Listing Obligations and Disclosure Requirements, Regulations, 2015. The details of the Committee are set as follows:

**Composition and Attendance at Meetings of Audit Committee**

Name	Category	Meeting attended
Mr. Manish D Ladage	Director - Chairman	4
Mr. Mahesh Makhijani	Independent Director	4
Mr. Krishnamurthy Ananthanarayanan	Independent Director	4

**16] NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is constituted in line with the regulatory requirements mandated by the Companies Act, 2013 and the Listing Obligations and Disclosure Requirements, Regulations, 2015. The details of the Committee are set as follows:

**Composition and Attendance at Meetings of Nomination & Remuneration Committee:**

Name	Category
Mr. Manish D Ladage	Director – Chairman
Mr. Mahesh Makhijani	Independent Director – Member
Mr. Krishnamurthy Ananthanarayanan	Independent Director – Member

There is no meeting was called during the financial year.

**17] CORPORATE SOCIAL RESPONSIBILITY (CSR) – INITIATIVES**

As company is not falling in the criteria specified under section 135(1) of the Companies Act, 2013, no comment is invited.

**18] MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

**19] INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal financial control with reference to financial statements. During the year, such controls were tested and no reportable material weakness in designs or operations were observed.

**20] DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS/ TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE**

During the year under review, no material orders were passed by the Regulators / Courts / Tribunals, impacting the Company's going concern status and future operations.

**21] DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES**

The Company had no subsidiary as at the end of the financial year ended March 31, 2016.

**22] REMUNERATION OF THE DIRECTORS/KEY MANAGERIAL PERSONNEL (KMP)/ EMPLOYEES:**

Your Company has framed a Remuneration Policy which lays down a framework in relation to the Directors, Key Managerial Personnel and Senior Management of the Company. During the Year Company has not paid any remuneration to directors and no employees are there on the pay roll of the Company.

**23] VIGIL MECHANISM**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics & Compliance Task Force. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee.

**24] RISK MANAGEMENT POLICY**

The Company has framed Risk Management Policy. The main objective of this policy is to ensure sustainable business growth with stability and to promote proactive approach to identifying, evaluating and resolving risks associated with its business. In order to achieve the key objective, the policy establishes structured and disciplined approach to risk management in order to guide decisions on risk related issues.

Under the current challenging and competitive environment, the strategy for mitigating inherent risk in accomplishing the growth plan of the Company is imperative. The common risks interalia are regulatory risk, competition, financial risk, technology obsolescence, human resources risk, political risks, investments, retention of talents, expansion of facilities and product price risk.

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

A statement giving details of conservation of energy, technology absorption and foreign exchange earnings and outgo as required to be disclosed under the Act, are provided in **Annexure 2** to this report.

**26] DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134 [5] of the Companies Act, 2013, the Directors confirm that:

- i) In the preparation of the annual accounts, the applicable Accounting Standards have been followed along with the proper explanations relating to material departures.
- ii) Appropriate Accounting Policies have been selected and applied consistently. 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 as at March 31, 2016 and of the Profit and Loss Account for the Financial Year 2015-16 have been made.
- iii) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
- iv) The Annual Accounts have been prepared on a going concern basis.
- v) The policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, prevention & detection of frauds / errors, accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, internal Financial Controls, are adequate and were operating effectively;
- vi) Proper systems are in place to ensure compliance of all laws applicable to the Company and that such systems are adequate and operating effectively.

**27] RELATED PARTY TRANSACTIONS**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and the provisions of the Companies Act, 2013, Rules made there under and the LODR are not attracted.

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

Particulars of contracts / arrangement with related parties entered into under section 188[1] are available in AOC 2 as **Annexure 3** to this report.

The details of transactions with Related Parties are given in the notes to the Financial Statements in accordance with the Accounting Standards.

The policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company at <http://www.sardapapers.com>

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

**28] AUDITORS****a) Statutory Auditors**

**M/s. SMMP & Associates (Formerly known as M/s. Shyam Malpani & Associates)**, Chartered Accountants, Statutory Auditor of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors in their report.

**b) Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies [Appointment and Remuneration of Managerial Personnel] Rules 2014, the Company had appointed M/s. JNG & CO., a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is part of this report as **Annexure 4**

The report does not contain any qualifications, reservation or adverse remark.

**29] AUDITORS' REPORT**

The specific notes forming part of the accounts referred to in the Auditors Report are self explanatory and give complete information and without any qualifications or adverse remarks. Hence no comment is required.



**30] EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT 9, as required under section 92 of the Companies Act, 2013, are annexed as **Annexure 5** and forms an integral part of this Report.

**31] DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a 'Respect for Gender' Policy on prevention, prohibition and redressal of sexual harassment in line with the provisions of the Sexual Harassment of Women at Workplace [Prevention, Prohibition and Redressal] Act, 2013 and the Rules framed there under.

The Company has not received any written complaint on sexual harassment during the financial year.

**32] REPORTING OF FRAUDS:**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and /or Board under Section 143(12) of the Act and Rules framed there under.

**33] ACKNOWLEDGEMENTS**

Your Directors thank all the shareholders, customers, vendors, banks and the State and Central Governments for the support extended during the year and look forward to their continued support in the future. Your Directors also place on record their appreciation of the contribution made by the Company's employees at all levels.

**For and on behalf of the Board**

**Kamini Kamal Johari**  
**Chairman**  
**[DIN: 01309286]**

Place: Mumbai

Dated: 13<sup>th</sup> August, 2016

## Annexure 1

**MANAGEMENT DISCUSSION & ANALYSIS****BUSINESS OVERVIEW**

The Company was engaged in processing and manufacturing of Coated Paper. It has now started trading of the coated paper.

As you are aware that your Company had suspended the manufacturing operation from June 2009 due to unfavourable market condition and continuous cash losses and Company was under BIFR purview for its rehabilitation. The Company does not envisage starting again its manufacturing unit.

**INDUSTRY STRUCTURE AND DEVELOPEMNT**

The Indian economy has witnessed that growth in year ended 31<sup>st</sup> March,2016 and in particular the paper industry has been passing through a difficult period for reasonable growth in the year ahead.

**OPPORTUNITIES AND THREATS**

The company is looking for the trading in paper. This will need some working capital. .

**OUTLOOK**

The Company had suspended its manufacturing activities w.e.f 14.06.2009. The Company had brought in an investor who had subscribed preference capital and net worth of the Company turned positive and the Company had come out from the purview of the BFIR. The Company does not envisage starting again its manufacturing unit and hence sold the factory, land and building to the Nobel Hygiene Private Limited. At present the company is looking for the trading in paper.

**RISK AND CONCERNS**

The company is exposed to risk of market fluctuation of its imported Coated Paper. The company is also exposed to national price fluctuation for its products.

**INTERNAL CONTROL STSTEM AND THEIR ADEQUACY**

The Company has been, maintaining a well-established procedure for internal control system. There had been a review conducted on regular interval by the internal Auditors about the financing and operating control at various locations of the Company and any, significant findings are reviewed by the Audit Committee of the Board of Directors.



**FINANCIALS**

The Company has sold the factory, land and building for a lump sum consideration of Rs.9.00 Crores on 3<sup>rd</sup> June, 2015 to the Nobel Hygiene Private Limited after taking the shareholders approval and other formalities. Out of the sale proceeds the company has redeemed the Preference shares of Rs.4.25 Crores and has also repaid all its liabilities such as sales tax deferred loan, Inter corporate deposits and advances received in the earlier years.

