



SOMA
PAPERS
AND INDUSTRIES LIMITED

25TH ANNUAL REPORT 2015-16

BOARD OF DIRECTORS

G. S. MANASWALA
K. G. GUPTA
VIKRAM SOMANI
BHARAT SOMANI
SARASWATI SOMANI

BANKERS

Bank of India

AUDITORS

M/s Dharmesh Shah & Company,
Mumbai.

REGISTERED OFFICE

G. D. Somani Marg, Panchak,
Nashik Road – 422101

HEAD OFFICE

3rd Floor,
Indian Mercantile Chambers,
14, R. Kamani Marg, Ballard Estate,
Mumbai – 400001

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Web : <http://www.somapapers.in>
CIN : L21093MH1991PLC064085
PAN : AAACS6835Q
ISIN : INE737E01011

REGISTRAR & TRANSFER AGENTS

Adroit Corporate Services Pvt. Ltd.
16/1920, Jafferbhoy Ind Estate, Makwana Marg,
Marol Naka, Andheri(E),
Mumbai – 400 059
Tel : 28594060/28596060
Fax : 28503748
Email : info@adroitcorporate.com

NOTICE

TO THE MEMBERS

Notice is hereby given that the Twenty Fifth Annual General meeting of the members of Soma Papers & Industries Limited will be held at the registered office of the company at G. D. Somani Marg, Panchak, Nasik Road-422101 on 29th July, 2016 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the audited annual accounts of the company for the year ended on 31st March, 2015 and the reports of the board of directors and auditors thereon.
2. To appoint a director in place of Mr. K G Gupta (DIN: 00997067) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a director in place of Mr G S Manasawala (DIN: 01267114) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint auditors of the company to hold office up to the conclusion of the next annual general meeting and to fix their remuneration and if thought fit, to pass with or without modification, the following resolution as special resolution.

“Resolved that M/s Dharmesh Shah & Company, Chartered Accountants, be and are hereby appointed auditors of the company to hold office up to the conclusion of the next annual general meeting on such remuneration as may be fixed by the board of directors of the company exclusive of travelling and other out of pocket expenses.”

By order of the Board of Directors

Mumbai

31st May, 2016

VIKRAM SOMANI
(DIN 00054310)
WHOLE TIME DIRECTOR

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member.
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty in number and holding in aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. In case of a Member holding more than ten per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
4. Members / Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
7. The Register of Members and Share Transfer Books of the Company will remain closed from **20.07.2016 to 25.07.2016** (both days inclusive).
8. Members are requested to send all communications concerning shares, change of address etc. to the Company's Registrar, **Adroit Corporate Services Pvt. Ltd.** quoting their folio and reference no. Members are also requested to send their email address to the company's Registrar.
9. As stipulated under Clause 49 of the Listing Agreement, a profile and brief resume of the Directors seeking reappointment, their memberships/chairmanship in various Board Committees and names of other Companies in which they hold Directorships, is given in the Corporate Governance Report which forms part of the Annual Report.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
11. Shareholders who are still holding physical share certificate(s) are advised to dematerialize their shareholding to avail the benefits of dematerialization.

Directors' Report

The Members,

Your Directors take pleasure in presenting the Annual Report on the business and operations of your Company along with the financial statements for the year ended 31st March, 2016.

FINANCIAL RESULTS:

Particulars	Year ended 31st March 2016 (in Rupees)	Year ended 31st March 2015 (in Rupees)
Income from Operations and Other Income	5,94,522	1,34,679
Profit before Interest & Depreciation	(71,521)	(6,40,843)
Less: Interest & Bank charges	-	-
Less: Depreciation	(4,131)	(8,821)
Profit before Tax	(75,652)	(6,49,664)
Less: Provision for Taxation	-	-
Profit after Tax	(14,58,141)	(6,49,664)
Less: Deferred Tax Expenses/(Savings)	-	-
Net Profit	(14,58,141)	(6,49,664)
Add: Surplus brought forward	-	-
Less: Adjustment for change in depreciation due to provisions of Schedule II of	-	-
Balance carried to Balance Sheet	(14,58,141)	(6,49,664)

OPERATIONS:

The company had to stop its manufacturing activity w.e.f August 4, 2004, as the same had become totally unviable. As company has not carried out any activity during the year. The company has made a loss of (Rs.14,58,141/-) for the year under review. The same has been carried forward to balance sheet along with brought forward loss of (Rs.8,53,61,431/-)

DIVIDEND:

Since the Company has not earned any profit during the year, the Directors regret their inability to propose any dividend.

SHARE CAPITAL:

The paid up capital of the Company as on March 31, 2016 was Rs.1,40,21,500/- and there is no change in share capital during the financial year.

HOLDINGS, SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

The company has one subsidiary Company namely M/s Vecron Industries Ltd.

CHANGE IN NATURE OF BUSINESS:

There is no change in the nature of business during the year under review.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in **Form MGT 9** as per provisions of Companies Act, 2013 and rules thereto is annexed to this report [**Annexure A**].

DEPOSIT:

The Company has not accepted any deposits from the public during the year under review.

PARTICULARS OF EMPLOYEES:

Disclosure required under Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended up to date is not applicable, since your Company has no such employees.

BOARD OF DIRECTORS:

Mr. Bharat Somani (DIN 00286793) & Mr. Vikram Somani (DIN: 00054310) are liable to retire by rotation by the virtue of the provision of section 161 of the Companies Act, 2013, The Directors being eligible to offer themselves for re-appointment.

BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

NUMBER OF BOARD MEETINGS:

The Board had Five (5) Board Meetings during the financial year under review as follows:

Sr. No.	Date of Meeting	No. of Directors Present
1	31 May, 2015	4
2	31 July, 2015	4
3	31 October, 2015	4
4	29 January, 2016	4
5	23 March, 2016	4

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company is not falling under the criteria specified for Corporate Social Responsibility under section 135 of the Companies Act, 2013. Therefore, the Company was not required to constitute CSR Committee during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year the Company has not made any Loans, Guarantee, or Investments in Equity covered under the Section 186 of the Companies Act, 2013.

RISK MANAGEMENT POLICY:

The Board of Directors of the Company has adopted a Risk Management Policy which aims at enhancing shareholders' value and providing an optimum risk-reward trade-off. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

STOCK EXCHANGES:

The Company's shares are listed on the Bombay Stock Exchange Limited.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company is committed to provide a safe and conducive work environment to its employees during the year under review. Your Directors further state that during the year under review, there were no cases filed pursuant to Workplace (Prevention, Prohibition & Redressal) Act, 2013

CONSOLIDATED FINANCIAL STATEMENTS:

Company has one subsidiary namely Vecron Industries Limited (CIN: U50101DN1996PLC000109). The consolidated financial statements for the financial year 2015-16 are given in separate part forming part of this report.

AUDITORS AND AUDITORS REPORT:

M/s. Dharmesh Shah & Co., Chartered Accountants, Mumbai bearing ICAI Firm Registration No. 138794W were appointed as Statutory Auditors at their Annual General Meeting held on 30th September, 2015 to hold the office for the period as such from the conclusion of this Annual General Meeting (AGM) till the conclusion of next AGM i.e. for the Annual General Meeting to be held in year 2016 subject to ratification at each Annual General Meeting. The Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified from appointment.

SECRETARIAL AUDITOR

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of Mr. Prabhat Maheshwari, Company Secretary in Practice, Mumbai to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2016.

The Secretarial Audit Report (In Form No. MR. 3) is attached as “**Annexure- B**” to this Report.

EXPLANATION TO AUDITOR’S REMARKS:

The replies to the queries of statutory auditor in their audit report for the financial year 2015-16 are enclosed as “**Annexure-C**” to this report.

EXPLANATION TO SECRETARIAL AUDITOR’S REMARKS:

The replies to the queries of secretarial auditor in their secretarial audit report for the financial year 2015-16 are enclosed as “**Annexure-D**” to this report.

