

8 September 2019

The Secretary,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai 400001

Scrip Code: 516038
Script Name: SOMAPPR

Dear Sir/Ma'am,

Sub: Submission of Annual Report pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With regards to the captioned subject, please find the Annual Report for the Financial Year ended 31 March 2019.

Kindly take the same on record and facilitate.

Thank you

Yours faithfully
for SOMA PAPERS & INDUSTRIES LTD.



Vikram Somani, DIN: 00054310
Director & CFO

Encl: As above

Annual Report 2018-19



CORPORATE INFORMATION

Board of Directors

- Smt. Saraswati Somani, Director
- Shri Dharmesh S. Shah, Independent Director
- Shri Ashish P. Gupta, Independent Director
- Shri Govindlal Manasawala, Independent Director
- Shri Bharat Somani, Managing Director
- Shri Vikram Somani, Executive Director & CFO

Audit Committee

Stakeholders' Relationship Committee

Nomination & Remuneration Committee

Company Secretary & Compliance Officer

Shri Rajesh Babarao Kadu

Statutory Auditors

GMJ & Co., Chartered Accountants
3rd & 4th Floor, Vaastu Darshan,
'B' Wing, Above Central Bank of India,
Azad Road, Andheri (East),
Mumbai 400069

Secretarial Auditors

GMJ & Associates, Company Secretaries
3rd & 4th Floor, Vaastu Darshan,
'B' Wing, Above Central Bank of India,
Azad Road, Andheri (East),
Mumbai 400069

Bank

ICICI Bank

Registrar & Share Transfer Agents

Adroit Corporate Services Pvt. Ltd.
1st Floor, 17-20 Jafferbhoy Industrial Estate,
Makhwana Road, Marol Naka, Andheri (E),
Mumbai 400059
T: +91 22 42270423
F: +91 22 28503748
E: sandeeps@adroitcorporate.com

Registered Office

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

Administrative Office

3rd Floor, Indian Mercantile Chambers
14 Ramji Kamani Marg, Ballard Estate,
Mumbai 400001
T: +91 22 22626262
E: contactus@somapapers.in
W: <http://somapapers.in>

Company Identification Number (CIN)

L21093MH1991PLC064085

Income Tax Permanent Account Number (PAN)

AAACS6835Q

TDS Account Number (TAN)

NSKS01833G

ISIN

INE737E01011

BSE Script Code

516038

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the **Twenty Eighth (28th) Annual General Meeting** of the Members of **SOMA PAPERS AND INDUSTRIES LIMITED** will be held at the Registered Office of the Company situated at G. D. Somani Marg, Panchak, Nashik Road 422101 on Monday, 30 September 2019 at 11:30 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2019 (including the Audited Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement) together with the Reports of the Board of Directors and Statutory Auditors thereon.

2. To appoint a Director in place of Mr. Vikram Somani (DIN: **00054310**), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 12 and other applicable provisions (including any amendment(s) thereto or re-enactment(s) thereof, for the time being in force), read with the relevant rules of Companies (Incorporation) Rules, 2014, the approval of the members be and is hereby accorded to shift the registered office of the Company from its present registered office address situated at G. D. Somani Marg, Panchak, Nashik Road 422101 to 3rd Floor, Indian Mercantile Chambers, Ramji Kamani Marg, Ballard Estate, Mumbai 400001 with immediate effect;

RESOLVED FURTHER THAT there is no change in the jurisdiction of the Registrar of Companies;

RESOLVED FURTHER THAT any Director of the Company be and is hereby severally authorized to do all such acts, deeds, things and matters as may be required for giving effect to the

above resolution and to file the requisite forms with the Registrar of Companies.”

4. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded to appoint Mr. Bharat Somani (DIN: **00286793**) as Managing Director of the Company for a period of 5 (Five) years with effect from 22 March 2019 as set out in this Resolution, including, inter-alia, payment and provision of the remuneration, commission, perquisites and benefits and upon such terms and conditions, as may be approved by the Nomination and Remuneration Committee (the **“Committee”**), with the authority to the Board of Directors of the Company (the **“Board”**) to alter and vary the terms and conditions including remuneration of the said agreement from time to time and in such manner as may be agreed to by the Board/Committee and Mr. Bharat Somani (DIN: **00286793**) subject to the conformity with the provisions of the Companies Act, 2013;

RESOLVED FURTHER THAT the remuneration including benefits, amenities and perquisites shall nevertheless be paid and allowed to Mr. Bharat Somani as minimum remuneration for any financial year in the event of absence or inadequacy of profit for such year, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and the rules framed thereunder and any other applicable provisions of the Act or any statutory modification(s) or re-enactment(s) thereof;

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorized to do all such acts, deeds and things as may be considered necessary to give effect to the aforesaid resolution.”

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ashish Gupta (DIN: **07466821**), who has been appointed as an Additional Director (Independent) by the Board of Directors with effect from 22 March 2019, and who holds office until the date of the ensuing AGM, in terms of Section 161(1) of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of an Independent Director not liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five (5) consecutive years, w.e.f. 22 March 2019;

RESOLVED FURTHER THAT any Director of the Company be and is hereby severally authorized to do all such acts, deeds, things and matters as may be required for giving effect to the above resolution and to file the requisite forms with the Registrar of Companies.”

6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Dharmesh Shah (DIN: **01000335**), and who holds office until the date of the ensuing AGM, in terms of Section 161(1) of the Companies Act, 2013, and who has been appointed as an Additional Director (Independent) by the Board of Directors with effect from 22 March 2019, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of an Independent Director not liable to retire by rotation, be and is hereby

appointed as an Independent Director of the Company to hold office for a term of five (5) consecutive years, w.e.f. 22 March 2019;

RESOLVED FURTHER THAT any Director of the Company be and is hereby severally authorized to do all such acts, deeds, things and matters as may be required for giving effect to the above resolution and to file the requisite forms with the Registrar of Companies.”

7. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, and pursuant to Regulation 17(1A) and all other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mrs. Saraswati Somani (DIN: **00286741**), who has been appointed as an Additional Director by the Board of Directors with effect from 9 February 2019, and who holds office until the date of the ensuing AGM, in terms of section 161(1) of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, liable to retire by rotation, be and is hereby appointed as Director of the Company;

RESOLVED FURTHER THAT any Director of the Company be and is hereby severally authorized to do all such acts, deeds, things and matters as may be required for giving effect to the above resolution and to file the requisite forms with the Registrar of Companies.”

8. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with

Schedule IV to the Act and Regulation 16(1)(b) and Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Govindlal Manasawala (DIN: 01267114), Independent Non-Executive Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of 5 (Five) consecutive years with effect from 15 October 2019 upto 14 October 2024 not liable to retire by rotation;

RESOLVED FURTHER THAT anyone of the Director and/or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto.”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other laws and regulations as may applicable from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and other applicable provisions; subject to necessary approvals from the Stock Exchanges and other appropriate statutory authorities, as may be necessary; the approval of the Members, be and is hereby accorded to reclassify the following persons/entities (hereinafter individually & jointly referred to as the “Applicants”) and currently forming part of the “Promoter and Promoter Group” holding Equity Shares aggregating to 2.82% of the paid up capital of the Company, from “Promoter & Promoter Group” shareholding of the Company to the “Public” shareholding of the Company:

Name: Oricon Enterprises Ltd.

Number of Equity Shares: 39,487

Percentage: 2.82%

RESOLVED FURTHER THAT pursuant to Regulation 31A (3) sub clause (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2018, it is hereby

confirmed that, the aforesaid entity/person(s) seeking reclassification:

- i. Do not hold more than ten percent of the total voting rights in the Company;
- ii. Do not exercise control over the affairs of the Company directly or indirectly;
- iii. Do not have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- iv. Have not been represented on the Board of Directors (including not having a nominee director) of the Company;
- v. Have never act as a key managerial person in the Company;
- vi. Are not a ‘willful defaulter’ as per the Reserve Bank of India Guidelines;
- vii. Are not a fugitive economic offender;

RESOLVED FURTHER THAT on approval of the Stock Exchange(s) upon application for reclassification of the aforementioned applicants, the Company shall effect such re-classification in the Statement of Shareholding pattern from immediate succeeding quarter under Regulation 31 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other applicable laws;

RESOLVED FURTHER THAT any one of the Director or Mr. Rajesh Kadu, Company Secretary & Compliance Officer of the Company, be and is hereby authorized to perform and execute all such acts, deeds, matters and things including but not limited to making timely intimation to stock exchange(s), and to execute all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard to give full effect to the aforesaid resolutions.”