**CAUTIONARY STATEMENT**

Statement in the Management Discussion and analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulation Actual results may differ materially from those expressed in the statement. Several factors could make significant difference to the company's operation. These include climatic conditions and economic conditions affection demand and supply, government regulation and taxation, natural calamities etc. over which the company does not have any control.

**CORPORATE SOCIAL SERVICE**

The Company is below the threshold limit for mandatory spend on Corporate Social Responsibility.

**Annexure – 2**

**Conservation of Energy, research and development, Technology absorption, foreign exchange earnings and outgo.**

***Particulars pursuant to the Companies (Accounts) Rules, 2014***

(A) Conservation of energy-

- (i) The steps taken or impact on conservation of energy – Not Applicable
- (ii) The steps taken by the company for utilising alternate sources of energy – Not Applicable
- (iii) The capital investment on energy conservation equipments - Nil

(B) Technology absorption-

- (i) The efforts made towards technology absorption – Not Applicable
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution – Not Applicable
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Not Applicable
  - (a) The details of technology imported;
  - (b) The year of import;
  - (c) Whether the technology been fully absorbed;
  - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) The expenditure incurred on Research and Development - Nil

(C) Foreign exchange earnings and outgo-

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows - Nil



**Annexure - 3****Particulars of Contracts / arrangement made with related parties****Form No. AOC-2**

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

(Accounts) Rules, 2014)

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

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There was no contract or arrangement or transactions entered into during the year ended March 31, 2016 which were not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

(a) Name(s) of the related party and nature of relationship:	Nobel Hygiene Pvt. Ltd. (Enterprise over which Key Managerial Personnel exercise significant Influence).
(b) Nature of Contracts / arrangements / transactions:	Rent Agreement
(c) Duration of the contracts / arrangements/transactions:	Executed on 15-04-2014
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rent of Rs.75,000/- per month for occupying part of the factory premises.
(e) Date(s) of approval by the Board, if any:	14/02/2014
(f) Amount paid as advances, if any:	Nil

(a) Name(s) of the related party and nature of relationship:	Nobel Hygiene Pvt. Ltd. (Enterprise over which Key Managerial Personnel exercise significant Influence).
(b) Nature of Contracts / arrangements / transactions:	Transaction
(c) Duration of the contracts / arrangements/transactions:	June, 2015
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs 46,027/- Interest Income
(e) Date(s) of approval by the Board, if any:	29/05/2015
(f) Amount paid as advances, if any:	Nil

(a) Name(s) of the related party and nature of relationship:	Nobel Hygiene Pvt. Ltd. (Enterprise over which Key Managerial Personnel exercise significant Influence).
(b) Nature of Contracts / arrangements / transactions:	Transaction
(c) Duration of the contracts / arrangements/transactions:	03/06/2015
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs 9,00,00,000/- Sale of fixed Assets
(e) Date(s) of approval by the Board, if any:	09/02/2015
(f) Amount paid as advances, if any:	Rs.1,10,00,000/-

(a) Name(s) of the related party and nature of relationship:	Nobel Hygiene Pvt. Ltd. (Enterprise over which Key Managerial Personnel exercise significant Influence).
(b) Nature of Contracts / arrangements / transactions:	Arrangement
(c) Duration of the contracts / arrangements/transactions:	2015-16
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs2,62,244/- Unsecured loan Taken
(e) Date(s) of approval by the Board, if any:	Not applicable
(f) Amount paid as advances, if any:	Nil

(a) Name(s) of the related party and nature of relationship:	Nobel Hygiene Pvt. Ltd. (Enterprise over which Key Managerial Personnel exercise significant Influence).
(b) Nature of Contracts / arrangements / transactions:	Arrangement
(c) Duration of the contracts / arrangements/transactions:	June, 2015
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs 2,00,00,000/- Inter-Corporate Deposit - Given
(e) Date(s) of approval by the Board, if any:	Not applicable
(f) Amount paid as advances, if any:	Nil



(a) Name(s) of the related party and nature of relationship:	Nobel Hygiene Pvt. Ltd. (Enterprise over which Key Managerial Personnel exercise significant Influence).
(b) Nature of Contracts / arrangements / transactions:	Arrangement
(c) Duration of the contracts / arrangements/transactions:	June, 2015
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs 2,00,00,000/- Inter-Corporate Deposit - Given
(e) Date(s) of approval by the Board, if any:	29/05/2015
(f) Amount paid as advances, if any:	Nil

(a) Name(s) of the related party and nature of relationship:	Nobel Hygiene Pvt. Ltd. (Enterprise over which Key Managerial Personnel exercise significant Influence).
(b) Nature of Contracts / arrangements / transactions:	Transaction
(c) Duration of the contracts / arrangements/transactions:	2015-16
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs 71,57,845/- Security Deposit Repaid
(e) Date(s) of approval by the Board, if any:	09/02/2015
(f) Amount paid as advances, if any:	Nil

(a) Name(s) of the related party and nature of relationship:	Nobel Hygiene Pvt. Ltd. (Enterprise over which Key Managerial Personnel exercise significant Influence).
(b) Nature of Contracts / arrangements / transactions:	Transaction
(c) Duration of the contracts / arrangements/transactions:	2015-16
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs 3,13,906/- Receipt from Sundry Debtors
(e) Date(s) of approval by the Board, if any:	Not applicable
(f) Amount paid as advances, if any:	Nil



(a) Name(s) of the related party and nature of relationship:	Nobel Hygiene Pvt. Ltd. (Enterprise over which Key Managerial Personnel exercise significant Influence).
(b) Nature of Contracts / arrangements / transactions:	Contract
(c) Duration of the contracts / arrangements/transactions:	11th June, 2015
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs 4,25,00,000/-Redemption of Preference Shares
(e) Date(s) of approval by the Board, if any:	11/06/2015
(f) Amount paid as advances, if any:	Nil

(a) Name(s) of the related party and nature of relationship:	Kamini Johari - Key Managerial Personnel
(b) Nature of Contracts / arrangements / transactions:	Transaction
(c) Duration of the contracts / arrangements/transactions:	17th March, 2016
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs 2,00,000/- Unsecured Loan Taken
(e) Date(s) of approval by the Board, if any:	Not Applicable
(f) Amount paid as advances, if any:	Nil

(a) Name(s) of the related party and nature of relationship:	Manish D. Ladage - Key Managerial Personnel
(b) Nature of Contracts / arrangements / transactions:	Transaction
(c) Duration of the contracts / arrangements/transactions:	21/10/2015
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs 1,00,000/- Unsecured Loan Taken
(e) Date(s) of approval by the Board, if any:	Not Applicable
(f) Amount paid as advances, if any:	Nil

**On behalf of the Board of Directors**

**Place: Mumbai**  
**Date: August 13, 2016**

**(Kamini Kamal Johari)**  
**DIN: 01309286**  
**Chairman**



**Annexure - 4**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 2016**

**[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,  
Sarda Papers Limited,  
A/70 MIDC, Sinnar, Nasik - 422103

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sarda Papers Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Sarda Papers Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 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 Sarda Papers Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
- (vi) Other laws as applicable specifically to the company as informed by the management that the manufacturing activity of the Company is stopped since the company went to BIFR and company, hence no industry specific law applicable to company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;
- (iii) I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief Executive Officer taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes exist in the Company to monitor and ensure compliance with provisions of applicable general laws like labour laws and environmental laws.

I further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other applicable laws mentioned as sector specific laws hereinabove.

**I further report my observation as follows that:**

1. *The company was required to appoint Company Secretary, as KMP, under section 203 of the Companies Act, 2013 and same was not appointed during the audit period.*
2. *The company sold the factory, land and building for a lumpsum consideration of Rs.9.00 Crores on 3rd June,*



*2015 to the Nobel Hygiene Private Limited after taking the shareholders' approval and other formalities. Out of the sale proceeds the company has redeemed the Preference shares of Rs.4.25 Crores*

We have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliances under other sector specific laws and regulations applicable to the Company.