CORPORATE GOVERNANCE

The Company is committed to maintain highest standards of Corporate Governance. To comply with conditions of Corporate Governance, pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, Management Discussion and Analysis Report, Corporate Governance Report and Auditor Certificate and shareholders information form a part of this Annual Report.

RELATED PARTY TRANSACTIONS:

There are no materially significant related party transactions made by the Company. Information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Notes on financial statements and the same forms part of this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement, the Board of Directors had approved the Policy on Vigil Mechanism/ Whistle Blower in its meeting held on 30 May 2014. This Policy inter-alia provides a direct access to the Chairman of the Audit Committee. Your Company hereby affirms that no Director/ employee have been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

The ensuing case before the Debts Recovery Appellate Tribunal (DRAT) at Mumbai has resulted in the Honorable Judge passing an Order setting aside the sale of movable and immovable assets by Bank of India owned by the Company. However, the alleged purchaser has appealed to the higher court and the case is now pending before the Bombay High Court.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNT TO IEPF

The company was not require to transfer unpaid and unclaimed amount to IEPF, The said provision related to IEPF are not applicable to the company during the period under review.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

Information in accordance with the provisions of Section 134(3)(m) of the Act read with concerning conservation of energy and technology absorption and foreign Exchange Earning and Outgo respectively was not applicable to the Company during the year under review. The operation of the Company was confined within the territory of India only and therefore, the details relating to foreign exchange earnings and outgo were nil.

DIRECTORS' RESPONSIBILITY STATEMENT:

In term of provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

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

ACKNOWLEDGEMENTS:

Your Directors are pleased to place on the record their sincere gratitude to various regulatory authorities, customers, suppliers, business partners/associates, bankers and financial institutions for their consistent support/encouragement to the Company.

Your Directors would also like to thanks the Members for reposing their confidence and faith in the Company and its Management.

For and on behalf of the Board of Directors SOMA PAPERS AND INDUSTRIES LIMITED		
Mumbai 30 May, 2016	Vikram Somani (DIN 00054310)	Bharat Somani Whole Time Director Director(DIN 00286793)

Annexure A to Directors' Report

FORM NO. MGT 9					
EXTRACT OF ANNUAL RETURN					
As on financial year ended on 31.03.2016					
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.					
I. REGISTRATION & OTHER DETAILS:					
1	CIN	L21093MH1991PLC064085			
2	Registration Date	19/11/1991			
3	Name of the Company	SOMA PAPERS AND INDUSTRIES LIMITED.			
4	Category/Sub-category of the Company	LISTED COMPANY/ COMPANY LIMITED BY SHARES INDIAN NON-GOVERNMENT COMPANY			
5	Address of the Registered office & contact details	G .D. SOMANI MARG, PANCHAK, NASIK ROAD, NASIK-422101, MAHARASHTRA.			
6	Whether listed company	Yes			
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ADROIT CORPORATE SERVICES PVT. LTD. 16/1920, Jafferbhoy Industrial Estate, Makwana Marg,,Morol Naka, Andheri (E), Mumbai – 400059.			
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY					
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)					
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company		
1	NIL	NIL	NIL		
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:					
S N	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	VECRON INDUSTRIES LIMITED	U50101DN1996PLC000109	Subsidiary Company	100%	2(87)
2	SRS TRADING & AGENCIES PVT. LTD.	U51900MH1981PTC025057	Associate Company	40.35%	2(6)
IV. SHARE HOLDING PATTERN					
(Equity share capital breakup as percentage of total equity)					
(i) Category-wise Share Holding					
Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]	No. of Shares held at the end of the year [As on 31-March-2016]	% Change during the year		

	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	88907	-	88907	6.34%	88907	-	88907	6.34%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	605223	-	605223	43.16%	605223	-	605223	43.16%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	694130	-	694130	49.50%	694130	-	694130	49.50%	-
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	694130	-	694130	49.50%	694130	-	694130	49.50%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	7750	2300	10050	0.72%	7750	2300	10050	0.72%	-
b) Banks / FI	45420	75	45495	3.24%	45460	75	45535	3.25%	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	40379	0	40379	2.88%	40379	0	40379	2.88%	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	93549	2375	95924	6.84%	93589	2375	95964	6.85%	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	43931	59075	108018	7.70%	59124	52934	112409	8.02%	(0.32%)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal	361214	120489	481703	34.35%	303722	110155	413877	29.52%	4.83

share capital upto Rs. 2 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	22375	-	22375	1.60%	66403	12840	79243	5.65%	(4.05%)
c) Others (specify)									
Non Resident Indians	4862	50	4862	0.35%	6327	50	6377	0.45%	- (0.1%)
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	150	-	150	0.01%	150	-	150	0.01%	-
Foreign Bodies - DR	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	432532	179614	617108	44.01%	435726	175979	612056	43.65%	-
Total Public (B)	526031	181989	708020	50.50%	523125	184895	708020	50.50%	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1220161	181989	1402150	100%	1219474	182676	1402150	100%	-

(ii) Shareholding of Promoter									
SN	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	ASHA SOMANI	15,070	1.07%	-	15,070	1.07%	-	-	
2	RAKHI SOMANI	7,300	0.52%	-	7,300	0.52%	-	-	
3	SARASWATI SOMANI	27,575	1.97%	-	27,575	1.97%	-	-	
4	BHARAT KRISHNAKUMAR SOMANI	27,500	1.96%	-	27,500	1.96%	-	-	
5	VIKRAM SOMANI HUF	3,000	0.21%	-	3,000	0.21%	-	-	
6	VIKRAM SOMANI	8,462	0.60%	-	8,462	0.60%	-	-	
7	ORICON ENTERPRISES LTD	39,487	2.82%	-	39,487	2.82%	-	-	

8	SRS TRADING & AGENCIES PVT LTD	5,65,736	40.35%	-	5,65,736	40.35%	-	-
Total		694130	49.50%		694130	49.50%		

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

(iv) Shareholding Pattern of top ten Shareholders Holding 5 % or More of total number of shares (Other than Directors, Promoters and Holders of GDRs and ADRs): There was no other shareholder in the Company who holding 5 % or More of total number of shares.

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Vikram Krishnakumar Somani						
	At the beginning of the year	01/04/2015		8,462	0.60%	8,462	0.60%
	Changes during the year	-	No Movement	-	-	-	-
	At the end of the year	31/03/2016		8,462	0.60%	8,462	0.60%
2	Bharat Krishnakumar Somani						
	At the beginning of the year	01/04/2015		27,500	1.96%	27,500	1.96%
	Changes during the year	-	No Movement	-	-	-	-
	At the end of the year	31/03/2016		27,500	1.96%	27,500	1.96%
3	Saraswati Somani						
	At the beginning of the year	01/04/2015		27,575	1.97%	27,575	1.97%
	Changes during the year	-	No Movement				
	At the end of the year	31/03/2016		27,575	1.97%	27,575	1.97%
4	K. G. Gupta						
	At the beginning of the year	01/04/2015		1,150	0.08%	1,150	0.08%
	Changes during the year	-	No Movement				
	At the end of the year	31/03/2016		1,150	0.08%	1,150	0.08%

V. INDEBTEDNESS: Indebtedness of the Company including interest outstanding/ accrued but not due for payment.						
					(Amount in Rupees)	
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness		
Indebtedness at the beginning of the financial year						
i) Principal Amount	-	-	-	-		
ii) Interest due but not paid	-	-	-	-		
iii) Interest accrued but not due	-	-	-	-		
Total (i+ii+iii)	-	-	-	-		
Change in Indebtedness during the financial year						
* Addition	-	-	-	-		
* Reduction	-	-	-	-		
Net Change	-	-	-	-		
Indebtedness at the end of the financial year						
i) Principal Amount	-	-	-	-		
ii) Interest due but not paid	-	-	-	-		
iii) Interest accrued but not due	-	-	-	-		
Total (i+ii+iii)	-	-	-	-		
VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL: There is no provision for Remuneration to Directors and Key Managerial personnel						
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:						
SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	Name	-	-	-	-	(Rs/Lac)
	Designation	-	-	-	-	-
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify					-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-
B. Remuneration to other Directors						

SN.	Particulars of Remuneration	Name of Directors				Total Amount
						(Rs)
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Gross Salary	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration			Name of Key Managerial Personnel			Total Amount
	Name			CEO	CFO	CS	(Rs/Lac)
1	Gross salary			-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-	-	-	-
2	Stock Option			-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-
	- others, specify	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	Total			-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: During the year 2015-16, there was no penalties/punishment/compounding of offences under the Companies Act, 2013.