**For and on behalf of the Board of Directors
For Soma Papers and Industries Limited**

Vikram Somani, Director (DIN: 00054310)

Place: Mumbai, 31 August 2019

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM FOR THE AGM IS ENCLOSED.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. If a proxy is appointed for more than fifty members, he shall choose any fifty Members and confirm the same to the Company before the commencement of the specified period for inspection. In case the proxy fails to do so, the Company shall consider only the first fifty proxies received as valid. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolution or authority as applicable

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto.

2. The business set out in the notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 23. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and Password along with a copy of this Notice to the members separately.

3. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

4. In case of joint holders attending the Meeting, only such joint holder who is first in order of names will be entitled to vote.

5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

6. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 21 September 2019 to Monday, 30 September 2019 (both days inclusive).

7. Brief resume of Directors proposed to be appointed/re-appointed along with such other details as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and Secretarial Standards on General Meetings (SS-2), are provided as **Annexure I** to this Notice.

8. During Financial Year 2018-19, the Securities and Exchange Board of India ('SEBI') and the Ministry of Corporate Affairs ('MCA') has mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after 1 April 2019, can do so only in dematerialized form. Therefore, Members holding shares in physical form are requested to consider converting their shareholding to dematerialized form to eliminate all risks associated with physical shares for ease of portfolio management as well as for ease of transfer, if required. Shareholders can write to the Company at 3rd Floor, Indian Mercantile Chambers, 14 Ramji Kamani Marg, Ballard Estate, Mumbai 400001 or contact the Registrars and Transfer Agent – M/s. Adroit Corporate Services Pvt. Ltd. at 19-20 Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059 | T: +91 22 42270427 | F: +91 22 28503748 | E:

prafuls@adroitcorporate.com for assistance in this regard.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.

10. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.

11. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.

12. The shares of the Company are listed on BSE Limited.

13. In view of the Circular issued by the SEBI for appointing common agency, the Company has already appointed **M/s. Adroit Corporate Services Pvt. Ltd.**, 19-20 Jaferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059 | T: +91 22 42270427 | F: +91 22 28503748 | E: prafuls@adroitcorporate.com as Registrar & Transfer Agent. Members are therefore requested to send their grievances to them for early disposal.

14. Members holding Shares in physical form are requested to notify immediately any change in their address to the Registrar and Transfer Agent of the Company at the address given above and in case their shares are held in Demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

15. All documents referred to in the Notice will be available for inspection at the Company's

23. **Voting through electronic means:**

registered office during normal business hours except public holidays between 11.00 A.M. and 1.00 P.M. upto the date of the AGM.

16. Members/Proxies holding their Shares in physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.

17. Members who are holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.

18. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in Demat form, they must quote their Client ID and DP ID numbers.

19. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

20. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in their address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the depository participant(s) and holdings should be verified.

21. Electronic copy of the Annual Report for FY 2018-19 is being sent to all the members whose email IDs are registered with the Company/depository participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for FY 2018-19 are being sent in the permitted mode.

22. A route map showing directions to reach the venue of the Twenty-Eight (28th) AGM forms part of the Annual Report.

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on Friday, 27 September 2019 at 9.00 A.M. and ends on Sunday, 29 September 2019 at 5.00 P.M. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 20th September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- a) Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested

specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs@gmj.co.in with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
 3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- VI. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - VII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 20 September 2019.
 - VIII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20 September 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.
 - IX. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - X. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - XI. Mr. Prabhat Maheshwari, Company Secretary (F.C.S. No. 2405) and Partner, M/s. GMJ & Associates, Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - XII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - XIII. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - XIV. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company <http://somapapers.in> and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Item No. 3:

The Board of Directors analyse that the shifting of the registered office is in the best interest of the company, shareholders and all concerned parties. Further, the Company sees greater business prospects in Mumbai and the Directors of the Company are also based in Mumbai. In connection to this, the Board of Directors have decided in the Board Meeting that the Registered Office of the Company should be shifted from Nashik to Mumbai outside the local limits of any city, town or village where such office is situated but, within the jurisdiction of the Registrar of Companies, Mumbai.

The Board recommends passing of a resolution as a Special Resolution with regards to shifting of registered office.

None of the Directors or Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

ITEM NO. 4:

Mr. Bharat Somani (DIN: **00286793**) was one of the first director of the Company, liable to retire by rotation.

On the recommendation of the Nomination & Remuneration Committee ('the Committee') and subject to the approval of the members, the Board at their meeting held on 22 March 2019 have re-designated Mr. Bharat Somani (DIN: **00286793**) as Managing Director of the Company for a period of 5 years from 22 March 2019 upto 22 March 2024.

The principal terms and conditions of appointment of Mr. Bharat Somani (DIN: 00286793) as Managing Director of the company are as under:

- a. **Remuneration** : Nil
- b. The Managing Director shall have the right to manage the day to day business and affairs of the company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company.
- c. The Managing Director shall act in accordance with the Articles of Association of the company and shall abide by the provisions contained in

Section 166 of the Act with regard to duties of Directors.

- d. The Managing Director shall adhere to the Code of Conduct of the Company for Directors and Senior Management Personnel.
- e. Mr. Bharat Somani (DIN: **00286793**) satisfies all the conditions set out in Part I of Schedule V of the Act and also conditions set out under Section 196(3) of the Act for being eligible for his appointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the appointment of Mr. Bharat Somani (DIN: **00286793**), as Managing Director for a period of 5 years from 22 March 2019 upto 22 March 2024.

Except Mr. Bharat Somani (DIN: **00286793**) and his relatives, none of the Directors and Key Managerial Personnel of the company are in any way concerned or interested, financially or otherwise in the resolution set out at Item No. 4 of the accompanying notice of the AGM.

ITEM NO. 5:

Mr. Ashish Gupta (DIN: **07466821**) was appointed as an Additional Independent Director of the Company with effect from 22 March 2019. Your Board proposes to regularize his appointment and appoint him as an Independent Director of the Company under Section 149 and 161(1) of the Act for a term of Five (5) Years, commencing from 22 March 2019 upto 21 March 2024, not liable to retire by rotation.

Mr. Ashish Gupta (DIN: **07466821**) is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The company has received notice in writing from Mr. Ashish Gupta (DIN: **07466821**) proposing his candidature for the office of Director of the Company. The company has also received declaration from Mr. Ashish Gupta that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Ashish Gupta fulfils the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his appointment as an Independent Director.

Accordingly, the Board recommends the Special Resolution set out at Item No. 5 with respect to eligibility and appointment of Mr. Ashish Gupta as an Independent Non-Executive Director of the Company for a term of five (5) consecutive years with effect from 22 March 2019 upto 21 March 2024 for approval of members of the company.

Except Mr. Ashish Gupta and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of the AGM.

ITEM NO. 6:

Mr. Dharmesh Shah (DIN: **01000335**) was appointed as an Additional (Independent) Director of the Company with effect from 22 March 2019. Your Board proposes to regularize his appointment and appoint him as an Independent Director of the Company under Section 149 and 161(1) of the Act for a term of Five (5) Years, commencing from 22 March 2019 upto 21 March 2024, not liable to retire by rotation.

Mr. Dharmesh Shah (DIN: **01000335**) is not disqualified from being appointed as a Director in terms of Section 164 of the Act. The company has received a notice in writing from Mr. Dharmesh Shah (DIN: **01000335**) proposing his candidature for the office of Director of the Company. The company has also received declaration from Mr. Dharmesh Shah that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Mr. Dharmesh Shah fulfils the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of

the Listing Regulations for his appointment as an Independent Director.