**I further report that**

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

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

Majority decision is carried unanimously and recorded as part of the minutes, wherever required.

**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 the applicable laws, rules, regulations and guidelines.

**I further report that**

During the audit period there were no specific events / actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards except special resolution for sale of land & building under section 180 (1) (a) and 188 of the Companies Act, 2013 through postal ballot.

**For JNG & Co.,  
Jigarkumar Gandhi**

**Place: Mumbai  
Date: 13.08.2016**

**FCS: 7569  
C.P. No. 8108**

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

**ANNEXURE - I**

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors and various committees comprising of Audit Committee, Nomination & Remuneration Committee etc. held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Companies Act and rules made there under
5. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the period under report.
8. Intimations received from directors under the prohibition of Insider Trading and SEBI Takeover Code
9. Various policies framed by the company from time to time as required under the statutes applicable to the company.
10. Processes and procedure followed for Compliance Management System for applicable laws to the Company
11. Filings made with Reserve Bank of India under the Foreign Direct Investment Guidelines and for Overseas Direct Investments made by the Company.
12. Communications / Letters issued to and acknowledgements received from the Independent directors for their appointment
13. Various policies framed by the company from time to time as required under the Companies Act as well as listing agreement/SEBI LODR Regulations.

**For JNG & Co.,  
Jigarkumar Gandhi**

**Place: Mumbai  
Date: 13.08.2016**

**FCS: 7569  
C.P. No. 8108**





**Annexure II**

To,  
The Members,  
Sarva Papers Limited,  
A/70 MIDC, Sinnar, Nasik - 422103

Sir,

Sub : Secretarial Audit Report for the Financial Year ended on 31<sup>st</sup> March, 2016

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

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

**For JNG & Co.,  
Jigarkumar Gandhi**

**Place: Mumbai  
Date: 13.08.2016**

**FCS: 7569  
C.P. No. 8108**

**Annexure - 5**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31.03.2016**

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

**I REGISTRATION AND OTHER DETAILS:**

CIN:-	L51010MH1991PLC061164
Registration Date	11/4/1991
Name of the Company	SARDAPAPERS LIMITED
Category / Sub-Category of the Company	Public Company / Limited by Shares
Address of the Registered office and contact details	A/70, MIDC, Sinnar, Nasik, Maharashtra 422103
Whether listed company Yes / No	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Universal Capital Securities Pvt. Ltd. 21, Shakil Nivas, Mahakali Caves Road, Andheri (Eas), Mumbai 400 093

**I PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Paper	210	23.14%

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

The Company do not have any Holding, Subsidiary and Associate Company

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year the year
	Demat	Physical	Total Shares	% of Total	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual /HUF	2312098	200	2312298	74.14%	2312298	0	2312298	74.14%	0.00%
b) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) State Govt (s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Any Other....	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (A) (1):-</b>	<b>2312098</b>	<b>200</b>	<b>2312298</b>	<b>74.14%</b>	<b>2312298</b>	<b>0</b>	<b>2312298</b>	<b>74.14%</b>	<b>0.00%</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other – Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Bodies Corp.	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Any Other....	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Total shareholding of Promoter</b>									
<b>(A) = (A)(1)+(A)(2)</b>	<b>2312098</b>	<b>200</b>	<b>2312298</b>	<b>74.14%</b>	<b>2312298</b>	<b>0</b>	<b>2312298</b>	<b>74.14%</b>	<b>0.00%</b>
<b>B. Public Shareholding</b>									
<b>1 Institutions</b>									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks / FI	0	0	0	0.00%	0	0	0	0.00%	0.00%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year the year
	Demat	Physical	Total Shares	% of Total	Demat	Physical	Total	% of Total Shares	
g) FII's	0	0	0	0.00%	0	0	0	0.00%	0.00%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0.00%</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	9674	3900	13574	0.44%	16772	3900	20672	0.66%	0.23%
i) Indian	0	0	0	0.00%	0	0	0	0.00%	0.00%
ii) Overseas	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	363209	237017	600226	19.24%	369181	233417	602598	19.32%	0.08%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	181520	0	181520	5.82%	181464	0	181464	5.82%	0.00%
c) Others (specify)	0	0	0	0.00%			0	0.00%	0.00%
i) Clearing Members	2533	0	2533	0.08%	1175	0	1175	0.04%	-0.04%
ii) NRI / OCBs	493	100	593	0.02%	493	100	593	0.02%	0.00%
iii) Director Relatives	8156	0	8156	0.26%	0	0	0	0.00%	-0.26%
iv) Trust	0	0	0	0.00%	100	0	100	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>565585</b>	<b>241017</b>	<b>806602</b>	<b>25.86%</b>	<b>569185</b>	<b>237417</b>	<b>806602</b>	<b>25.86%</b>	<b>0.00%</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>565585</b>	<b>241017</b>	<b>806602</b>	<b>25.86%</b>	<b>569185</b>	<b>237417</b>	<b>806602</b>	<b>25.86%</b>	<b>0.00%</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Grand Total (A+B+C)</b>	<b>2877683</b>	<b>241217</b>	<b>3118900</b>	<b>100.00%</b>	<b>2881483</b>	<b>237417</b>	<b>3118900</b>	<b>100.00%</b>	<b>0.00%</b>

**(ii) Shareholding of Promoters**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kamini Kamal johari	578075	18.53%		578075	18.53%	0.00%	
2	Kartik Kamal Johari	578075	18.53%		578075	18.53%	0.00%	
3	Ladage Manish Dharanendra	578075	18.53%		578075	18.53%	0.00%	
4	N R Parameswaran	578073	18.53%		578073	18.53%	0.00%	
	<b>Total</b>	<b>2312298</b>	<b>74.14%</b>		<b>2312298</b>	<b>74.14%</b>		

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

Sr. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of totalShares of thecompany	No. of Shares	% of totalShares of thecompany
1	<b>Kamini Kamal johari</b> At the beginning of the year Increase/ Derease during the year At the End of the year	578075 0 578075	18.53% 0.00% 18.53%	578075 578075 578075	18.53% 18.53% 18.53%
2	<b>Kartik Kamal Johari</b> At the beginning of the year Increase/ Derease during the year At the End of the year	578075 0 578075	18.53% 0.00% 18.53%	578075 578075 578075	18.53% 18.53% 18.53%
3	<b>Ladage Manish Dharanendra</b> At the beginning of the year Increase/ Derease during the year At the End of the year	578075 0 578075	18.53% 0.00% 18.53%	578075 578075 578075	18.53% 18.53% 18.53%
4	<b>N R Parameswaran</b> At the beginning of the year Increase/ Derease during the year At the End of the year	578073 0 578073	18.53% 0.00% 18.53%	578073 578073 578073	18.53% 18.53% 18.53%

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of totalShares of thecompany	No. of Shares	% of totalShares of thecompany
1	<b>BIJAL NIMESH BHATIA</b>				
	At the beginning of the year	60566	0.19%	60566	0.19%
	Transaction during the year	0	0.00%	60566	0.19%
	At the End of the year			60566	0.19%
2	<b>GUNJAN BAGARIA</b>				
	At the beginning of the year	25000	0.08%	25000	0.08%
	Sale during the year	12000	0.04%	13000	0.04%
	At the End of the year			13000	0.04%
3	<b>SEEMA YOGESH ASHER</b>				
	At the beginning of the year	22510	0.07%	22510	0.07%
	Transaction during the year	0	0.00%	22510	0.07%
	At the End of the year			22510	0.07%
4	<b>RAHUL ANANTRAI MEHTA</b>				
	At the beginning of the year	21260	0.07%	21260	0.07%
	Sale during the year	55	0.00%	21205	0.07%
	At the End of the year			21205	0.07%
5	<b>PRITTY DEVI SARAWAGI</b>				
	At the beginning of the year	16041	0.05%	16041	0.05%
	Sale during the year	2	0.00%	16039	0.05%
	At the End of the year			16039	0.05%



Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of totalShares of thecompany	No. of Shares	% of totalShares of thecompany
6	<b>SANJAY HARIKISHAN</b>				
	At the beginning of the year	12913	0.04%	12913	0.04%
	Transaction during the year	0	0.00%	12913	0.04%
	At the End of the year			12913	0.04%
7	<b>VIVEK VERMA</b>				
	At the beginning of the year	12001	0.04%	12001	0.04%
	Transaction during the year	0	0.00%	12001	0.04%
	At the End of the year			12001	0.04%
8	<b>USHA KHAITAN</b>				
	At the beginning of the year	11935	0.04%	11935	0.04%
	Transaction during the year	0	0.00%	11935	0.04%
	At the End of the year			11935	0.04%
9	<b>MANJU DEVI CHAUDHARY</b>				
	At the beginning of the year	11295	0.04%	11295	0.04%
	Transaction during the year	0	0.00%	11295	0.04%
	At the End of the year			11295	0.04%
10	<b>SANJAY KANUBHAI PATEL</b>				
	At the beginning of the year	10000	0.03%	10000	0.03%
	Transaction during the year	0	0.00%	10000	0.03%
	At the End of the year			10000	0.03%

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

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	<b>Kamini Kamal johari</b>				
	At the beginning of the year	578075	18.53%	578075	18.53%
	Increase/ Dcrease during the year	0	0.00%	578075	18.53%
	At the End of the year	578075	18.53%	578075	18.53%
2	<b>Ladage Manish Dharanendra</b>				
	At the beginning of the year	578075	18.53%	578075	18.53%
	Increase/ Dcrease during the year	0	0.00%	578075	18.53%
	At the End of the year	578075	18.53%	578075	18.53%

**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	-	7,245,807	-	7,245,807
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	7,245,807	-	7,245,807
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
* Addition	-	-	-	-
* Reduction	-	5,937,756	-	5,937,756
<b>Net Change</b>	-	5,937,756	-	5,937,756
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	-	13,08,051	-	13,08,051
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	13,08,051	-	13,08,051



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

No Remuneration to Managing Director, Whole-time Director and / or Manager is paid during the year

**B. Remuneration to other directors:**

Sl. No	Particulars of Remuneration	Name of Directors				Total Amount
		Mahesh Makhijani	Krishnamurthi Ananthanarayanan	Manish D Ladage	Mrs. Kamini Kamal Johari	
	3. Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	5,000	5,000	5000	5000	20,000
	<b>Total (1)</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>20,000</b>
	4. Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify					-
	<b>Total (2)</b>	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>5,000</b>	<b>20,000</b>
	Total Managerial Remuneration Overall Ceiling as per the Act					1,726,623

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

No Managerial Key Personnel other than MD/Manager/WTD on the payroll of Company

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

Against the Company, Directors and other officers in default under Companies Act, 2013 : None

## **Independent Auditors' Report**

### **To the Members**

#### **Sarda Papers Limited**

#### **I. Report on the Financial Statements**

We have audited the attached financial statements of **Sarda Papers Limited** (hereinafter referred to as the Company), comprising of the Balance Sheet as at 31<sup>st</sup> March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year ended along with the Significant Accounting Policies and other explanatory information forming an integral part thereof.

#### **II. Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("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 of the Company in accordance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 (hereinafter referred to as the Act), read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with the accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **III. Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under Section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the

financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

#### IV. **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 Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2016, its Profit and its cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in the **Annexure-1**, a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable to the Company during the year under review.
2. Further to our comments in the Annexure referred to in 1. Above, as per the requirements of Section 143(3) of the Act, we report as follows:
  - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the respective directors as on 31<sup>st</sup> March 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2016 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act;
  - (f) We have no observations / comments on the financial transactions / matters which have adverse effect on the functioning of the Company, nor do we have any qualified / adverse remarks related to the maintenance of the accounts or other matters connected therewith, in respect of the Company;

- (g) 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-2**;
- (h) Refer Note No. 30 regarding non-compliance by the Company with the requirements Section 203 of the Act in respect of appointment of a whole-time Company secretary. The Company is in the process of regularizing the same;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- i) the Company does not have any pending litigations which would impact its financial position;
- ii) the Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Shyam Malpani & Associates**

Chartered Accountants

Firm Registration No. 120438 W

**Shyam Malpani**

Proprietor

Membership No. F-34171

Camp : Chicago, USA

Date 30<sup>th</sup> May 2016.

**Annexure-1 to the Independent Auditors' Report**

*(Referred to in paragraph V(1) of our report of even date)*

In terms of the information and explanations given to us and the books and records examined by us and on the basis of such checks as we considered appropriate, we further report as under:

**1. Fixed Assets**

- (a) The Company has maintained fixed assets register showing full particulars including quantitative details and situation of the fixed assets.
- (b) As explained to us, the management has physically verified the fixed assets in a phased manner, the periodicity of which in our opinion is reasonable. No material differences were found on physical verification.
- (c) The title deeds of the immovable property are held in the Company's name.

**2. Inventory**

Based on the explanations, we are of the opinion that the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.

**3. Loans to parties of Directors' interest**

During the year, the Company has not granted any loans, secured or unsecured to the parties covered in the register maintained under Section 189 of the Act.

**4. Loans/Guarantees/Investments in / Provision of Security to certain parties**

As per the records of the Company, during the year, the Company has not given any loans /guarantees to or made any investments or provided any security within the purview of the Sections 185 and 186 of the Act.

**5. Acceptance of Deposits**

According to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

**6. Maintenance of Cost Records**

As explained to us, maintenance of cost records has not been prescribed by the Central Government for the Company under Section 148(1) of the Act.

**7. Undisputed & Disputed Statutory Dues**

- (a) According to the information and explanations given to us and as per the records verified by us, the Company has been regular in depositing undisputed statutory dues involving Income Tax and Service Tax with the appropriate authorities and there were no arrears under the above heads which were due for more than six months from the date they become payable as at the close of the year. Keeping in view the

present operations of the Company, statutes relating to provident Fund, employees' State Insurance, Sales-tax, Custom Duty, Excise Duty and Cess are not applicable to the Company during the year under review.

- b) The disputed statutory dues aggregating to Rs. 16.41 Lacs, that have not been deposited on account of disputed matters pending before appropriate authorities are as under :

Sr. No.	Name of the statute	Nature of The Dues	Amount (Rs. in Lacs)	Period	Forum where dispute is pending
1	Central Excise Act, 1944	Excise Duty and Penalties	3.07	01/09/1996 to 31/01/1997	Commissioner of Central Deputy Excise (Appeals), Nashik
2	Central Excise Act, 1944	Excise Duty and Penalties	5.70**	October 1998 to February 2000	Central Excise and Service tax Appellate Tribunal, Mumbai
3	Central Excise Act, 1944	Excise Duty and Penalties	7.64	FY 2002-03	Deputy Commissioner of Central Excise (Appeals), Nashik

Note: \*\* includes Rs. 1.00 Lacs deposited by the Company under protest but charged to revenue.