Type	Section of the	Brief Description	Details of Penalty / Punishment/	Authority [RD /	Appeal made, if any (give Details)
------	----------------	-------------------	----------------------------------	-----------------	------------------------------------

	Companies Act		Compounding fees imposed	NCLT/ COURT]	
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors SOMA PAPERS AND INDUSTRIES LIMITED		
Mumbai 30 May, 2016	Vikram Somani Whole Time Director (DIN 00054310)	Bharat Somani Director (DIN 00286793)

**Annexure-C to the Directors' Report
Company's Replies to the Statutory Auditors Qualifications / Reservations**

STATUTORY AUDITORS' REPORT	COMPANY'S REPLY
<i>Basis for Disclaimer Opinion</i>	
1) <i>Preparation of accounts on the basis of a 'going concern' having consequential impact on the loss for the year, reserves and surplus and assets of the company.</i>	There is no manufacturing activities w.ef. august 2004, due to unavoidable reasons and circumstances and in result of the same the Company is facing annual losses, your Directors are trying to make all the arrangements to comply all the legal and regulatory requirements.

2) <i>Non provision of interest on loans and deposits. (The amount remains unascertained).</i>	There is no manufacturing activities w.ef. August 2004, due to unavoidable reasons and circumstances and in result of the same the Company is facing annual losses, your Directors are trying to make all the arrangements to comply all the legal and regulatory requirements.
--	---

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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of Relationship	NIL
	Nature of contracts/arrangements/transaction	NIL
	Duration of the contracts/arrangements/transaction	NIL
	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
	Justification for entering into such contracts or arrangements or transactions'	NIL
	Date of approval by the Board	NIL
	Amount paid as advances, if any	NIL
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis: No material contracts or arrangement or transactions at arm's length basis.

For and on behalf of the Board

(VIKRAM SOMANI)
(DIN: 00054310)
Whole Time Director
Mumbai, May 30, 2016

MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March, 2016.

INDUSTRY STRUCTURE & DEVELOPMENT:

The company was engaged in manufacturing coated papers since its inception at Nashik.

OVERVIEW

Your company had to stop its manufacturing activities w.e.f. August 4, 2004, as the same had become totally unviable due to severe shortage of some raw materials, labour problem, adverse domestic market condition, increasing cost of raw materials and abondment of import restrictions.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has adequate internal control procedures to commensurate with its size and nature of the business. These business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and statutes. The internal control system provide for well-documented policies, guidelines, authorizations and approval procedures and statutory requirements.

PERFORMANCE

The company is exploring scope of trading in papers as the activity of manufacturing is stopped.

HUMAN RESOURCE MANAGEMENT

The relationship with employees in the Company continues to be cordial. We strongly encourage all aspects of self-development.

For and on behalf of the Board

(VIKRAM SOMANI)
(DIN: 00054310)
Whole Time Director
Mumbai, May 30, 2016

**REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2015-16
(PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)**

The Company pursuant to Clause 49 of the listing agreement with the Stock Exchanges furnishes its report on the code on Corporate Governance.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company is fully committed to the principles of transparency, integrity and accountability in all spheres of its operations and has been practicing the principles of good corporate governance over the years. In keeping with this commitment, your Company has been uploading fair and ethical business and corporate practices and transparency in its dealings and continuously endeavours to review strengthen and upgrade its systems and procedures so as to bring in transparency and efficiency in its various business segments. Your Board of Directors present the Corporate Governance Report for the year 2015-16 based on the disclosure requirements under Clause 49 of the Listing Agreement existing as on 31st March 2016.

2. BOARD OF DIRECTORS

a. Composition

Company is managed by the Board of Directors, which formulates strategies, policies, and procedures and reviews its performance periodically. The Chairman, Mr. Bharat Somani is the Whole time Director of the Company. The business of the Company is carried on by the Managing Director under the overall supervision and control of the Board of Directors. There was no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company during the year under review.

b. The composition of Board and attendance of Directors:

Names	Status	Attendance i n Board Meetings		Attendane in last AGM held on 30/09/14	Other Director ships	Committee Members (Chairman)
		Held	Yes/ No			
Bharat Somani	Chairman Whole Time Director	5	5	Yes	7	-
Vikram Somani	Director	5	5	Yes	9	-
Govindlal Manasawala	Independent Director	5	3	Yes	2	-
K G Gupta	Independent Director	5	3	Yes	3	-
Saraswati Somani	Women Director	5	2	No	1	-

c. Number of Board meetings

The Board Meetings are held at least four times a year one for each quarter. Board of Directors met 5 times during the year 2015-16 viz, 31/05/2015, 31/07/2015, 31/10/2015, 29/01/2016 and 23/03/2016. The intervention between two Board meetings was well as prescribed under Clause-19. The annual calendar of meetings is broadly determined at the beginning of each year.

d. Board Agenda

The meetings are governed by a structured Agenda. All Agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated well in advance to the Board Members. The governance include an effective post meeting

follow-up, review and reporting process for action taken/pending on the decisions of the Board and the Committees.

3. COMMITTEES OF THE BOARD

The Board has constituted audit committee for smooth and efficient operation of the Company. The terms of reference of the Committees are laid down by the Board from time to time. Meetings of each Board Committees are convened by the Chairman of the respective Committees. The minutes of the meetings of the Committee are placed before the subsequent meeting of the Board. The role, composition of the Committees and other information of the few Committees are provided below:

AUDIT COMMITTEE

The Audit Committee at the Board level of your Company acts as a link between the Independent Auditors, the Management and the Board of Directors. The Audit committee interacts with the Independent Auditors and Secretarial Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively. In general the Audit Committee reviews the Audit and internal control procedures, accounting policies and the Company's financial reporting process and ensures that the financial statements are correct, sufficient and credible and exercises the powers as recommended from time to time by SEBI, Stock Exchanges and/or under the Companies Act, 2013.

Terms of Reference

- Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Discussion with internal auditors any significant findings and follow up there on.

Composition

The Audit Committee comprises 3 members, all being Non-executive Directors of which 2 are independent. All members of Audit Committee have sound financial management expertise. During the year, the Committee met on four occasions on 31/05/2014, 31/07/2014, 31/10/2014 and 29/01/2016.

Attendance

Name	Meetings held	Meetings attended
Govindlal Manasawala	4	4
Krishnagopal Gupta	4	3
Vikram Somani	4	4

NOMINATION AND REMUNERATION COMMITTEE:

In compliance of Section 178 of Companies Act, 2013 the Board renamed the Remuneration committee as "Nomination and Remuneration Committee. Your Board has re-constituted the Nomination and Remuneration Committee which now comprises of Mr. Govindlal Manasawala, Mr. Krishnagopal Gupta and Mr. Vikram Somani as Members.

The terms of reference of the committee inter alia include Succession planning for Board of Directors and Senior Management Employees, identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria's, identifying potential individuals for appointment of Key Managerial personnel and other senior managerial position and review the performance of the Board of Directors and Senior Management personnel including Key managerial personnel based on certain criteria approved by the Board. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talents, remuneration commensurate with the performance of

individual and group and also maintains a balance between fixed and incentive pay reflecting both short and long term objectives of the company.

Attendance

Name	Meetings held	Meetings attended
K G Gupta	4	3
Govindlal Manasawala	4	4
Vikram Somani	4	4

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Scope of the Committee is to look in to the matter of share holders' grievances in respect of share transfer, transmission and other related matter.