Accordingly, the Board recommends the Special Resolution set out at Item No. 6 with respect to eligibility and appointment of Mr. Dharmesh Shah as an Independent Non-Executive Director of the Company for a term of five (5) consecutive years with effect from 22 March 2019 upto 21 March 2024 for approval of members of the company.

Except Mr. Dharmesh Shah and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice of the AGM.

ITEM NO. 7:

Pursuant to the provisions of Section 161 (1) of the Act and the Articles of Association of the Company, Mrs. Saraswati Somani (DIN: **00286741**), was appointed as an Additional Director of the Company w.e.f. 9 February 2019. In terms of the provisions of Section 161 (1) of the Act, Mrs. Saraswati Somani (DIN: **00286741**), would hold office up to the date of the ensuing Annual General Meeting.

Mrs. Saraswati Somani (DIN: **00286741**) is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

Except Mrs. Saraswati Somani, Mr. Vikram Somani and Mr. Bharat Somani and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the accompanying Notice of the AGM.

The Independent Director is an expert in his field and his experience and valuable guidance would be very beneficial for the growth of the Company. Hence, the Board on the recommendation of the Nomination and Remuneration Committee recommends the resolution set forth in Item No. 7 for the approval of the Members.

ITEM NO. 8:

As per Section 149 (10) of the Act, an Independent Director shall hold office for a term

of upto Five (5) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto Five (5) consecutive years on the Board of a Company.

The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considered that, given his background and experience and contributions made by him during his tenure, the continued association of Mr. Govindlal Manasawala (DIN: **01267114**) would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, it is proposed to re-appoint Mr. Govindlal Manasawala (DIN: **01267114**) as an Independent Director of the Company, not liable to retire by rotation, for a second term of five (5) consecutive years from 15 October 2019 upto 14 October 2024 on the Board of the Company.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as an Independent Director of the Company, if so appointed by the members.

In the opinion of the Board, Mr. Govindlal Manasawala (DIN: **01267114**) fulfils the conditions specified under the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the Listing Regulations for his re-appointment as Independent Director. The Board considers that their continued association would be of immense benefit to the company and it is desirable to continue to avail services of Mr. Govindlal Manasawala (DIN: **01267114**) as an Independent Director of the Company.

The Independent Director is an expert in his field and his experience and valuable guidance would be very beneficial for the growth of the Company. Hence, the Board on the recommendation of the Nomination and Remuneration Committee recommends the Special Resolution set out at Item No. 8 with respect to eligibility and re-appointment of Mr. Govindlal Manasawala

(DIN: **01267114**) as an Independent Director of the Company for a second term of five consecutive years with effect from 15 October 2019 upto 14 October 2024 for approval of members of the company.

Except Mr. Govindlal Manasawala and his relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the accompanying notice of the AGM.

ITEM NO. 9:

The Company had received letter from the following entity / person(s) falling under the category of Promoter/Promoter Group of the Company requesting to the Company for reclassification of their Shareholding from the category of “Promoter/Promoter Group” to “Public category”:

Name of Entity/Person	No. of Equity Shares held	% of total Equity Share Capital
Oricon Enterprises Ltd.	39,487	2.82%

The aforesaid entity/person(s) together are holding very insignificant shareholding, which constitutes only 2.82% of the total paid up equity capital of the Company. The aforesaid entity/person(s) do not exercise any control over the Company and are not involved in the management of the Company.

Pursuant to clause (b) sub-regulation 3 of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2018, the aforesaid entity/person(s) seeking re-classification have confirmed that:

- i. they are not holding more than ten percent of the total voting rights in the Company.
- ii. they do not exercise control over the affairs of the Company directly or indirectly.
- iii. they have no special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements.

- iv. they are not represented on the board of directors (including not having a nominee director) of the Company.
- v. they do not act as Key managerial person in the Company.
- vi. they are not 'willful defaulter' as per the Reserve Bank of India Guidelines.
- vii. they are not fugitive economic offender.

And they have also confirmed that at all times from the date of such reclassification, they shall continue to comply with sub-clauses (i), (ii) and (iii) of Clause (b) of Sub- regulations (3) of Regulation 31A and shall also comply with conditions mentioned at sub-clauses (iv) and (v) of clause (b) of sub-regulation (3) of Regulation 31A of SEBI (LODR) (Sixth Amendment) Regulations, 2018 for period of not less than three years from the date of reclassification, failing which they shall automatically be reclassified as promoter/persons belonging to Promoter Group as applicable.

Based on the letter received from the above Promoter entity/ Person(s) and in view of the provisions of Regulation 31A of SEBI (LODR) (Sixth Amendment) Regulations, 2018 and on satisfaction of the conditions (i) to (vii) specified in clause (b) of sub- regulation (3) and compliance of sub-regulation (4) of Regulation 31A of SEBI (LODR) (Sixth Amendment) Regulations, 2018 the members of the Board of Directors at their meeting held on 31 August 2019 considered and approved the application for reclassification of Shares of Oricon Enterprises Ltd. from Promoter/Promoter group to Public subject to approval of the Members of the Company at the General Meeting and also subject to the approval of the Stock Exchanges.

None of the Directors/ Key Managerial Personal of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the accompanying notice of the AGM.

Registered Office:
G. D. Somani Marg, Panchak
Nashik Road 422101

For and on behalf of the Board of Directors
For Soma Papers and Industries Limited

Place: Mumbai
Date: 31 August 2019

Vikram Somani
Director
(DIN: 00054310)

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LODR) REGULATIONS, 2015:

Name of Director and DIN	Mr. Vikram Somani (DIN: 00054310)	Mr. Bharat Somani (DIN: 00286793)	Mr. Ashish Gupta (DIN: 07466821)
Date of Birth	23/10/1968	27/12/1961	08/09/1970
Qualification	B. Com., MBA	B. Com.	B. Com.
Date of Appointment	19/11/1991	19/11/1991	22/03/2019
Brief resume & Nature of expertise in specific functional areas	20+ years of industrial, functional and administrative experience		15+ years of investment, jewellery and stock market experience
Directorship held in other Companies as on 31 March 2019	1. Electrowater Technologies Private Limited 2. Trimurti Glass Containers Limited 3. Vecron Industries Limited 4. S R S Trading & Agencies Pvt. Ltd.	1. G. D. Trading & Agencies Limited 2. Raajita Audio Video Company Private Limited 3. Mascot Constructions Private Limited 4. Vecron Industries Limited 5. Ceres Company Private Limited	NIL

	5. Gazelle Travels Private Limited 6. Vibhuti Investments Company Limited 7. Alcon Finance & Investments Limited 8. DGP Capital Management Limited 9. Paradis Hitech Industries Private Limited	6. SRS Trading & Agencies Pvt. Ltd. 7. Jaychandra Leasing & Investments Ltd. 8. Rajshree Trade & Development Private Limited	
Disclosure of relationship between directors inter-se	Son of Mrs. Saraswati Somani and Brother of Mr. Bharat Somani	Son of Mrs. Saraswati Somani and Brother of Mr. Vikram Somani	Not related to any Director.
Chairman/Member of the Committee of the Board of Directors in other Companies as on 31st March, 2019	---	---	NIL
No. of Shares held in the Company	8,462 Equity Shares of face value Rs. 10/- each.	27,500 Equity Shares of face value Rs. 10/- each.	Nil
Number of Meetings of the Board attended	5	5	Not Applicable*
Details of remuneration last Drawn	NIL	NIL	NIL

*Note: Mr. Ashish Gupta was appointed as an Additional Director w.e.f. 22 March 2019.