8. **Loans from Banks/Financial Institutions/ Government/Debentures**

As per the records verified by us, the Company has not availed any loan/facility from banks/financial institutions/ Government and hence the question of default in repayment of the same does not arise. Further, no amounts were borrowed by the Company through Debentures.

9. **Proceeds of Public issue (including debt instruments) /Term Loans**

The Company has not raised any money during the year through initial / further public offer (including debt instruments). Also, the Company has not availed any term loans during the current or earlier years and hence the matter of application of the same doesn't arise.

10. **Frauds on or by the Company**

During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company or its officers, noticed or reported during the year, nor have we been informed of such case by the management.

11. **Managerial Remuneration**

As per the Company's records, no managerial remuneration has been paid/provided for during the year under review.

12. **Nidhi Companies**

The Company is not a Nidhi company during the year under review and hence, the criteria as stipulated under Nidhi Rules 2014 is not applicable to the Company.



13. **Related Party Transactions**

As per the information and explanations given during the course of our verification, in our opinion, all transactions with the related parties made by the Company were in compliance with Sections 177 and 188 of the Act, to the extent applicable to the Company during the year. The relevant details in respect of the same have been appropriately disclosed as per the requirements of the Accounting Standard.

14. **Preferential Issue**

During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures and hence the requirements of Section 42 of the Act are not applicable.

15. **Non-cash Transactions with Directors, etc.**

As per the information and explanations provided to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with the directors within the purview of Section 192 of the Act are not applicable.

16. **Provisions of 45-IA of the Reserve Bank of India Act,1934**

As per the information and explanations provided to us and based on the overall operations of the Company, during the year, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For **Shyam Malpani & Associates**  
Chartered Accountants  
Firm Registration No. 120438 W

**Shyam Malpani**  
Proprietor  
Membership No. F-34171  
Camp : Chicago, USA

Date 30<sup>th</sup> May 2016.

**Annexure - 2 to the Independent Auditor's Report of even date on the Financial statements of Sarda Papers Limited****Report on the Internal Financial Controls under Section 143(3)(i) of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Sarda Papers Limited** ("the Company") as of 31<sup>st</sup> March, 2016 in conjunction with our audit of the financial statements of the Company comprising of the Balance Sheet as at March 31st, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the period then ended.

**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 (the ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility :**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by the ICAI deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those standards and the Guidance Note 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

**Opinion :**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31<sup>st</sup>, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Shyam Malpani & Associates**

Chartered Accountants

Firm Registration No. 120438 W

**Shyam Malpani**

Proprietor

Membership No. F-34171

Camp : Chicago, USA

Date 30<sup>th</sup> May 2016.

**Balance Sheet as at 31st March, 2016**

Particulars	Notes	As at 31st March 2016 Amount (Rs)	As at 31st March 2015 Amount (Rs)
<b>EQUITY AND LIABILITIES</b>			
<b>1) Shareholder's Funds</b>			
a) Share Capital	2	31,189,000	73,689,000
b) Reserves and Surplus	3	(27,311,998)	(73,676,461)
<b>2) Current Liabilities</b>			
a) Short-term borrowings	4	1,308,051	7,245,807
b) Trade Payables	5	165,688	150,323
c) Other Current Liabilities	6	9,000	31,993,079
d) Short-term Provisions	7	5,600,000	-
<b>TOTAL</b>		<b><u>10,959,741</u></b>	<b><u>39,401,749</u></b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
a) Fixed assets-Tangible assets	8	-	9,564,272
b) Deferred Tax Assets (Reversal)	9	-	26,866,303
c) Long term Loans and Advances	10	223,866	991,906
<b>Current Assets</b>			
a) Inventories	11	928,126	242,188
b) Trade Receivables	12	8,443,990	417,416
c) Cash and cash Equivalents	13	412,641	376,210
d) Short-term Loans and Advances	14	951,118	943,455
<b>Total</b>		<b><u>10,959,741</u></b>	<b><u>39,401,749</u></b>

Notes form an integral part of the Financial Statements

As per our report of even date attached.

For **Shyam Malpani & Associates**

Chartered Accountants

**Shyam Malpani**

Proprietor

Place : Mumbai

Date : May 30, 2016

For **Sarda Papers Limited**

**Kamini Kamal Johari**

Director

DIN: 01309286

**Manish D. Ladage**

Director

DIN: 00082178

**Statement of Profit and Loss for the year ended 31st March, 2016**

Particulars	Notes	Year ended 31st March 2016	Year ended 31st March 2015
<b>(I) Revenue From Operations</b>			
Revenue from operations	15	8,041,894	308,000
<b>(II) Other Income</b>	16		
Income From Other Sources		406,648	1,022,471
<b>(III) Total Revenue (I + II)</b>		<b>8,448,543</b>	<b>1,330,471</b>
<b>(IV) Expenses:</b>			
Cost of Material Consumed	17	-	-
Purchases of Stock-in-trade		8,572,195	-
Increase / (Decrease) in Stock-in-Trade	18	(685,940)	172,930
Depreciation		16,636	152,418
Other expenses	19	741,649	796,270
<b>Total Expenses</b>		<b>8,644,540</b>	<b>1,121,618</b>
<b>(V) Profit before exceptional and extraordinary items and tax (III - IV)</b>		<b>(195,998)</b>	<b>208,853</b>
<b>(VI) Exceptional Items</b>			
Profit on Sale of Fixed Assets		79,794,519	-
<b>(VII) Profit before extraordinary items and tax (V + VI)</b>		<b>79,598,521</b>	<b>208,853</b>
<b>(VIII) Extraordinary Items</b>			
<b>(IX) Profit before tax (VII - VIII)</b>		<b>79,598,521</b>	<b>208,853</b>
<b>(X) Tax expense:</b>			
Current tax		5,600,000	-
Deferred tax (Reversal)		26,866,303	-
<b>(XI) Profit for the year</b>		<b>47,132,218</b>	<b>208,853</b>
<b>(XII) Earnings per Equity share-Basic &amp; Diluted</b>		<b>15.11</b>	<b>0.07</b>

Notes form an integral part of the Financial Statements

As per our report of even date attached.

For **Shyam Malpani & Associates**

Chartered Accountants

**Shyam Malpani**

Proprietor

Place : Mumbai

Date : May 30, 2016

For **Sarda Papers Limited**

**Kamini Kamal Johari**

Director

DIN: 01309286

**Manish D. Ladage**

Director

DIN: 00082178

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016**

PARTICULARS	For the Year Ended 31.03.16		For the Year Ended 31.03.15	
	AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)	AMOUNT (Rs.)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit/(Loss) After Tax		47,132,218		208,853
Adjusted for:				
a) Depreciation	16,636		152,418	
b) Profit/Loss on sale of Fixed Assets	(79,794,519)		(1,837)	
c) Deferred Tax	26,866,303	(52,911,580)	-	150,581
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		(5,779,362)		359,434
a) Trade Receivables	(8,026,574)		1,110,826	
b) Inventories	(685,938)		172,930	
c) Trade Payable	15,365		(446,456)	
d) Other Current Liabilities	(31,984,079)	(40,681,226)	2,163,597	3,000,896
CASH GENERATED FROM OPERATIONS		(46,460,588)		3,360,330
Less:				
Taxes Paid	4,804,740	4,804,740	(119,466)	(119,466)
Net Cash Generated From Operating Activities (A)		<u>(41,655,848)</u>		<u>3,240,864</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
a) Loans & Advances & Deposits	130,030		19,249	
b) Sale of Fixed Assets	83,500,000	83,630,030	300,000	319,249
Net Cash Used In Investing Activities (B)		<u>83,630,030</u>		<u>319,249</u>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
a) Redemption of Preference Shares	(42,500,000)		-	
b) Proceeds from Short Term Borrowings(Unsecured)	562,244		200,000	
c) Proceeds from Long Term Borrowings(Unsecured)	-	(41,937,756)	(3,476,369)	(3,276,369)
Net Cash Used In Financing Activities (C)		<u>(41,937,756)</u>		<u>(3,276,369)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents		<u>36,431</u>	(A)+(B)+(C)	<u>283,749</u>
Opening Balance of Cash & Cash Equivalents		376,210		92,461
Closing Balance of Cash & Cash Equivalents	412,641	<u>36,431</u>	376,210	<u>283,749</u>

Notes form an integral part of the Financial Statements

As per our report of even date attached.