Attendance

Name	Meetings held	Meetings attended
Vikram Somani	4	3
Govindlal Manasawala	4	4
K G Gupta	4	4

Risk Management: The Company has a risk management framework in place.

Risk Management Committee comprises of 3 Directors out of which 2 Directors are independent. The composition is as under:

- Mr. Bharat Somani - Managing Director
- Mr. Govindlal Manasawala - Independent Director
- Mr. K G Gupta - Independent Director

The Committee reviews the risks confronted by the Company with respect to its business area /operations as well as financial and validates the adequacy of insurance and other risk mitigation measures proposed for Company's business. The committee met as and when required during the year.

4. GENERAL BODY MEETING

Details of past three Annual General Meetings:

Year	Date	Time	Special Resolutions passed
2014-15	30 th Sept, 2015	11.00 AM	None
2013-14	28 th Aug. 2014	11.00 AM	None
2012-13	28 th June. 2013	11.00 AM	None

5. DISCLOSURES

Related party transactions during the year have been disclosed in the annual report elsewhere as required under Accounting Standard-18 issued by the Institute of Chartered Accountants of India. There has been no non-compliance by the Company or penalty or strictures imposed on the Company by the Stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last 3 years. In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India. The significant accounting policies which are consistently applied are set out in the Annexure to Notes to the Accounts.

6. GENERAL SHAREHOLDER INFORMATION

1. Registered Office of the Company

G.D Somani Marg, Panchak, Nashik Road-422101

2. Forthcoming Annual General Meeting July 29, 2016

3. Financial Calendar - 2015-16 (Proposed)

First quarter results	July 2016
Annual General Meeting	June 2016
Second quarter results	October 2016
Third quarter results	January 2017
Fourth quarter and Annual results	April 2017

4. Book Closure Dates 20.07.2016 to 25.07.2016 (both days inclusive)

5. Listing on Stock Exchange: The shares of the Company are listed on Bombay Stock Exchanges.

6. Stock Code

Stock Exchange

Bombay Stock Exchange Limited
P. J. Towers,
Dalal Street,
Mumbai – 400 001.

Stock Code

516038

7. Depository Connectivity

National Securities Depository Limited (NSDL)

ISIN No: INE737E01011

Central Depository Services (India) Limited (CDSL)

ISSUER ID: 4132

8. Share Transfer System

As per the directions of SEBI, the Company immediately on transfer of shares sends letters to the investors, in the prescribed format, informing them about the simultaneous transfer and dematerialization option available for the shares transferred in their names.

9. CATEGORIES OF SHAREOWNERS AS ON 31/03/2016

Category	No. of Share owners	No. of Shares Held	Voting Strength (%)
Promoters, Relatives/Associates	08	6,94,130	49.50
Bodies Corporate (Domestic)	49	1,18,199	8.43
Banks, Mutual Funds & Financial Institutions	09	95,964	6.84
Foreign Institutional Investors (FIIs)	-	-	-
NRI /OCBs/ Foreign Nationals	10	5089	0.36
Clearing Member, Trust, Resident (Public & others)	2051	4,88,768	34.87
Total	2127	14,02,150	100.00

10. ADDRESS FOR COMMUNICATION

3rd Flr, Indian Mercantile Chambers, 14 Ramjibhai Kamani Marg, Ballard Estate, Mumbai 400001

11. REGISTRARS AND SHARE TRANSFER AGENTS

Adroit Corporate Services Pvt Ltd.

16/1920, Jafferbhoy Ind Estate, Makwana Marg, Marol Naka, Andheri (E), Mumbai-400 059.

**CHIEF EXECUTIVE OFFICER and/or
CHIEF FINANCIAL OFFICER'S CERTIFICATION**

**To,
The Board of Directors of Soma Papers and Industries Ltd.**

I, Bharat Somani, Whole Time Director of Soma Papers and Industries Ltd. to the best of my knowledge and belief certify that:

1. Review of financial statements and the cash flow statement for the year ended 31/03/2016 had been done and that to the best of their knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and there are no deficiencies in the design or operation of internal control.
4. They have indicated to the Auditors and the Audit Committee, that there are no
 - i. significant changes in internal control during the year
 - ii. significant changes in accounting policies during the year
 - iii. instances of significant fraud of which they become aware of or the involvement therein, if any, by the management or an employee having a significant role in the company's internal control system.

For and on behalf of the Board

(VIKRAM SOMANI)
(DIN:
00054310)
Whole Time Director
Mumbai, May 30, 2016

Information required u/c 49 VI A of the Listing Agreement

The particulars of Directors who are proposed to be reappointed at the ensuing AGM are given below pursuant to Clause 49 of the Listing Agreement:

Name of Director	Mr. K G Gupta	Mr. G S Manasawala
Date of Birth	07/10/1939	15/07/1930
Date of Appointment	30/10/2002	15/10/1992
Qualification	B.Com , MBA	Law Graduate
Expertise in specific functional areas	Have exposure and experience in paper industry and management.	Have legal exposure and experience in industry and management.
Other Companies in which Directorship held	1) Oricon Enterprises Limited 2) Krishumitra Paper And Chemicals Private Limited 3) Vecron Industries Limited.	1)Taparia Tools Limited 2) Sambhav Engineers Private Ltd
Other Public Companies in which membership of Committees of Directors held	None	None
No of shares held as on 31-3-2016	1,150 Shares	NIL

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE
TO THE MEMBERS OF SOMA PAPERS AND INDUSTRIES LTD**

We have examined the compliance of conditions of Corporate Governance of Soma Papers and Industries Ltd. ("the Company"), for the year ended on 31 March 2016, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

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

**For Dharmesh Shah & Co.
Chartered Accountants**

**Dharmesh Shah
Proprietor
May 30, 2016
Membership No. 106620**

DECLARATION ON CODE OF CONDUCT

To,
The Members of
Soma Papers & Industries Ltd.

This is to confirm that Board has laid down a code of conduct for all Board members and senior management of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company as at March 31, 2016, as envisaged in Clause 49 in the listing Agreement with stock exchanges.

For and on behalf of the Board

(VIKRAM SOMANI)
(DIN:
00054310)
Whole Time Director
Mumbai, May 30, 2016

**ANNEXURE TO THE AUDITORS' REPORT REFERRED
TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE**

Referred to in paragraph on reporting of our report of even date.

1(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) All the assets have not been physically verified by the management during the year but there is a regular Program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

2. As informed to us, there is no inventory lying in the hands of the Company.

3(a) The Company has granted unsecured loan to a company listed in the register maintained under section 189 of the companies Act, 2013 in previous years, which is recorded as provision for doubtful debts over the years.

(b) In our opinion and according to the information and explanations given to us, the no interest is been charged on such loans.

(c) As we have observed, in respect of loan taken by the Company if any, the interest payments are regular and the principal amount is payable on demand.

(d) There is no overdue amount of loans granted to Companies, firms or other parties listed in the registers maintained under section 189 of the companies Act, 2013.

4. In our opinion and according to the information and explanations given to us, the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.

5. The Company has not accepted any public deposit during the year. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 73 and 76 of the companies Act, 2013 and the companies (Acceptance of Deposit) Rules, 2014 No order has been passed by the company Law Board or the National Company Law Tribunal or by any court or by any other Tribunal.

6. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the companies Act,2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

7.(a) According to the records of the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, value added tax, wealth-tax, custom duty, excise-duty, service tax cess and other statutory dues applicable to it..

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, wealth-tax, sales-tax, Value added tax, service tax, customs duty, and excise duty were outstanding, as at 31st March, 2015, For a period of more than six months from the date they became payable *except the sales tax liability of different states worth Rs.16.46 lacs excluding interest due there on (Unascertained) as on 31/03/2015 outstanding for a period of more than six months from date it became*

payable.