Name of Director and DIN	Mr. Dharmesh Shah (DIN: 01000335)	Mrs. Saraswati Somani (DIN: 00286741)	Mr. Govindlal Manasawala (DIN: 01267114)
Date of Birth	16/09/1964	30/11/1939	15/07/1930
Qualification	---	---	---
Date of Appointment	22/03/2019	09/02/2019	15/10/1992
Brief resume & Nature of expertise in specific functional areas	---	---	---
Directorship held in other Companies as on 31st March, 2019	1. Dharmesh Services Private Limited 2. Vulcan Products Private Limited	1. Vecron Industries Limited 2. S R S Trading And Agencies Pvt. Ltd.	1. Taparia Tools Limited 2. Sambhav Engineers Private Limited
Disclosure of relationship between directors inter-se	Not related to any Director.	Mother of Vikram Somani and Bharat Somani	Not related to any Director.
Chairman/Member of the Committee of the Board of Directors in other Companies as on 31st March, 2019	---	---	---
No. of Shares held in the Company	NIL	27,575 Equity Shares of face value Rs. 10/- each.	NIL

Number of Meetings of the Board attended	Not Applicable*	1	5
Details of remuneration last drawn	NIL	NIL	NIL

*Note: Mr. Dharmesh Shah was appointed as an Additional Director w.e.f. 22 March 2019.

Registered Office:
G. D. Somani Marg, Panchak
Nashik Road 422101

For and on behalf of the Board of Directors
For Soma Papers and Industries Limited

Place: Mumbai
Date: 31 August 2019

Vikram Somani
Director
(DIN: 00054310)

Directors Report

Your Directors have great pleasure in presenting the **Twenty-Eighth (28th)** Annual Report along with the Audited Statement of Accounts for the year ended 31 March 2019.

1. FINANCIAL HIGHLIGHTS:

Particulars	(Amount in Rs.)	
	Year ended 31 March 2019	Year ended 31 March 2018
Revenue from Operations	-	-
Other Income	37,25,687	4,21,845
Total Revenue	37,25,687	4,21,845
Less: Total Expenses	78,00,960	2,69,60,831
Profit/Loss before Tax	(40,75,273)	(2,65,38,986)
Less: Tax Expenses	-	-
Current Tax	-	-
Earlier Years Tax	-	-
Deferred Tax	-	-
Profit/Loss after Tax	(40,75,273)	(2,65,38,986)

2. OPERATIONAL REVIEW:

The company had to stop its manufacturing activity w.e.f. 4 August 2004, as the same had become totally unviable. As the company has not carried out any activity during the year, your Company has earned an other income of Rs.37,25,687/- during the year as compared to Rs.4,21,845/- earned in the previous year. The company has incurred Loss after Tax of Rs.40,75,273/- as compared to Loss after Tax of Rs.2,65,38,986/- in the immediately preceding financial year.

3. DIVIDEND:

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

4. TRANSFER TO RESERVES:

There was no amount transferred to Reserves during the year.

5. SHARE CAPITAL OF THE COMPANY:

The Paid up Equity Share Capital as at 31 March 2019 was Rs.1,40,21,500/- divided into 14,02,150 Equity Shares, having face value of Rs.10/- each fully paid up. During the year under review, the Company has not issued any shares with differential voting rights nor granted any stock options neither any sweat equity.

6. CHANGES IN NATURE OF BUSINESS:

No significant changes had been made in the nature of the business of the Company during the financial year.

7. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company does not have any Joint Venture or Associate Company during the period of reporting.

8. PUBLIC DEPOSITS:

Your Company has not accepted any Deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

9. PARTICULARS OF LOANS, GUARANTEES/SECURITIES OR INVESTMENTS:

There were no loans given, guarantees/ securities provided by the Company under Section 186 of the Companies Act, 2013 during the year under review. The details investments made by the Company have been disclosed in the Notes to Accounts of the financial statements.

10. CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, were not applicable to the Company for the financial year ended 31 March, 2019.

11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANYS OPERATIONS IN FUTURE:

The Company has paid all dues and compliances in regard with Listing Requirement. The securities of the Company were delisted w.e.f. 4th July, 2018 pursuant to the notice received from the Delisting Committee of BSE Ltd. and the securities were relisted w.e.f. 10th April, 2019.

12. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as '**Annexure A**' and forms an integral part of this Report.

13. BOARD OF DIRECTORS:

Your Company has Six (6) Directors of which Three (3) are Independent Directors.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vikram Krishnakumar Somani (DIN: 00054310) retires by rotation and being eligible offers himself for re-appointment.

Mr. Bharat Somani (DIN: 00286793) is re-designated as Managing Director of the company w.e.f. 22nd March, 2019 from Director to hold office for a consecutive term of 5 (Five) years subject to approval of the members at the forthcoming Annual General Meeting.

During the year under review, Mr. Ashish Gupta (DIN: 07466821), has been appointed as an Additional Independent Director not liable to retire by rotation, to hold office for a term of five years w.e.f. 22nd March, 2019 and by virtue of the Act, is eligible to hold office up to the date of the ensuing AGM. Further, in conformity with the provisions of the Companies Act, 2013, Mr. Ashish Gupta (DIN: 07466821), being eligible has proposed his candidature to be appointed as an Independent Director of the Company. Your Directors propose to regularize his appointment as an Independent Director of the Company under Section 149 and 161(1) of the Act and the Listing Regulations to hold office for a term of five years with effect from 22nd March, 2019 upto 21st March, 2024.

During the year under review, Mr. Dharmesh Shah (DIN: 01000335), has been appointed as an Additional Independent Director not liable to retire by rotation, to hold office for a term of five years w.e.f. 22nd March, 2019 and by virtue of the Act, is eligible to hold office up to the date of the ensuing AGM. Further, in conformity with the provisions of the Companies Act, 2013, Mr. Dharmesh Shah (DIN: 01000335), being eligible has proposed his candidature to be appointed as an Independent Director of the Company. Your Directors propose to regularize his appointment as an Independent Director of the Company under Section 149 and 161(1) of the Act and the Listing Regulations to hold office for a term of five years with effect from 22nd March, 2019 upto 21st March, 2024.

Mrs. Saraswati Somani (DIN: 00286741) had resigned from the post of directorship w.e.f. 18th September, 2018. Thereafter, she has been appointed as an Additional Director, w.e.f. 9th February, 2019 and is eligible to hold office up to the date of the ensuing AGM. Your Directors propose to regularize her appointment as Director of the Company under Section 149 and 161(1) of the Act.

Pursuant to the provisions of the Act and based on the recommendation of the Nomination and Remuneration Committee, the Board recommends re-appointment of Mr. Govindlal Manasawala (DIN: 01267114) as an Independent Director for second term of 5 (Five) consecutive years w.e.f. 15th October, 2019 upto 14th October, 2024 for the approval of the members through Special Resolution at the ensuing Annual General Meeting.

All the Independent Directors have submitted the declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of Independence provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14. DIRECTORS RESPONSIBILITY STATEMENT:

To the best of our knowledge and belief and according to the information and explanations obtained, Directors make the following statement in terms of Section 134(5) of the Companies Act, 2013:

- a. in the preparation of the Annual Accounts for the financial year ended 31 March 2019, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- 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 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 frauds and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

- f. if 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.

15. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, and under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation after taking into consideration various aspects of the Boards functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, remuneration, obligations and governance. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

16. MEETINGS OF BOARD OF DIRECTORS OF THE COMPANY:

During the year under review, (Five) 5 Board Meetings were convened and held on 31 May 2018, 28 July 2018, 27 October 2018, 9 February 2019, and 22 March 2019. Details of these are as follows:

Director	Category of Directorship	Meetings	
		Held	Attd
Saraswati Somani	Non-Executive - Non Independent Director	5	1
Bharat Somani*	Managing Director	5	5
Vikram Somani	Non-Executive - Non Independent Director	5	5
Govind Manasawala	Non-Executive - Independent Director	5	5
Ashish Gupta	Non-Executive - Independent Director	5	0
Dharmesh S. Shah	Non-Executive - Independent Director	5	0
Krishnagopal Gupta**	Non-Executive - Independent Director	3	3

* Bharat Somani designation has been changed from Director to Managing Director w.e.f. 22 March 2019

** Krishnagopal Gupta resigned w.e.f. 9 January 2019

17. KEY MANAGERIAL PERSONNEL:

The following are the Key Managerial Personnel of the Company:

Sr. No.	Name	Designation
1.	Bharat Somani	Managing Director
2.	Vikram Somani	Chief Financial Officer
3.	Rajesh Babarao Kadu	Company Secretary

18. AUDIT COMMITTEE:

In accordance with the provisions contained in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in consonance with the provisions of Section 177 of the Companies Act, 2013, the Board of Directors had constituted an Audit Committee comprising of 3 Directors. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 177 of the Companies Act, 2013 and the Listing Regulations.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors of the Company. The Committee focuses its attention on monitoring the financial reporting system within the Company, considering Quarterly & Annual Financial Results of the Company and submitting its observations to the Board of Directors before it is adopted by the Board, internal control system, audit methodology and process, major accounting policies and practices and compliance with accounting standards. Committee also reviews the legal compliance reporting system.