For **Shyam Malpani & Associates**

Chartered Accountants

**Shyam Malpani**

Proprietor

Place : Mumbai

Date : May 30, 2016

For **Sarda Papers Limited**

**Kamini Kamal Johari**

Director

DIN: 01309286

**Manish D. Ladage**

Director

DIN: 00082178

**Note 1: Significant Accounting Policies and Notes to Accounts****I. Significant Accounting Policies****1.1 Basis of Accounting**

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention.

**1.2 Use of Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

**1.3 Fixed Assets and Depreciation**

- i) Fixed assets are stated at cost of acquisition /construction including any cost attributable to bringing the assets to their working condition, less accumulated depreciation.
- ii) The Company provides depreciation on Straight Line Method in respect of assets based on their useful lives and in the manner set out in the Schedule II to the Companies Act, 2013. Depreciation on Computer Software is provided at 25% per annum.

**1.4 Inventories**

Inventories have been valued at lower of Cost or Net Realisable Value

**1.5 Retirement Benefits:**

Gratuity and Leave encashment are provided in the accounts on accrual basis.

**1.6 Accounting for Taxes on Income**

Provision for Current Taxation is computed in accordance with the relevant Income Tax Law applicable. Deferred Taxation is calculated as stipulated in Accounting Standard-22.

**1.7 Revenue Recognition**

Sales are recognized on dispatch of goods to customers and are recorded net of trade discount, rebates and Sales Tax but including Excise Duty.

**1.8 Impairment of Assets**

The carrying amounts of the Company's assets are reviewed at each Balance Sheet date. If any indication of impairment exists, an impairment loss is recognized to the extent of the excess of the carrying amount over the estimated accountable amount.

**1.9 Contingent Liabilities and Provisions**

Disputed Liabilities and claims against the Company including claims raised by the various revenue authorities (e.g. Income Tax, Excise etc.), pending in appeal /court for which no reliable estimate can be made of the amount of the obligation or which are remotely poised for crystallization are not provided for in accounts but disclosed in the notes to accounts.

However, present obligation as a result of past event with possibility of outflow of resources, when reliably estimable, is recognized in accounts.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

PARTICULARS	AS AT	AS AT
	31.03.2016	31.03.2015
	AMOUNT (Rs.)	AMOUNT (Rs.)
<b>Note 2: Share Capital</b>		
<b>AUTHORIZED CAPITAL</b>		
35,00,000 of Equity Shares of Rs.10/- each.	35,00,000	35,00,000
425,000 of 1% Redeemable Preference Shares of Rs. 100/- each	-	42,50,000
	<u>35,00,000</u>	<u>77,50,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
31,20,000 of Equity Shares of Rs.10/- each, Fully Paid up	31,20,000	31,20,000
Less: 1,100 Shares of Rs. 10/- each Forfeited	11,000	11,000
Balance : 31,18,900 shares of Rs. 10 each	<b>31,189,000</b>	<b>31,189,000</b>
425,000 of 1% Redeemable Preference Shares of Rs. 100/- each, Fully Paid up	-	42,50,000
<b>Total</b>	<u><b>31,189,000</b></u>	<u><b>73,689,000</b></u>

"The company has one class of equity shares having a par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share"

**Reconciliation of No. Of Equity Shares**

Number of Equity Shares at the beginning	3,118,900	3,118,900
Add:- Number of Shares Issued during the Year	-	-
Number of Equity Shares at the end	<u>3,118,900</u>	<u>3,118,900</u>

**Reconciliation of No. Of Preference Shares**

Number of Equity Shares at the beginning	425,000	425,000
Add:- Number of Shares Issued during the Year	-	-
Less: Redeemed during the year	425,000	-
Number of Equity Shares at the end	<u>-</u>	<u>425,000</u>

**Details of shareholders holding more than 5% of Equity Shares**

Name	As At 31.03.2016		As At 31.03.2015	
	% of Holding	No. of Share Holding	% of Holding	No. of Share Holding
Kamini Kamal Johari	18.53%	578,075	18.53%	578,075
Kartik Kamal Johari	18.53%	578,075	18.53%	578,075
Manish Dharanendra Ladage	18.53%	578,075	18.53%	578,075
N.R. Parmeswaran	18.53%	578,073	18.53%	578,073

**Details of shareholders holding more than 5% of Preference Shares**

Name	As At 31.03.2016		As At 31.03.2015	
	% of Holding	No. of Share Holding	% of Holding	No. of Share Holding
Nobel Hygiene Pvt Ltd	0.00%	-	100.00%	425,000

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

<b>PARTICULARS</b>	<b>AS AT 31.03.2016 AMOUNT (Rs.)</b>	<b>AS AT 31.03.2015 AMOUNT (Rs.)</b>
<b>Note 3: Reserve &amp; Surplus</b>		
Deficit balance as per Statement of Profit & Loss		
Balance Brought Forward	(73,676,461)	(73,583,058)
Add: Surplus for the year	47,132,218	208,853
Less : Depreciation of earlier years	-	(302,256)
Less : Income Tax earlier years	767,755	-
<b>Total</b>	<b>(27,311,998)</b>	<b>(73,676,461)</b>
<b>Note 4: Short Term Borrowings</b>		
<b>Unsecured Loan</b>		
From Directors	300,000	-
<u>From Related Parties</u>		
Nobel Hygiene Pvt Ltd	1,008,051	745,807
Security Deposit against Leave & License	-	6,500,000
<b>Total</b>	<b>1,308,051</b>	<b>7,245,807</b>
<b>Note 5: Trade Payables</b>		
For Expenses	165,688	150,323
<b>Total</b>	<b>165,688</b>	<b>150,323</b>
<b>Note 6: Other Current Liabilities</b>		
Sales Tax Deferral Loan	-	21,327,538
Advance for Sale of Assets	-	5,000,000
Advance against Sale of Property	-	5,650,000
<u>Other Payables</u>		
Statutory Dues	9,000	15,541
<b>Total</b>	<b>9,000</b>	<b>31,993,079</b>
<b>Note 7: Short-term Provisions</b>		
Provision For Income Tax (Asst. Year 2016-17) (Net of Avance Tax & TDS)	5,600,000	-
	<b>5,600,000</b>	-