(c) According to the records of the company, there are no dues of sales-tax, income-tax, customs tax/wealth-tax, value added tax, service tax, excise duty/cess which have not been deposited on account of any dispute except the followings:

Description	Amount Rs.	Period to which it relates	Forum where dispute is pending
Excise duty	234,761	1988-1989	Excise and Gold (Control) Appellate Tribunal
Income Tax	19,38,082	2003-2004	Penalty Proceeding Before ITAT

8. The accumulation losses of the company are not more than fifty per cent of its net worth. The company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders during the year under audit..

10. The company has given any guarantee for loans taken by others from bank or financial institutions. We are of the opinion that the terms and conditions thereof are prima facie, prejudicial to the interest of the company.

11. The term loans if any, have been applied for the purpose for which they were raised.

12. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

FOR Dharmesh Shah & Co
Chartered Accountants
Firm Reg. No. 138794W

Dharmesh Shah
Proprietor
Membership No. 106620
Place:
Dated: 30 May, 2016

SOMA PAPERS & INDUSTRIES LTD

Registered Office at G. D .Somani Marg, Panchak, Nashik Road – 422101
CIN: L21093MH1991PLC064085

ATTENDANCE SLIP
24th ANNUAL GENERAL MEETING

Reg. Folio / DP & Client No. _____ **No. of Shares held** _____

I certify that I am a registered Shareholder / Proxy for the registered shareholder of the Company. I hereby record my presence at the 24th Annual General Meeting of the Company at G. D .Somani Marg, Panchak, Nashik Road – 422 101 on 30th , September 2015 at 11.00 am.

Member's Name _____

Member's / Proxy's Signature

Proxy's Name _____

Form No. MGT-11

SOMA PAPERS & INDUSTRIES LTD

Registered Office at G. D .Somani Marg, Panchak, Nashik Road – 422 101
CIN : L21093MH1991PLC064085

PROXY FORM

(Pursuant to Section 105 (6) of the Companies Act, 2013 and rules 19(3) of the Companies Management and Administration Rules, 2014)

Name of the member(s) _____

Registered Address : _____

Email ID : _____

Folio No. / Client ID. _____ DP ID. _____

I / We _____ of _____ being the member (s) holding _____ Shares hereby appoint,

Mr./Mrs./Ms. _____ of _____

Or failing him Mr/Mrs/Ms. _____ Signature _____

Or failing him Mr/Mrs /Ms. _____ Signature _____

As my/our proxy to attend and vote for my/our behalf at the 24th ANNUAL GENERAL MEETING of the Company, to be held on 30th September, 2015 at 11.00 am. and at any other adjournment thereof.

Signed this _____ day of _____ 2015

Signature of Proxy holder _____

Affix Rs. 1/-
Revenue
Stamp

Signature

Note: The Proxy, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is body corporate, under the seal or signed by an attorney duly authorized by it, must be deposited at the Registered Office at G. D. Somani Marg, Panchak, Nashik Road 422101, Maharashtra, not less than 48 hours before the time for holding the meeting.

Annexure-D to the Directors' Report
Company's Replies to the Secretarial Auditors Qualifications / Reservations

<i>Section 203 in respect of appointment of Key Managerial Personnel [KMP] i.e. MD/WTD, CFO & CS</i>	'In order to comply with the provisions of the Companies Act 2013 regarding appointment of Company Secretary and CFO, your company is in the process of identifying a suitable person and will appoint the suitable person very soon.
<i>Section 101 with regards to providing not less than 21 days' notice to every member, legal representative of deceased member, assignee of insolvent member, auditor of the Company</i>	'The Qualification/Reservations made by the Secretarial Auditor's are self-explanatory.
<i>Section 121 in respect of filing of Form MGT 15 within 30 days of conclusion of AGM</i>	The Company was unable to upload the form due to non availability of funds
<i>Section 208 in respect of filing of Form MGT 14 for appointment of Secretarial Auditor</i>	The Company was unable to upload the form due to non availability of funds
<i>Section 138 with regards to appointment of Internal Auditors for the financial year 2015-2016</i>	'In order to comply with the provisions of the Companies Act 2013 regarding appointment of Internal Auditor, your company is in the process of identifying a suitable person and will appoint the suitable very soon.
<i>Section 137 with regards to filing of Form AOC-4 XBRL for the year ended 31st March, 2015</i>	The Company was unable to upload the form due to non availability of funds
<i>Section 92 with regards to filing of Form MGT-7 for the year ended 31st March, 2015 Section 179(3) with regards to filing Form MGT-14 in respect with Approval of Audited Financial Statement and the Board's Report for the year ending 31st March, 2015</i>	The Company was unable to upload the form due to non availability of funds
<i>Section 161 of the Companies Act, 2013 with respect to the regularization of the Additional Director i.e. Ms. Saraswati Somani.</i>	The Qualification/Reservations made by the Secretarial Auditor's are self-explanatory.
<i>The Company has not provided e-voting facility to its members as required under section 108 of the Companies Act, 2013 and Clause 35B of the Listing Agreement.</i>	The Qualification/Reservations made by the Secretarial Auditor's are self-explanatory.
<i>The Company has not framed Policies / Code as required under provisions of the Companies Act, 2013 & Listing Agreement executed with BSE Ltd.</i>	The Qualification/Reservations made by the Secretarial Auditor's are self-explanatory.
<i>The Website of the Company is not updated as on 31/03/2016 to include Policies / Codes / Disclosures of the Company.</i>	The Qualification/Reservations made by the Secretarial Auditor's are self-explanatory.
<i>The Company has not paid Listing Fee to the Stock Exchange for the year ended 31/03/2016</i>	The Company was unable to upload the form due to non availability of funds
<i>We have found that there are some Charges appearing on the website of the Ministry of the</i>	The Company is in process to make all the compliances related to Charges

<p><i>Corporate Affairs. However, as per the information available from the Company and its Financial Statement as on 31st March, 2016, there are no borrowing from Banks and Financial Institutions</i></p>	
<p><i>The Company has not complied/ delayed in complying with the most of the provisions of the Listing Regulations except the following clauses/ regulations which was filed on time:</i></p>	<p>There is lack of staff for secretarial and legal matters company is in process to set up a proper department for the same so that in future the Compliance of applicable provisions related to Listing Agreement and other applicable laws can be done properly.</p>

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF **SOMA PAPERS & INDUSTRIES LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SOMA PAPERS & INDUSTRIES LIMITED**

("the Holding Company"), and its subsidiary (collectively referred to as "the Company" or "the Group"), comprising of the consolidated Balance Sheet as at 31 March 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for preparation of consolidated financial statements in the terms of requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

While conducting the 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 there under.

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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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; *subject to following observations:*

i) preparation of accounts on the basis of a 'going concern' having consequential impact on the loss for the year, reserves and surplus and assets of the Company

ii) non provision of interest on loans and deposits. (The amount remains unascertained).

iii) read together with Note no.26 regarding balances of Sundry debtors, Sundry Creditors, Balance with Bank and other advances being subject to confirmations/ reconciliation, and

iv) other notes appearing in the said Notes and those appearing elsewhere in the accounts, give the information required by the Companies Act, in the manner so required.

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on other Legal and Regulatory Requirements

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit; *except para 13,14 and 16 of notes on consolidated financial statement.*

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 consolidated Balance Sheet, the consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, *subject to "going concern" assumption considered for preparing accounts*

e) On the basis of written representations received from the Holding Company's directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".

g) 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 15 to the consolidated financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Dharmesh Shah & Co.

Chartered Accountants

Firm Reg. No. 138794W

Dharmesh Shah, Proprietor

Membership No. F-106620

Mumbai, 30/05/2016

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **SOMA PAPERS & INDUSTRIES LIMITED** ("the Holding Company") and its subsidiary company which is incorporated in India as of 31 March 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of Holding Company and its subsidiary company, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design,

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary Company, which is incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 Dharmesh Shah & Co.