The particulars of the Members of the Audit Committee and their attendance at the Meetings are as under:

Director, Designation	Category of Directorship	Meetings
-----------------------	--------------------------	----------

		Held	Attd
Vikram Somani, Member	Non-Executive - Non Independent Director	4	4
Govind Manasawala, Chairman	Non-Executive - Independent Director	4	4
Krishnagopal Gupta, Member	Non-Executive - Independent Director	3	3

The Audit Committee meetings were held on 31 May 2018, 28 July 2018, 27 October 2018 and 9 February 2019 and all the members of the Audit Committee were present.

19. NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors of the Company had constituted a Nomination and Remuneration Committee in order to align it with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors has also framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy lays down the criteria determining qualifications, positive attributes, independence of a director and other matters pursuant to the provisions of sub-section (3) of Section 178 of the Companies Act, 2013.

The particulars of the Members of the Nomination and Remuneration Committee and their attendance at the Meeting are as under:

Director, Designation	Category of Directorship	Meetings	
		Held	Attd
Vikram Somani, Member	Non-Executive - Non Independent Director	2	2
Govind Manasawala, Chairman	Non-Executive - Independent Director	2	2
Krishnagopal Gupta, Member	Non-Executive - Independent Director	2	2

The Nomination and Remuneration Committee meeting were held on 31 May 2018 and 27 October 2018 and all the members of the Committee were present in the meeting.

20. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Board of Directors of the Company had constituted Stakeholders Relationship Committee in order to align it with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee had been constituted to strengthen the investor relations and to inter-alia, look into issues relating to shareholders' grievances pertaining to transfer of shares, non- receipt of declared dividends, non-receipt of Annual Report, issues concerning de-materialization, etc.

The particulars of the Members of the Stakeholders Relationship Committee and their attendance at the Meetings are as under:

Director, Designation	Category of Directorship	Meetings	
		Held	Attd
Vikram Somani, Member	Non-Executive - Non Independent Director	2	2
Govind Manasawala, Chairman	Non-Executive - Independent Director	2	2
Krishnagopal Gupta, Member	Non-Executive - Independent Director	2	2

The Stakeholders Relationship Committee Meetings were held on 31 May 2018 and 27 October 2018 and all the members of the Committee were present.

The details of the Complaints received during the year under review are as follows:

Nature of Complaints	Received	Pending	Disposed
Non receipt of Annual Report	-	-	-
Non Receipt of Share Certificates after transfer	-	-	-

Non Receipt of Demat Rejected S/ Cs	-	-	-
Others	-	-	-

There were no complaints pending for action as on 31 March 2019.

21. MEETING OF INDEPENDENT DIRECTORS:

During the year under review, pursuant to Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company met on 22 March 2019 inter-alia to discuss:

- i. Evaluation of performance of Non-Independent Directors and Board of Directors of the Company as a whole.
- ii. Evaluation of performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors.

22. RISK MANAGEMENT COMMITTEE:

As per Regulation 21 of the SEBI (Listing Regulations and Disclosure Requirements) Regulation, 2015 is applicable only to top 500 listed entities; hence the company is not required to constitute a Risk Management Committee.

23. REMUNERATION AND SITTING FEES:

The details of Remuneration and Sitting Fees paid are as follows:

Director	Category of Directorship	Remuneration	Sitting Fees
Saraswati Somani	Non-Executive - Non Independent Director	Nil	Nil
Bharat Somani*	Managing Director	Nil	Nil
Vikram Somani	Non-Executive - Non Independent Director	Nil	Nil
Krishnagopal Gupta	Non-Executive - Independent Director	Nil	Nil
Govind Manasawala	Non-Executive - Independent Director	Nil	Nil
Ashish Gupta	Non-Executive - Independent Director	Nil	Nil
Dharmesh S. Shah	Non-Executive - Independent Director	Nil	Nil

* Bharat Somani designation has been changed from Director to Managing Director w.e.f. 22 March 2019

24. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Pursuant to Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a Vigil Mechanism/Whistle Blower Policy to report genuine concerns, grievances, frauds and mismanagements, if any. The Vigil Mechanism/Whistle Blower Policy has been posted on the website of the Company.

25. RELATED PARTY TRANSACTIONS:

The Company has not entered into any related party transactions which fall under the provisions of Section 188 of the Companies Act, 2013 and the Rules made there under. Also, there are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with the interest of the Company at large.

26. DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has been allotted **ISIN No. INE737E01011**.

Therefore, Shareholders are requested to take full benefit of the same and lodge their holdings with Depository Participants [DPs] with whom they have their Demat Accounts for getting their holdings in electronic form.

27. CODE OF CONDUCT:

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors, Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

28. STATUTORY AUDITORS:

M/s. GMJ & Co., Chartered Accountants, (Firm Registration No. **103429W**) who are the Statutory Auditors of the Company, holds office up to the conclusion of the Annual General Meeting in the financial year 2023-24 as per resolution passed in the Annual General Meeting held on 29 September 2018.

29. SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made there under, the company has appointed M/s. GMJ & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as **Annexure B** and forms an integral part to this Report.

30. AUDITORS REPORT/ SECRETARIAL AUDIT REPORT:

The observations of the auditors contained in their Report have been adequately dealt with in the Notes to the Accounts which are self-explanatory and, therefore, do not call for any further comments.

As required under Section 204(1) of the Companies Act, 2013 the Company has obtained a Secretarial Audit Report. The report of Secretarial Auditors contains Qualifications regarding non-appointment of Company Secretary (CS), Chief Finance Officer (CFO) and Managing Director (MD) as per Section 203 of the Companies Act, 2013 and the rules made thereunder, appointment of Internal Auditor, Non-compliance of Secretarial Standards 1 - Board Meeting and Secretarial Standards 2 - General Meeting issued by The Institute of Company Secretaries of India, Absence of information of borrowings in its Financial Statements as on 31st March, 2019 and non-compliance of certain regulations of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DIRECTORS' CLARIFICATION:

With regards to the qualification for the appointment of Whole-Time Company Secretary of the Company as required under the provisions of Section 203 of the Companies Act, 2013, the Company was in the process of finding a suitable candidate during the year and thereafter, Mr. Rajesh Babarao Kadu was appointed as a Whole-Time Company Secretary w.e.f. 24th November, 2018, with regards to the qualification for the appointment of Chief Finance Officer (CFO), the Company was in the process of finding a suitable candidate during the F.Y. 2018-19 and thereafter, Mr. Vikram Somani was appointed as CFO w.e.f. 22nd March, 2019 and with regards to the qualification for the appointment of Managing Director, the Company has re-designated Mr. Bharat Somani from Director to Managing Director w.e.f. 22nd March, 2019.

Further, with regards to absence of information of borrowings in its Financial Statements as on 31st March, 2019, the directors are constantly following up with banks for the purpose. They hope to complete the task of charge satisfaction during the current financial year.

With regards to the other observations in the report, the Company is under the process of complying with the same and would ensure in future that all the provisions are complied.

31. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an in house Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

32. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

The provisions of Corporate Governance are not applicable to the Company & Management Discussion and Analysis Report is attached as **Annexure C** and forms an integral part to this Report.

33. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014:

A. Conservation of Energy	Not Applicable
B. Technology Absorption	Not Applicable
C. Foreign Exchange Earnings & Outgo	
Foreign Exchange Earned	Nil
Foreign Exchange Outgo	Nil

34. SEXUAL HARASSMENT:

The Company had constituted an Internal Complaint Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under. During the year under review, no complaints were reported.

35. SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by The Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

36. SAFETY, ENVIRONMENT CONTROL AND PROTECTION:

The Company is aware of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances, environmental regulations and preservation of natural resources.

37. PARTICULARS OF EMPLOYEES:

No employee was in receipt of remuneration exceeding the limits as prescribed under the provisions of Section 197 of the Companies Act, 2013 and read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 hence no such particulars are furnished.

38. LISTING:

The Company's Equity Shares were re-listed on Bombay Stock Exchange (BSE) w.e.f. 10th April, 2019.

39. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY:

The company has in place adequate, internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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. The company has adopted accounting policies, which are in line with the accounting standards and the Companies Act, 2013.

40. REPORTING OF FRAUDS:

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act & Rules framed thereunder either to the Company or to the Central Government.

41. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

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

42. APPRECIATION:

Your Directors would like to express their sincere appreciation to the company's Shareholders, Vendors and Stakeholders including Banks, other business associates, who have extended their valuable sustained support and encouragement during the year under review. Your Directors also wish to place on record their appreciation for impressive growth achieved through the competence, hard work, solidarity, cooperation and support of employees at all levels.

For and on behalf of the Board of Directors

For Soma Papers and Industries Limited

Vikram Somani

Bharat Somani

Director

Managing Director

(DIN: 00054310)

(DIN: 00286793)

Mumbai, 25 May 2019

Annexure A	
FORM NO. MGT 9	
<i>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.</i>	
EXTRACT OF ANNUAL RETURN	

I	REGISTRATION & OTHER DETAILS:	
i	CIN	L21093MH1991PLC064085

ii	Registration Date	19/11/1991	
iii	Name of the Company	Soma Papers & Industries Limited	
iv	Category of the Company	Company Limited by Shares	
v	Address of the Registered office & contact details		
	Address:	G. D. Somani Marg, Panchak, Nasik Road, Nasik - 422101, Maharashtra	
	Town / City:	Nashik Road	
	State:	Maharashtra	
	Country Name:	India	
	Telephone (with STD Code):	022-22626262	
	Fax Number:	NA	
	Email Address:	contactus@somapapers.in	
Website, if any:	http://somapapers.in		
vi	Whether listed company	Yes	
vii	Name and Address of Registrar & Transfer Agents (RTA)		
	Name of RTA:	Adroit Corporate Services Pvt. Ltd.	
	Address :	17-20 Jafferbhoy Industrial Estate, Makwana Marg, Marol Naka, Andheri (E), Mumbai 400059	
	Town / City :	Mumbai 400059	
	State :	T: +91 22 42270427	
	Pin Code:	F: +91 22 28503748	
	Telephone :	E: prafuls@adroitcorporate.com	
	Fax Number :		
Email Address :			
II.	PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY	NIL	
	All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-		
Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	NA		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section

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 01/04/2018)				No. of Shares held at the end of the year (As on 31/03/2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/HUF	88,907	-	88,907	6.341%	88,907	-	88,907	6.341%	0.000%
b) Central Govt	-	-	-	0.000%	-	-	-	0.000%	0.000%
c) State Govt(s)	-	-	-	0.000%	-	-	-	0.000%	0.000%
d) Bodies Corp.	-	-	-	0.000%	-	-	-	0.000%	0.000%
e) Banks / FI	-	-	-	0.000%	-	-	-	0.000%	0.000%
f) Any other	6,05,223	-	6,05,223	43.164%	6,05,223	-	6,05,223	43.164%	0.000%
(2) Foreign									
a) NRI Individual/	-	-	-	0.000%	-	-	-	0.000%	0.000%
b) Other Individual/	-	-	-	0.000%	-	-	-	0.000%	0.000%
c) Bodies Corp.	-	-	-	0.000%	-	-	-	0.000%	0.000%
d) Banks / FI	-	-	-	0.000%	-	-	-	0.000%	0.000%
e) Any Others (Non-Promoters)	-	-	-	0.000%	-	-	-	0.000%	0.000%
Total shareholding of Promoter (A)	6,94,130	-	6,94,130	49.505%	6,94,130	-	6,94,130	49.505%	0.000%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	7,750	2,300	10,050	0.717%	7,750	2,300	10,050	0.717%	0.000%
b) Banks / FI	45,420	75	45,495	3.245%	45,420	75	45,495	3.245%	0.000%
c) Central Govt	-	-	-	0.000%	-	-	-	0.000%	0.000%
d) State Govt(s)	-	-	-	0.000%	-	-	-	0.000%	0.000%
e) Venture Capital Funds	-	-	-	0.000%	-	-	-	0.000%	0.000%
f) Insurance Companies	40,379	-	40,379	2.880%	40,379	-	40,379	2.880%	0.000%
g) FIIs	-	-	-	0.000%	-	-	-	0.000%	0.000%
h) Foreign Venture Capital Funds	-	-	-	0.000%	-	-	-	0.000%	0.000%
i) Others (specify)	-	-	-	0.000%	-	-	-	0.000%	0.000%
Sub-total (B)(1):-	93,549	2,375	95,924	6.841%	93,549	2,375	95,924	6.841%	0.000%
2. Non-Institutions									

a) Bodies Corp.									
i) Indian			-	0.000%	45,786	59,075	1,04,861	7.479%	7.479%
ii) Overseas			-	0.000%				0.000%	0.000%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lac	372830	1,18,433	4,91,263	35.036%	3,56,500	1,19,673	4,76,173	33.960%	-1.076%
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lac	22,150	-	22,150	1.580%	21,970	-	21,970	1.567%	-0.013%
c) Others	39,558	59,125	98,683	7.038%	9,042	50	9,092	0.648%	-6.390%
Sub-total (B)(2):-	4,34,538	1,77,558	6,12,096	43.654%	4,33,298	1,78,798	6,12,096	43.654%	0.000%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5,28,087	1,79,933	7,08,020	50.495%	5,26,847	1,81,173	7,08,020	50.495%	0.000%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.000%	-	-	-	0.000%	0.000%
Grand Total (A+B+C)	12,22,217	1,79,933	14,02,150	100.000%	12,20,977	1,81,173	14,02,150	100.000%	0.000%

ii Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding beginning of the year (As on 01/04/2018)			Shareholding at the end of the year (As on 31/03/2019)			% change in share holding 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	Vikram Somani	8,462	0.604	-	8,462	0.604	-	0.000%
2	Vikram Somani HUF	3,000	0.214	-	3,000	0.214	-	0.000%
3	Bharat Somani	27,500	1.961	-	27,500	1.961	-	0.000%
4	Saraswati Somani	27,575	1.967	-	27,575	1.967	-	0.000%
5	Rakhi Somani	7,300	0.521	-	7,300	0.521	-	0.000%
6	Asha Somani	15,070	1.075	-	15,070	1.075	-	0.000%

7	SRS Trading & Agencies Pvt. Ltd.	5,65,736	40.348	-	5,65,736	40.348	-	0.000%
8	Oricon Enterprises Ltd.	39,487	2.816	-	39,487	2.816	-	0.000%
9			-	-		-	-	0.000%
	TOTAL	6,94,130	49.505	-	6,94,130	49.505	-	0.000%

iii Change in Promoters' Shareholding: No Change

iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): No Change

v Shareholding of Directors and Key Managerial Personnel:

