



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

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NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the Members of SARDA PAPERS LIMITED will be held on Wednesday, 28th 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 as 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 **21st September, 2016 to 28th 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 25th Annual General Meeting (AGM) of the Company, dated 28th September (the AGM Notice). The e-voting facility is available at the link 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 25th 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 27th 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) 21st 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
- (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 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:

	For Members holding shares in Demat Form and Physical Form
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">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
Dividend Bank Details OR 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">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).

- (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 30th 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 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.
 - 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 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, 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, under help section or write an email to 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

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