Chartered Accountants

Firm Reg. No. 138794W

Dharmesh Shah, Proprietor

Membership No. F-106620

Mumbai, 30/05/2016

SOMA PAPERS & INDUSTRIES LIMITED

Balance Sheet as at 31/03/2016

			(₹)
	Note	As at	As at
	No.	31/03/2016	31/03/2015
EQUITY AND LIABILITIES:			
1 Shareholders Fund			
Share capital	1	1,40,21,500	1,40,21,500
Reserves & surplus	2	18,93,915	33,86,176
2 Share Application Money Pending Allotment			
3 Non-Current Liabilities			
Long-term borrowings			
Other Long term liabilities			
Long term provisions			
4 Current Liabilities			
Short-term borrowings			
Trade payables	3	32,27,985	32,27,985
Other current liabilities	4	67,36,728	66,56,536
Short-term provisions			
TOTAL		<u>2,58,80,128</u>	<u>2,72,92,197</u>

ASSETS

5 Non-Current Assets

Fixed Assets

Tangible Assets

Intangible Assets

Capital work-in-progress

Non-Current Investments

Long Term Loans and Advances

5	1,05,35,248	1,05,39,378
6		-
7	19,84,286	36,65,225

6 Current Assets

Current Investments

Inventories

Trade Receivables

Cash and bank balances

Short Term Loans and advances

Other Current Assets

8		-
9	1,33,57,685	1,30,84,685
	2,909	2,909

TOTAL		<u>2,58,80,128</u>	<u>2,72,92,197</u>
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SIGNIFICANT ACCOUNTING POLICIES

NOTES ON ACCOUNTS

1 to 29

As per our report of even date attached

For and On behalf of the Board of Directors

FOR DHARMESH SHAH & CO.

G.S. Mansawala, Director (DIN 00127114)

Chartered Accountants

K.G. Gupta, Director (DIN 00997067)

FRN :138794W

Vikram Somani, Director (DIN 00054310)

Dharmesh Shah, Proprietor

Bharat Somani, Executive Director

M. No.106620

(DIN 00286793)

Mumbai, 30/05/2016

SOMA PAPERS & INDUSTRIES LIMITED
Profit & Loss for the year ended 31/03/2016

	Note No.	As at 31/03/2016	(₹) As at 31/03/2015
INCOME			
Revenue from operations		-	-
Other Income	10	5,94,522	1,34,679
TOTAL		5,94,522	1,34,679
EXPENDITURE			
Cost of materials consumed			
Purchase of finished goods			
(Increase)/Decrease in inventories of finished goods		-	-
Employee benefit expense	11	15,500	1,36,000
Financial cost		-	-
Depreciation and amortization expense	5	4,131	8,821
Other Expenses	12	6,84,663	6,50,700
TOTAL		7,04,294	7,95,521
PROFIT			
Net profit/(loss) before Tax		(1,09,772)	(6,60,842)
Provision for income tax			
Current Tax			-
Tax Provisions (Earlier Years)		(13,82,489)	
Deferred Tax benefit [Refer note 11 of Schedule 16]			-
Net profit/(loss) after tax		(14,92,261)	(6,60,842)
Basic and diluted earnings/(loss) per share before exceptic		(1.06)	(0.47)

SIGNIFICANT ACCOUNTING POLICIES

NOTES ON ACCOUNTS 1 to 29

FOR DHARMESH SHAH & CO.
Chartered Accountants
FRN :138794W

G.S. Mansawala, Director (DIN 00127114)

K.G. Gupta, Director (DIN 00997067)

Vikram Somani, Director (DIN 00054310)

Dharmesh Shah
Proprietor
M. No.106620

Sharat Somani, Executive Director (DIN 00286793)

Mumbai, 27/05/2016

SOMA PAPERS & INDUSTRIES LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31ST MARCH, 2016

	2015-16		2014-15
	Rs.	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net profit/ (loss) before tax and extraordinary items	(1,09,772)		(6,60,842)
ADJUSTMENTS FOR :			
Depreciation	4,131	8,821	
Loss / (Profit) on sale of Investment		(1,34,367)	
Provision for Tax		-	
Interest		-	
Interest income		-	
Dividend income	(312)	(312)	
	3,819		(1,25,858)
Operating profit before working capital changes	(1,05,953)		(7,86,700)
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :			
Trade and other receivables	2,98,450	(78,042)	
Trade payables and other trade liabilities		-	
			(78,042)
Cash generated from operations	1,92,497		(8,64,742)
Proceeds from borrowings(net of repayment)	80,192		
Less: Taxes (paid)/ Refund	-		-
	2,72,689		(8,64,742)
Net cash from operating activities	2,72,689		(8,64,742)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Sale of Investment			5,34,367
Sale / (Purchase) of fixed assets			-
Dividend received	312		312
Interest received			-
Net cash from investing activities	312		5,34,679
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings(net of repayment)			(2,53,30,506)
Interest paid			-
			-
Net cash used in financing activities	-		(2,53,30,506)
Net increase in cash and cash equivalents (A+B+C)	2,73,000		(2,56,60,563)
Cash and cash equivalents - Opening balance	1,30,84,685		3,87,45,248
Cash and cash equivalents - Closing balance	1,33,57,685		1,30,84,685
Net increase/(decrease) as disclosed above	2,73,000		(2,56,60,563)
	0		-

SIGNIFICANT ACCOUNTING POLICIES

NOTES ON ACCOUNTS

As per our report of even date attached

FOR DHARMESH SHAH & CO.

Chartered Accountants

FRN :138794W

Dharmesh Shah, Proprietor

Mumbai, 30/05/2016

SOMA PAPERS & INDUSTRIES LIMITED
Notes on Financial Statements for the year ended 31/03/2016

	As at 31/03/2016	(₹) As at 31/03/2015
1 SHARE CAPITAL		
Authorised		
50,00,000 Equity shares of Rs. 10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued, subscribed & paid-up		
14,02,150 Equity shares of Rs. 10/- each fully paid-up (includes 14,01,800 equity shares of Rs.10/- each fully paid up issued for consideration other than cash)	<u>1,40,21,500</u> <u>1,40,21,500</u>	<u>1,40,21,500</u> <u>1,40,21,500</u>
Details of Equity Shares held by each shareholder holding more than 5% shares:		
Particulars		
SRS Trading and Agencies P Ltd	40.35%	40.35%
There are no new shares issued during the year under review.		
2 RESERVES & SURPLUS		
Share premium account	1,17,34,600	1,17,34,600
Capital Reserve	32,00,000	32,00,000
Revaluation Reserve	7,24,29,824	7,24,29,824
Profit and Loss Account		
Opening Balance	(8,39,78,248)	(8,32,61,409)
Less: Depreciation (Due to change in Method)		(55,997)
Add: Profit / (Loss) for the year	<u>(14,92,261)</u>	<u>(6,60,842)</u>
TOTAL	<u>18,93,915</u>	<u>33,86,176</u>
3 TRADE PAYABLE	<u>32,27,985</u>	<u>32,27,985</u>
4 OTHER CURRENT LIABILITIES		
Security deposits from dealers - Matured	10,42,160	10,42,160
Interest free sales-tax incentive loan	2,30,323	2,30,323
Interest accrued and due on loan and deposits	-	83,373
Interest accrued and due on sales tax loan	25,56,556	25,56,556
Advance from customers	5,19,221	5,19,221
Other payable (includes liability for expenses and deposits)	23,88,468	22,24,903
TOTAL	<u>67,36,728</u>	<u>66,56,536</u>