**Note 8: Fixed Assets**

DESCRIPTION		GROSS BLOCK AT COST			DEPRECIATION				NET BLOCK		
		As at 01.04.2015	Addition/ (Deduction)	As at 31.03.2016	Upto 01.04.2015	For the year	Sold/ Deduction during the Year	Charged to retained earnings	Upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
I	<b>Tangible Assets</b>										
1	Land	2,351,037	(2351037)	-	569,203	4,339	-	573,542	-	-	1,781,834
2	Factory Building	13,240,687	(13240687)	-	8,213,051	-	-	8,213,051	-	-	5,027,636
3	Office Premises	3,066,748	(3066748)	-	1,048,081	9,117	-	1,057,198	-	-	2,018,647
4	Plant and Equipment	6,273,944	(6273944)	-	5,548,676	-	-	5,548,676	-	-	725,268
5	Furnitures & Fixtures	1,145,634	(1145634)	-	1,140,019	3,180	-	1,143,199	-	-	10,887
	<b>SUB TOTAL (A)</b>	<b>26,078,050</b>	<b>(26078050)</b>	<b>-</b>	<b>16,519,030</b>	<b>16,636</b>	<b>(16,535,666)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,564,272</b>
II	<b>Intangible Assets</b>										
	<b>SUB TOTAL (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total [A+B] (Current Year)</b>	<b>26,078,050</b>	<b>(26,078,050)</b>	<b>-</b>	<b>16,519,030</b>	<b>16,636</b>	<b>(16,535,666)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,564,272</b>
	<b>(Previous Year)</b>	<b>30,113,853</b>	<b>(706,015)</b>	<b>29,407,838</b>	<b>19,796,744</b>	<b>152,418</b>	<b>(407,852)</b>	<b>302,256</b>	<b>19,843,566</b>	<b>9,564,272</b>	<b>10,317,109</b>

Note: During the year the company has sold all its fixed assets vide an agreement dated 03.06.2015 and realised the consideration as per the said agreement consequently there is no net block remaining as at end of the year



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

<b>PARTICULARS</b>	<b>AS AT 31.03.2016 AMOUNT (Rs.)</b>	<b>AS AT 31.03.2015 AMOUNT (Rs.)</b>
<b>Note 9 : Deffered Tax Assets (Net)</b>		
Deferred Tax Assets	-	26,866,303
<b>Total</b>	<b>-</b>	<b>26,866,303</b>

Following is the Deferred Tax position of the Company:

<b>Description</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
<b>Opening Deferred Tax Liabilities</b>	(26,866,303)	5,955,147
- Due to Timing Difference in Depreciation	(5,955,147)	-
<b>Less – Opening Deferred Tax Assets under Income Tax Act, 1961</b>		
- On Accumulated Losses	32,804,319	(32,804,319)
- On Payments u/s 43B	17,131	(17,131)
<b>Net Deferred Tax Assets as at the close of the Year</b>	<b>-</b>	<b>(26,866,303)</b>

(a) The Company has sold its entire block of fixed assets for a lumpsum consideration of Rs. 9.00 crores as per agreement dated 3rd June 2015. The surplus arising out of the above transaction has been recognised in the statement of Profit and Loss

**Note 10 : Long Term Loans and Advances**

(Unsecured, Considered Good)

Security Deposit	-	657,845
Others	223,866	334,061
<b>Total</b>	<b>223,866</b>	<b>991,906</b>

**Note 11 : Inventories**

Raw Material (Net of Provision for Dimunition in Value of Inventories)	928,126	242,188
<b>Total</b>	<b>928,126</b>	<b>242,188</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT 31ST MARCH, 2016**

PARTICULARS	AS AT 31.03.2016 AMOUNT (Rs.)	AS AT 31.03.2015 AMOUNT (Rs.)
<b>Note 12 : Trade Receivables</b>		
<b>Outstanding for more than six months</b>		
Unsecured, Considered Good :	-	103,510
Doubtful	1,302,466	1,198,955
<b>Others</b>		
Unsecured, Considered Good :	8,443,990	313,906
	<u>9,746,456</u>	<u>1,616,371</u>
Less:Provision for Doubtful Debts	(1,302,466)	(1,198,955)
<b>Total</b>	<u><u>8,443,990</u></u>	<u><u>417,416</u></u>
<b>Note 13 : Cash &amp; Cash Equivalent</b>		
<u>Cash-in-Hand</u>	355,555	327,431
<u>Balance With Banks</u>		
In Current Account	46,075	37,768
In Margin Money Account	11,011	11,011
<b>Total</b>	<u><u>412,641</u></u>	<u><u>376,210</u></u>
<b>Note 14 : Short Terms Loans and Advances</b>		
(unsecured, considered Good)		
Loans & Advance from non- related parties	-	46,350
MVAT Credit Available	26,515	-
Advance Tax (Net of Provision for Taxation)	924,603	897,105
<b>Total</b>	<u><u>951,118</u></u>	<u><u>943,455</u></u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

<b>PARTICULARS</b>	<b>YEAR ENDED 31.03.2016</b>	<b>YEAR ENDED 31.03.2015</b>
<b>Note 15: Revenue From Operation</b>		
Local Sales	8,041,894	-
	<u>8,041,894</u>	<u>-</u>
<b>Note 16: Other Income</b>		
Rental Income	150,000	900,000
Interest Income (Net)	46,027	52,156
Sundry Balances Written Back	195,711	24,434
Interest on Income Tax Refund	14,910	-
Sales Tax Refund Received	-	2,246
Reserve for Doubtful Debts written back	-	41,798
Profit/Loss on Sale of Fixed Assets	-	1,837
	<u>406,648</u>	<u>1,022,471</u>
<b>Note 17: Cost of Material Consumed</b>		
Opening Stock of Raw Material	242,186	415,118
Add : Purchases of Raw Material	-	-
Less : Closing Stock of Raw Material	242,186	242,188
	<u>-</u>	<u>172,930</u>
<b>Note 18: Increase / (Decrease) in Stock-in-Trade</b>		
Opening Stock of Stock-in-Trade	-	-
Less : Closing Stock of Stock-in-Trade	685,940	-
	<u>(685,940)</u>	<u>-</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

<b>PARTICULARS</b>	<b>YEAR ENDED 31.03.2016</b>	<b>YEAR ENDED 31.03.2015</b>
<b>Note 19: Other Expenses</b>		
Legal & Professional Fees	57,250	213,686
Advertisement & Sales Promotions	83,528	90,088
Audit Fees	45,700	44,944
Printing & Stationery	61,509	78,464
Listing Fees	334,831	131,460
Directors Sitting Fees	20,000	41,000
ROC Filing Fees	96,600	-
Share Transfer Expenses	-	47,196
Travelling & Conveyance	-	12,653
Postage & Telephone Expenses	585	15,382
Courier Charges	-	35,918
Rates & Taxes	-	47,121
Interest on Others	-	7,051
Interest on MVAT	437	-
Service Tax	2,755	18,103
Miscellaneous Expenses	10,217	1,095
Bank Charges	2,172	111
Profession Tax	2,500	-
Meeting Exp	11,400	-
Web Site Charges	12,165	12,000
<b>Total</b>	<b><u>741,649</u></b>	<b><u>796,270</u></b>

**Note: 20 Computation of Earnings/(Loss) Per Share (Basic and Diluted):**

Description	Current Year	Previous Year
Amounts used as numerator (Rs.)	4,71,32,218	2,08,853
No. of Equity Shares used as denominator (Nos.)	3,118,900	3,118,900
Nominal value per Equity Share (Rs.)	10	10
Earnings/(Loss) per Share (Basic and Diluted) (Rs.)	15.11	0.07

**Note: 21 Contingent Liabilities:**

Demands of Statutory Authorities not acknowledged as debts and appealed against by the Company in respect of Excise Duty: Rs.15.41 Lacs (Previous Year: Rs. 20.26 Lacs)

Contingent liabilities as may arise on account of non/delayed compliance of certain fiscal statutes – Amount uncertainable (Previous year: Amount uncertainable).

**Note: 22 Confirmation of Balances**

Certain Balances appearing in various accounts under the heads Trade Receivables, Loans and Advances, Short Term Borrowings and Current Liabilities as appearing in the accounts are subject to the confirmation from the respective parties and consequential reconciliation, if any. However the Company anticipates no significant variations from its book values as on the Balance Sheet date.