Sl. No.: 1. Mr. Bharat Somani	Shareholding at the beginning of the year (As on 01/04/2018)		Cumulative Shareholding during the year (2018-19)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	27,500	1.9613	27,500	1.9613
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment/transfer/bonus/sweat equity etc.)	No Change			
At the End of the year	27,500	1.9613	27,500	1.9613
Sl. No.: 2. Mr. Vikram Somani	Shareholding at the beginning of the year (As on 01/04/2018)		Cumulative Shareholding during the year (2018-19)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	8,462	0.6035	8,462	0.6035
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment/transfer/bonus/sweat equity etc.)	No Change			
At the End of the year	8,462	0.6035	8,462	0.6035
Sl. No.: 3. Mr. Krishnagopal Badriprasad Gupta	Shareholding at the beginning of the year (As on 01/04/2018)		Cumulative Shareholding during the year (2018-19)	

	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1,150	0.0820	1,150	0.0820
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment/transfer/bonus/sweat equity etc.)	No Change			
At the End of the year	1,150	0.0820	1,150	0.0820
Sl. No.: 4. Saraswati Somani	Shareholding at the beginning of the year (As on 01/04/2018)		Cumulative Shareholding during the year (2018-19)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	27,575	1.9666	27,575	1.9666
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment/transfer/bonus/sweat equity etc.)	No Change			
At the End of the year	27,575	1.9666	27,575	1.9666
Sl. No.: 5. Govindlal Manasawala	Shareholding at the beginning of the year (As on 01/04/2018)		Cumulative Shareholding during the year (2018-19)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment/transfer/bonus/sweat equity etc.)	No Change			
At the End of the year	-	-	-	-

V Indebtness

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
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	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
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

A. Remuneration to Managing Director, Whole-time Directors and/or Manager/ other executive Director:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager/ other executive Director				Total Amount
		Bharat Somani	NA	NA	NA	
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 Shares Value (in Lacs)	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		Vikram Somani	Krishnagopal Gupta	Govindlal Manasawala	Saraswati Somani	
1	Independent Directors	-	-	-	-	-
		-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	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: NA

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				Total
		NA				
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: NA

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal if any (give Details)	made,
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
For Soma Papers and Industries Limited**

Vikram Somani
Director
(DIN: 00054310)

Bharat Somani
Managing Director
(DIN: 00286793)

FORM NO. MR - 3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Soma Papers & Industries Limited
G. D. Somani Marg,
Panchak
Nashik Road 422101

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Soma Papers & Industries Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper

Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2019 according to the provisions of:

- i. The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 notified w.e.f. 3rd October, 2018 and the Regulations and Bye-laws framed thereunder;
- iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”), viz:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with clients;
 - d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – *The securities of the Company were delisted w.e.f. 4th July, 2018 pursuant to the notice received from the Delisting Committee of BSE Ltd. and the securities were relisted w.e.f. 10th April, 2019.*
 - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and SEBI (Share based Employee Benefits) Regulations, 2014; [Not applicable during the period of audit]
 - f. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 notified w.e.f. 11th September, 2018 ; [Not applicable during the period of audit]
 - g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; [Not applicable during the period of audit]
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Not applicable during the period of audit]
 - i. In respect of the provisions of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 our observations are as follows:
 - *The Company has not complied with Regulation 6 pertaining to the appointment of a qualified company secretary as the compliance officer for part of the year. Mr. Rajesh Babarao Kadu was appointed as a Company Secretary and Compliance Officer w.e.f. 24th November, 2018;*
 - *The Company has not complied with the provisions of Regulation 17(8) which pertains to obtaining of Compliance Certificate from CEO and CFO;*
 - *The Company has not complied with the provisions of Regulation 34(1) pertaining to dispatch of Annual Report to the members for the financial year ended 31.03.2018;*
 - *The Company has not complied with Regulation 47 pertaining to publishing of notice of the board meeting where financial results shall be discussed; financial results; notices given to shareholders by advertisement.*
- v. Other laws applicable specifically to the Company namely:
 - a. The Professional Tax Act, 1975.
 - b. The Income Tax Act, 1961.
 - c. Other Acts are not applicable as the activities are at stand still.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India;
- b. The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- a. *The Company has not complied with the following sections / provisions of the Companies Act, 2013:*
 - i. *Section 203 in respect of appointment of Key Managerial Personnel [KMP] i.e. MD/ WTD, CFO & CS for part of the year. However, the same has been complied with the appointment of Mr. Rajesh Babarao Kadu as a Company Secretary w.e.f. 24th November, 2018; Mr. Bharat Somani as the Managing Director w.e.f. 22nd March, 2019 and Mr. Vikram Somani as the Chief Financial Officer w.e.f. 22nd March, 2019;*
 - ii. *Section 138 with regards to the appointment of Internal Auditors for the financial year 2018-2019;*
- b. *The Company has not complied with the clauses of Secretarial Standards 1 - Board Meeting and Secretarial Standards 2 - General Meeting issued by The Institute of Company Secretaries of India.*
- c. *We have found that there are some Charges appearing on the website of the Ministry of the Corporate Affairs. However, as per the information available from the Company and its Financial Statements as on 31st March, 2019, there are no borrowings from Banks and Financial Institutions.*

We further report that:

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

Adequate notice is given to all Directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exist for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions are carried out unanimously at Board Meetings and Committee Meetings and recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case may be.

We further report that based on the information provided and the representation made by the Chief Financial Officer/Company Secretary, taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under report, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

For GMJ & ASSOCIATES, COMPANY SECRETARIES

(CS PRABHAT MAHESHWARI), PARTNER, CP NO.: 1432, M. NO.: FCS 2405
MUMBAI, 24 MAY 2019

Note: This report is to be read with our letter of even date that is annexed as Annexure I and forms an integral part of this report

'Annexure I' to Secretarial Audit Report

To,
The Members,
Soma Papers and Industries Limited
G. D. Somani Marg,
Panchak
Nashik Road 422101

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For GMJ & ASSOCIATES, COMPANY SECRETARIES

(CS PRABHAT MAHESHWARI), PARTNER, CP NO.: 1432, M. NO.: FCS 2405
MUMBAI, 24 MAY 2019

“Annexure C”

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Directors of Soma Papers & Industries Limited are pleased to present the Management Discussion & Analysis (“MD & A”) Report for the Year ended 31 March 2019.

1. **INDUSTRY STRUCTURE AND DEVELOPMENTS:**
As of now the Company is not engaged in any activity and the management is looking for a right opportunity to make the Company operational.
2. **OPPORTUNITIES & THREATS:**
The Company is currently looking out for opportunities in all respects. The threats are that it is becoming more and more difficult to search for a suitable match.
3. **OVERALL REVIEW:**
Due to scarcity of working capital funds, the Company is not able to perform any business activities. To make the Company operational, the Board is making its best effort to implement the cost reduction measures to the extent feasible. Several cost cutting measures have already been undertaken by the Company.
4. **SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:**
The company has a single segment viz., Coated Papers.
5. **RISKS AND CONCERNS:**
The Company’s future development would depend upon the commencement of its operational activities.
6. **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY:**
The Company is following a proper and adequate system of internal control in respect of all its activities. Further, all transactions entered into by the Company are fully authorized, recorded and reported correctly.

7. **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**
During the year under review, the Company has incurred Loss after Tax of Rs.40,75,273/- as against Loss after Tax of Rs.2,65,38,986/- during the previous year.
8. **OUTLOOK:**
The outlook depends on the partner that is brought in to add value.
9. **DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIO:**
During the year under review, there were no significant changes in Key Financial Ratios of the Company as compared to previous financial year.
10. **MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:**
The relationship with the staff with all levels remained cordial during the year.
11. **CAUTIONARY STATEMENT:**
Statement in the Management Discussion and Analysis describing the Company's objectives, expectations, estimates or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement due to external factors. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

For and on behalf of the Board of Directors
For Soma Papers and Industries Limited

Bharat Somani
Managing Director
(DIN: 00286793)

Vikram Somani
Director & CFO
(DIN: 00054310)

Mumbai, 25 May 2019

CERTIFICATION BY MANAGING DIRECTOR & CFO

(Issued in accordance with the provisions of Regulation 17(8) read with Part B of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Board of Directors,
Soma Papers & Industries Limited

We have reviewed the financial statements and the cash flow statement of Soma Papers & Industries Limited for the year ended 31 March 2019 and that to the best of our knowledge and belief, we state that;

- a) (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.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31 March 2019 which are fraudulent, illegal or in violation of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:

- i. Significant changes, if any, in the internal control over financial reporting during the year.
- ii. Significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Bharat Somani
Managing Director
(DIN: 00286793)

Vikram Somani
Director & CFO
(DIN: 00054310)

Mumbai, 25 May 2019

DECLARATION AS REQUIRED UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I hereby declare that all the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct and Code of Conduct for Independent Directors, as applicable for Board Members/Senior Management Personnel as adopted by the Company for the Financial Year ended 31 March 2019.