	<u>Rs.</u>	<u>As at 31/03/2015 Rs.</u>
6 NON-CURRENT INVESTMENTS		
(Long-term, at cost)		
<u>Investments in subsidiary company (Unquoted)</u>		
In Vecron Industries Ltd. - equity shares of Rs.10/- each, fully paid-up	2,70,00,000	2,70,00,000
Other than trade		
<u>Equity shares of Rs.10/- each fully paid up (Quoted)</u>		
Adhunik Synthetics Limited	25,000	25,000
Aluminium Industries Limited	18,75,000	18,75,000
Conway Printers Limited	2,50,000	2,50,000
Gujarat Composite Limited	-	-
Titaghur Paper Mills Company Limited	850	850
	<u>2,91,50,850</u>	<u>2,91,50,850</u>
Less: Provision for permanent diminution in the value of long term investments.	(2,91,50,850)	(2,91,50,850)
TOTAL	<u><u>-</u></u>	<u><u>-</u></u>
Note :		
Aggregate Book Value (net of provisions) Quoted		-
Aggregate Market Value of quoted investments		-
7 LONG TERM LOANS AND ADVANCES		
(Unsecured - considered good, unless otherwise stated)		
Loans to subsidiary company (considered doubtful)	4,33,71,124	39,34,089
Advances recoverable in cash or in kind or for value to be received	6,597	(26,893)
Other Advances	8,40,457	9,03,707
Deposits	11,70,722	14,05,922
Advance income tax and tax deducted at source	-	13,82,489
TOTAL	<u>4,53,88,900</u>	<u>75,99,314</u>
Less: Provision for doubtful loan to subsidiary company C/F	<u>(4,34,04,614)</u>	<u>(39,34,089)</u>
	<u><u>19,84,286</u></u>	<u><u>36,65,225</u></u>
8 TRADE RECEIVABLES		
Secured / Unsecured	<u>-</u>	<u>-</u>
TOTAL	<u><u>-</u></u>	<u><u>-</u></u>

9 CASH AND BANK BALANCES

Cash-in-hand	3,857	3,857
(including cheques in hand Rs. Nil, previous year Rs.Nil)		
Balances with Scheduled Banks		
- In current accounts	1,33,53,828	1,30,80,828
- In Unclaimed dividend account		
- In fixed deposit account		-
(Refer Note 17)		
TOTAL	1,33,57,685	1,30,84,685

Current
Year
Rs.

10 OTHER INCOME

Interest & Other Income from:

Dividend Income	312	312
Profit on Sale of Mutual Fund	-	1,34,367
Miscellaneous Income	5,94,210	-
TOTAL	5,94,522	1,34,679

11 EMPLOYEE BENEFIT EXPENSES

Salaries and Wages	15,500	1,36,000
	15,500	1,36,000

12 OTHER EXPENSES

Conveyance	250	10,191
Repairs & Maintenance to Others		1,458
<u>Payment to auditors</u>		
- Audit Fees	26,000	30,000
Printing & Stationary		19,466
Postage & telegram	2,200	6,477
Power and Fuel		47,878
Selling expenses		15,608
Storage Charges	2,40,000	-
Telephone expenses	2,064	42,721
Legal and Professional Charges	90,774	2,00,301
Bank Charges	57	36
Motor car expenses		82,941
Miscellaneous expenses	89,488	78,516
Travelling Expenses		2,747
Listing Fees	2,33,830	1,12,360
TOTAL	6,84,663	6,50,700

SOMA PAPERS & INDUSTRIES LIMITED

5 FIXED ASSETS

SR. No.	DESCRIPTION	GROSS BLOCK (AT COST/ BOOK VALUE)				DEPRECIATION				NET BLOCK	
		As at 01/04/2015 Rs.	Additions Rs.	Deductions Rs.	As at 31/03/2016 Rs.	Up to 31/03/2015 Rs.	For the year Rs.	Deductions Rs.	Up to 31/03/2016 Rs.	As at 31/03/2016 Rs.	As at 31/03/2015 Rs.
1	Land (Freehold)	1,05,35,247	-	-	1,05,35,247	-	-	-	-	1,05,35,247	1,05,35,247
2	Air Conditioner	42,368	-	-	42,368	38,237	4,131	-	42,368	-	4,131
3	Office and Other Equipments	2,92,847	-	-	2,92,847	2,92,847	-	-	2,92,847	0	0
4	Furniture and Fixtures	7,23,110	-	-	7,23,110	7,23,110	-	-	7,23,110	0	0
	TOTAL	1,15,93,573	-	-	1,15,93,573	10,54,194	4,131	-	10,58,325	1,05,35,248	1,05,39,379
	Previous year	1,15,93,573	-	-	1,15,93,573	10,54,194	8,821	-	10,63,015	1,05,30,558	1,06,14,509

SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

The consolidated financial statements relate to Soma Papers and Industries Limited ('the Company') and its subsidiary company Vecron Industries Limited. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra- group balance and intra – group transactions in accordance with Accounting Standard (AS) 21- “Consolidated Financial Statements.
- b) The difference between the cost of investment in the subsidiaries, over the net assets if any, at the time of acquisition of shares in the subsidiaries is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.
- c) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented in the same manner as the Company’s separate financial statements.

Investment other than in subsidiaries have been accounted as per Accounting Standard (AS) 13 on “Accounting for Investments”

Other significant accounting policies :

A. System of accounting

The financial statements are prepared under historical cost convention, in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

- C. Fixed assets**
Fixed assets are stated at cost net of recoverable taxes and includes amount added on revaluation, less accumulated depreciation and impairment loss, if any.
- D. Depreciation**
- a) Depreciation on fixed assets is provided on straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act 2013. Due the change in depreciation rates short depreciation provided transferred to Profit and Loss Account
 - b) Depreciation on assets added/disposed off during the year has been provided for on pro-rata basis with reference to the month of addition/disposal.
 - c) Continuous process plants as defined in Schedule XIV to the Companies Act, 1956 have been considered.
- E. Investments**
Long term Investments of the long-term nature are stated at cost less diminution in value wherever the decline is other than a temporary decline. Current Investments are carried at lower of cost or fair value.
- F. Inventories**
Inventories if any, are valued at lower of the cost and estimated net realisable value. Cost of inventories is computed on weighted average basis. Finished goods and work-in-progress if any, include costs of conversion and other cost incurred in bringing the inventories to their present location and condition.
- G. Revenue recognition**
Revenue is recognized when it can be reliably measured and it is reasonable to expect ultimate collection. Income and expenditure are recognised and accounted on accrual basis, except in case of significant uncertainties.
- H. Employee benefits**
Short term employee benefits are recognized as an expense in the Profit and Loss Account. Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques.
- I. Foreign currency transactions**
Transaction denominated in foreign currency if any, are recorded using the exchange rate prevailing at the date of transaction. Assets and liabilities denominated in foreign currency as at balance sheet date are converted at the exchange rates prevailing at that date. Exchange differences other than those relating to acquisition of fixed assets are recognised in the profit and loss account. Exchange differences relating to purchase of fixed assets are adjusted to carrying cost of fixed assets.
- J. Expenditure during construction period**
Expenditure during construction period if any, are included under capital work in progress and the same is allocated to the respective fixed assets on the completion of construction.
- K. Research and development**
Revenue expenses in respect of research and development are charged to profit and loss account and capital expenditure of such nature are added to the cost of fixed assets in the year in which they are incurred.
- L. Taxation**
Provision for current tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the Income Tax Act,1961. In view of the previous years carry forward losses management is of the view that not to make any provision for tax as well as fringe benefit tax.

The deferred tax for timing differences between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognized to the extent there is virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. In view of the losses provision for deferred tax has not been provided.

M. Provision and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made

N. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the management estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

O. Borrowing Costs

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of such assets. All other borrowing costs are charged to Profit and Loss Account.

13. The net worth of the both the Company is fully eroded and the Company is a sick industrial company within the meaning of clause (o) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), for which a reference has been made to the Board of Industrial and Financial Reconstruction (BIFR) under Section 15 of SICA.

14. As per scheme of arrangement sanctioned by the Bombay High Court under Section 391 and 394 of Companies Act, 1956 made between Shree Vindhya Paper Mills Ltd and the Company, the coating division of Shree Vindhya Paper Mills Ltd. with its assets, investments, liabilities and reserves as at 31st December, 1991 has been transferred to and vested with the Company with effect from 1st January, 1992. However, certain assets and liabilities of the said division before its transfer though reflected in the accounts are yet to be transferred in the name of the Company.