**Note: 23** In the opinion of the management, the Current Assets, Loans and Advances are expected to realize at the value stated in the Balance Sheet and adequate provisions have been made for all known liabilities.

**Note: 24 Inventory**

- The inventory as at the close of the year was as taken, valued and certified by a director.
- Adequate provision towards obsolescence of inventory has been considered in the accounts keeping in view the management's opinion that the same is expected to realise at or above the cost in near future.

**Note: 25 Segment information:**

There is no identifiable segment within the meaning of the Accounting Standard-17, Segment Reporting, since the Company is engaged in a single segment of business (i.e. trading). Hence no disclosure as per the said Accounting Standard is required to be given by the Company during the year.

**Note: 26 Employee Benefits**

As there are no employees with the Company during the year no provision towards gratuity and leave encashment has been considered in the accounts within the meaning of accounting standard – 15 employee benefits.

**Note: 27 Micro, Small and Medium Enterprises Development Act, 2006**

There were no dues to Micro and Small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 during the current year (Previous Year-Nil).

**Note: 28 Taxation**

- (a) Provision for taxation is computed in accordance with the relevant applicable provisions of the Income Tax Act, 1961.
- (b) The Company has during the year, sold its factory along with Land & Building for a lumpsum consideration of Rs. 9.00 crores. The surplus arising out of the above transaction was recognized in the statement of profit and loss and consequently set off against brought forward losses of the earlier years under the Income Tax Act, 1961. Hence Deferred Tax Asset created in earlier years to the tune of Rs.2.69 Crore was reversed during the year, Thus making balance in the Deferred Tax Assets account to Nil.

**Note: 29 Related Party Disclosures**

**(A) Details of Key Managerial Personnel**

**Names of the related parties and nature of relationship which exists** Nature of Relationship

Mr. Manish D. Ladage Director

Mrs. Kamini Kamal Johari Director

**(B) Names of Related Parties with whom transactions were carried out during the year, where control exists (Associates)**

**Name**

**Nature of Relationship**

M/s. Nobel Hygiene Pvt Ltd Enterprise over which Key Managerial Personnel exercise Significant Influence

**(C) Disclosure of Related Party Transactions**

**During the year**

**As at 31 March,  
2016 (Rs.)**

**As at 31 March,  
2015 (Rs.)**

	As at 31 March, 2016 (Rs.)		As at 31 March, 2015 (Rs.)	
	With Key Managerial Personnel	With Associates	With Key Managerial Personnel	With Associates
Rent Income	-	150,000	-	2,25,000
Interest Income	-	46,027	-	-
Sale of Fixed Assets	-	9,00,00,000	-	-
Unsecured Loan Taken	3,00,000	2,62,244	-	-
Loan & Advances taken	-	-	-	60,75,000
Inter-Corporate Deposit – Given	-	2,00,00,000	-	-
Inter-Corporate Deposit – Received	-	2,00,00,000	-	-
Security Deposit Repaid	-	71,57,845	-	-
Receipt from Sundry Debtors	-	3,13,906	-	-
Redemption of Preference Shares	-	4,25,00,000	-	-



Outstanding Balances	As at 31 March, 2016 (Rs.)		As at 31 March, 2015 (Rs.)	
	With Key Manageral Personnel	With Associates	With Key Manageral Personnel	With Associates
Loan Repayable on demand	3,00,000	10,08,051	-	745,807
Interest Receivable	-	41,424	-	-
Security Deposit	-	-	-	6,500,000
Advance for sale of assets	-	-	-	10,650,000
Trade Receivables	-	-	-	3,13,906

Note : Related party relationships are identified by the Company and relied upon by the auditors.

**Note : 30 Company Secretary**

During the year, the Company has continued with its efforts to appoint a whole-time Company Secretary towards compliance with Section 203 of the Companies Act, 2013, but could not find a suitable candidate.

**Note : 31 Sales Tax Deferral**

During the year, the Company has settled the Sales tax Deferral Loan of Rs.2.13 Crore at Rs.2.09 Crore.

**Note : 32 Previous year's figures**

Previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary.

For **Sarda Papers Ltd**

**Director**  
**(Kamini Kamal Johari)**  
**DIN: 01309286**

**Director**  
**(Manish D Ladage)**  
**DIN: 00082178**

Place: Mumbai

Date: 30<sup>th</sup> May 2016



## SARDA PAPERS LIMITED

CIN NO. L51010MH1991PLC061164

Regd. Office & works Plot No. A/70, M.I.D.C., Sinnar, Dist. Nasik – 422 103, Maharashtra

Website: [www.sardapapers.com](http://www.sardapapers.com) \* Email: [info.spl1991@gmail.com](mailto:info.spl1991@gmail.com)

### ATTENDANCE SLIP

Folio No.....	DP ID.....	Client ID.....
No. of Shares.....		
Name & Address of the Shareholder:		

I hereby record my presence at the TWENTY FIFTH ANNUAL GENERAL MEETING of the Company being held on Wednesday the 28th September, 2016 at 2.00 P.M at A-70, M.I.D.C., Sinnar, Dist. Nasik, Pin 422 103 Maharashtra.

Name(s) of the Shareholder(s) / Proxy (IN BLOCK CAPITALS)

---

---

---

Signature(s) of the Shareholder(s) or Proxy

---

NOTE: No duplicate Attendance Slip will be issued at the Meeting Hall. You are requested to bring your copy of the Annual Report to the Meeting.

### ELECTRONIC VOTING PARTICULARS

Shareholder may please note the user id and password given below for the purpose of e-Voting in terms of section 108 of the Companies Act, 2013, read with rule 20 of the Companies (Management and Administration) Rules, 2014.

Detail instructions for e-Voting are given in Note (J) of the AGM Notice.

EVENT (e-Voting Event Number)	User ID	Password





# SARDA PAPERS LIMITED

CIN NO. L51010MH1991PLC061164

Regd. Office & works Plot No. A/70, M.I.D.C., Sinnar, Dist. Nasik – 422 103, Maharashtra

Website: [www.sardapapers.com](http://www.sardapapers.com) \* Email: [info.spl1991@gmail.com](mailto:info.spl1991@gmail.com)

## PROXY FORM

Folio No.	DP ID:	Client ID:
No. of Shares		

I/We- \_\_\_\_\_  
\_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ being a member/members of SARDA PAPERS LIMITED  
hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or  
Failing him \_\_\_\_\_ of \_\_\_\_\_ as my/our Proxy to vote  
for me/us and on my/our behalf at the Twenty Fourth Annual General Meeting of the Company to be held on  
Wednesday the 28th September, 2016 at 2.00 p.m. and any adjournment thereof.

Resolution No.	Resolution	For	Against
1	Adoption of the Audited Financial Statements for the Year ended 31st March, 2016 together with the reports of the Board of Directors and Auditors.		
2	Re- appointment of Mr.Manish Dharanendra Ladage (DIN 00082178) as a director liable to retire by rotation		
3	Appointment of Statutory Auditors M/s. SMMP & Associates (Formerly known as M/s. Shyam Malpani & Associates) Chartered Accountants, Mumbai		

\_\_\_\_\_  
Signature of the Shareholder (s)

\_\_\_\_\_  
Signature of the Proxy holder(s)

Please Affix  
Re. 1  
Revenue  
Stamps

NOTE: The Proxy Form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting.

To,

If undelivered please return to :  
**SARDA PAPERS LTD.**  
A-70,M.I.D.C.,  
Sinnar, Dist. Nasik, Pin 422 103  
Maharashtra  
Mob.: 93232 99979

DAS PRINTING : 40026615/16