15. Contingent liability not provided for in respect of:

	As at	As at
	31/03/2016	31/03/2015
	Rs.	Rs.
a) Claims against Company not acknowledged as debts	_____	_____

	As at	As at
	31/03/2016	31/03/2015
	Rs.	Rs.
	<u>4,37,567</u>	<u>437,567</u>
b) Guarantee given to financial institution for loans taken by its employees	48,454	48,454
c) Bank guarantee to constituents and others.	13,60,000	1,360,000
d) Corporate Guarantee given to financial institutions and banks on behalf of Vecron Industries Limited (a wholly owned subsidiary Company)	25,000,000	25,000,000
e) Liability as may arise for non-payment of wages, PF, Gratuity and other labour dues since the date of closure of factory, as the case filed by the worker's union in Nashik Labour Court	Amount unascertained	Amount unascertained
f) Liability as may arise due to non compliance of certain fiscal statute	Amount unascertained	Amount unascertained
g) Income Tax Penalty Demand	19,38,082	19,38,082
h) Liability for Interest on deferred sales tax liability	Amount unascertained	Amount unascertained
i) Sales Tax Liability 1996-97	51,606	51,606
j) Bank Liability – Subsidiary Co.	4,91,14,993	4,91,14,993

16. The bank has auctioned the Land. Factory Premises, Plant and Machinery, Inventory and other assets lying at Nasik in Financial Year 2007-08 which was approved by the Debt Recovery Tribunal. On the basis of correspondence received from the bank, auction proceeds received bank has been utilised directly by bank to repaid Bank Cash Credit Liabilities, Debentures with interest, Electricity Charges, deposit given to Labour Court for Labour Settlement and other related expenses. The documentary evidences for such payments made not available with the Company. The accounting of the above transaction has been done on the basis of correspondence taken place with bank. No confirmations from banks, debenture holders, electricity department or labour court have been received against the proceeds received.
17. The auction proceed which were not utilised by bank for payment of any liabilities of the company has been kept by bank. The bank is not providing interest on such amount held.
18. Security deposit received from the dealers shown under the head "Current Liability" The management is of the view that Interest on deposit will not be paid hence not provided.
19. There were no amounts due to Small Scale and / or Ancillary Industrial suppliers on account of principal and / or interest as at the end of year. This disclosure is based on the information available with the Company regarding the status of the suppliers as defined under the Interest on Delayed Payments of Small Scale and Ancillary Industrial undertaking Act, 1993.
20. Payments to and provisions for employees includes remuneration paid to executive directors:

	Current Year	Previous Year
	Rs	Rs.
Directors Remuneration	Nil	NIL
	_____	_____
	_____	_____

22. The Company has closed the business, hence segment reporting is not applicable.
23. The secondary segment, i.e. 'geographical segments by location of customers' is not applicable.
24. Related party disclosures:

Related party relationships:

- i) subsidiary Company Vecron Industries Limited
 Enterprises where control exists)
- ii) Key management personnel Mr. Vikram Somani
Mr. Bharat Somani

) Enterprise in which Key management personnel have significant influence

SRS Trading & Agencies Private Limited

Notes:

1. The related party relationships have been determined on the basis of the requirements of the Accounting Standard (AS-18) 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India and the same have been relied upon by the auditors.
2. The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year (except where control exists, in which case the relationships are disclosed irrespective of exact transactions).

Transactions with related parties:

(Amount in Rs.)

Particulars	Related parties			Total
	Subsidiary	Enterprise in which Key management personnel have significant influence	Key management personnel	
Managerial Remuneration	--	--	--	--
	(--)	(--)	(--)	(--)
Loan taken	--	--	--	--
	(--)	(--)	(--)	(--)
Loan given	--	--	--	--
	(--)	(--)	(--)	(--)
Loan repaid	--	--	--	--
	(--)	(--)	(--)	(--)
Balances receivable as at year end.(Holding Co)	43,188,386	10,82,428	--	4,42,70,814
	(43,188,386)	(11,45,678)	(--)	(43,188,386)
Balance payable as at year end	--	--	--	--
	(--)	(--)	(--)	(--)
Provision for doubtful loan (Holding Co)	43,188,386	--	--	43,188,386
	(43,188,386)	(--)	(--)	(43,188,386)

Note :- Figures in brackets pertain to the previous year.

25. Earnings per share as per Consolidated Financial Statement:

Earnings / (loss) before exceptional item

	Current Year Rs.	Previous Year Rs.
(i) Net profit / (loss) after tax available for equity shareholders	(14,92,261)	(6,60,842)
(ii) Weighted average number of equity shares outstanding during the year	1,402,150	1,402,150
(iii) Basic and diluted earnings / (loss) per share	(1.06)	(0.47)
(iv) Nominal value of share	10.00	10.00
Earnings / (loss) per share after exceptional item		
(i) Net profit / (loss) after tax available for equity shareholders	(14,92,261)	(6,60,842)
(ii) Weighted average number of equity shares outstanding during the year	1,402,150	1,402,150
(iii) Basic and diluted earnings / (loss) per share	(1.06)	(0.47)
(iv) Nominal value of share	10.00	10.00

26. As per the Accounting standard AS-22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the deferred tax assets (net) arising during the previous year on account of timing difference. Having regard to the net worth of the Company being fully eroded and the Company is a Sick industrial company within the meaning of SICA and uncertainty as to whether the Company can continue as a going concern, the deferred tax assets / liabilities has not been recognised.

27. In the opinion of the management, current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known and determined liabilities are adequate and not in the excess of the amount reasonably stated. The balances in case of sundry creditors, debtors and banks are subject to confirmation and reconciliations. The differences if any, as may arise will be accounted for on receipt of such information / reconciliation.

28. Payment to Auditor as:

(a) Statutory Audit Fees	Rs.26,000
(b) Tax Audit Fees	
(c) Certification and Consultation Fees	Rs. 7,500

29. Previous year figures have been regrouped and rearranged, wherever necessary.

For Dharmesh Shah & Co.

Chartered Accountants

FRN 138794W

Dharmesh Shah

Proprietor

M. No.106620

Mumbai, Dated:30th May, 2016

On behalf of the Board of directors

G. S. Manasawala(DIN 0126114) - Director

K. G. Gupta (DIN 00997067) - Director

Vikram Somani (DIN 00054310) - Director

Bharat Somani (DIN 00286793)- Executive Director

Mumbai, Dated: 30th May, 2016

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ATTENDANCE SLIP
24th ANNUAL GENERAL MEETING

Reg. Folio / DP & Client No. _____

No. of Shares held _____

I certify that I am a registered Shareholder / Proxy for the registered shareholder of the Company. I hereby record my presence at the 24th Annual General Meeting of the Company at G. D .Somani Marg, Panchak, Nashik Road – 422 101 on 30th , September 2015 at 11.00 am.

Member's Name _____

Member's / Proxy's Signature

Proxy's Name _____

Form No. MGT-11

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PROXY FORM

(Pursuant to Section 105 (6) of the Companies Act, 2013 and rules 19(3) of the Companies Management and Administration Rules, 2014)

Name of the member(s) _____

Registered Address : _____

Email ID : _____

Folio No. / Client ID. _____ DP ID. _____

I / We _____ of _____ being the member (s) holding _____ Shares hereby appoint,

Mr./Mrs./Ms. _____ of _____

Or failing him Mr/Mrs/Ms. _____ Signature _____

Or failing him Mr/Mrs /Ms. _____ Signature _____

As my/our proxy to attend and vote for my/our behalf at the 24th ANNUAL GENERAL MEETING of the Company, to be held on 30th September, 2015 at 11.00 am. and at any other adjournment thereof.

Signed this _____ day of _____ 2015

Signature of Proxy holder _____

Affix Rs. 1/-
Revenue
Stamp

Signature

Note : The Proxy, stamped and signed by the appointer or his attorney duly authorised in writing or if the appointer is body corporate, under the seal or signed by an attorney duly authorised by it, must be deposited at the Registered Office at G. D. Somani Marg, Panchak, Nashik Road – 422 101, Maharashtra, not less than 48 hours before the time for holding the meeting.

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