Place: Mumbai
Date: 25th May, 2019

Bharat Somani
Managing Director (DIN: 00286793)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SOMA PAPERS & INDUSTRIES LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the standalone Ind AS financial statements of SOMA PAPERS & INDUSTRIES LIMITED ("*the Company*") which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies (hereinafter referred to as the "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid standalone Ind AS financial statements give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 and loss, *changes in equity* and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- a) Note 8 of Ind AS financial statements, the Company has given Loans and Advances amounting to Rs.14,33,983/- which are outstanding from long time. In the absence of recovery and confirmation/communication from the party, we are unable to comment on the recoverability and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable.
- b) Note 12, 13 and 11 of Ind AS financial statements, the long outstanding balances as at March 31, 2019 in respect of certain balances of Trade Payables amounting to Rs.4,20,822/-, Advance received from Customers amounting to Rs.4,38,332/- and other payables of Rs.44,000/- are subject to

confirmation from respective parties and consequential impact of reconciliation and adjustment arising there from in the results, if any, is not ascertainable.

- c) Note 25 of Ind AS financial statements, the Company has accumulated losses and net worth of the Company has been completely eroded. The Company has incurred a net loss during the current and previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the management is expecting improved results in coming years and have plans to improve revenue & other financial parameters. Hence, the financial statements of the Company have been prepared on a going concern.
- d) The Company has written back certain long aged Trade payables amounting to Rs.25,15,038/- and Deposit payables amounting to Rs.10,42,160/-. However, in absence of any confirmation from the parties, we are unable to obtain appropriate audit evidence for the same.
- e) Note 26 of Ind AS financial statements, 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. Auction proceeds received by bank has been utilized to repay Bank Cash Credit Liabilities, Debentures with interest, Electricity charges, deposit given to Labour court for Labour settlement, SICOM Loans and other related expenses. The accounting of the above transaction has been done in previous year on the basis of communication from bank. No confirmations from banks, debenture holders, electricity department Sales Tax Authority or Labour court have been received against the proceeds distributed by Bank.

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

Emphasis of Matter

We draw attention to the following:

- a) Note 13 of Ind AS financial statements, the Company has long outstanding statutory dues such as Sales tax, Income Tax Deducted at Source, etc., amounting to Rs.17,67,233/- due to which the company may be liable for interest and penal consequences under the respective laws.
- b) The Company has not appointed Internal Auditors as per section 138 of Companies Act, 2013.
- c) We have been informed that the Company's borrowings from various lenders have been settled in 2009-10. However, as per records in MCA, the charges are still outstanding.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Except for the matter described in the Basis for Qualified Opinion section or Material Uncertainty Related to Going Concern section, we have determined that there are no key audit matters to communicate in our report.

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the standalone Ind AS Financial Statements

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

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 of the aforesaid standalone Ind AS financial statements.
 - b) Except for the effects of the matter described in the 'Basis of qualified opinion' paragraph above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.

- c) The company does not have any branches. Hence, the provisions of section 143(3)(c) is not applicable.
- d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- e) Except for the effects of the matter described in the 'Basis of qualified opinion' paragraph above, in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) In our opinion, the going concern matter described under the paragraph c of Basis for Qualified Opinion above, may have an adverse effect on the functioning of the company.
- g) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- h) There is no adverse remark relating to the maintenance of accounts and other matters connected therewith.
- i) With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"
- j) In our opinion and to the best of our information and according to the explanations given to us, we report as under 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 as referred to Note 18 (A) to the standalone Ind AS financial statement.
 - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - (iii) There has been no delay in transferring amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid / provided any managerial remuneration during the year and the same is in accordance with the provisions of section 197 of the Act.

For GMJ & Co., Chartered Accountants
(FRN: 103429W)

(CA S. Maheshwari), Partner, M. No.: 038755
Mumbai, May 25, 2019

Re: SOMA PAPERS & INDUSTRIES LIMITED

Annexure 'A' to the Independent Auditors' Report

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

- i. In respect of the Company's Property, Plant and Equipment: The Company does not hold any Property, Plant and Equipment as at March 31, 2019, therefore the provisions of Clause 3 (i) (a), (b) and (c) of the said Order is not applicable to the Company.
- ii. There is no inventory in hand. Therefore, Clause 3(ii) of the Order is not applicable to the Company.
- iii. The Company has not granted loans, secured or unsecured to firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. The

loan granted to 100% subsidiary company, which was recorded as provision for doubtful debts has been written off. Other loans granted are subject to confirmation.

- (a) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions, wherever applicable are prima facie prejudicial to the interest of Company.
- (b) In our opinion and according to the information and explanations given to us, the schedule of repayment of principal and payment of interest has not been stipulated.
- (c) There is overdue amount of loans granted to Companies, listed in the registers maintained under section 189 of the companies Act, 2013.
- iv. In our opinion, on the basis of information and explanations given to us, during the year, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of Loans, Investment, Guarantees and Securities, wherever applicable.
- v. In our opinion, on the basis of information and explanations given to us, the company has not accepted any deposits from public within the meaning of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under.
- vi. On the basis of information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for any of the goods dealt by the Company. Therefore, the provisions of clause 3 (vi) of the Order are not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a) The company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at March 31, 2019 for a period of more than six months from the date they became payable, *subject to note 13 other tax liability shown as payable as on Balance Sheet date Rs. 17,67,233 (Year wise break-up is not available with the Company).*
- b) On the basis of examination of records and documents and the information and explanations given to us, the following are the particulars of the dues that have not been deposited on account of dispute.

Name of Statute	Nature of Dues	Amount (Rs.)	Forum where dispute is pending	Financial year to which the amount relates
Central Excise Act, 1944	Excise duty	2,34,761	Excise and Gold (Control) Appellate Tribunal	1988-1989

- viii. In our opinion and according to the information and explanations given to us, the Company has no dues to Financial Institutions, banks, Government during the year under audit and the Company has not issued any debentures.
- ix. According to the information and explanations given to us and based on the records and documents produced before us, during the year the company has not raised money by way of Initial Public Offer or Further Public Offer (including debt instruments) and term loans during the year. Therefore, the provisions of Clause 3(ix) of the said Order are not applicable to the Company.
- x. On the basis of the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- xi. On the basis of examination of records and documents and the information and explanations given to us, the Company has not paid / provided any managerial remuneration during the year. Therefore, the reporting under Clause 3(xi) of the said Order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, therefore the provisions of Clause 3(xii) of the said Order are not applicable to the Company.

- xiii. According to the information and explanation given to us all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable. The details of such related party transactions have been disclosed in the financial statements (Note 19) as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures.
- xiv. On the basis of examination of records and documents and the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. On the basis of examination of records and documents and the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him under the provisions of section 192 of Companies Act, 2013. Therefore, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For GMJ & Co., Chartered Accountants
(FRN: 103429W)

(CA S. Maheshwari), Partner, M. No.: 038755
Mumbai, May 25, 2019

Re: SOMA PAPERS & INDUSTRIES LIMITED

Annexure – ‘B’ 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 Company”) as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining the internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of the 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 authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 GMJ & Co., Chartered Accountants
(FRN: 103429W)

(CA S. Maheshwari), Partner, M. No.: 038755
Mumbai, May 25, 2019

Balance Sheet as at 31 March 2019

Particulars	Notes	March 31, 2019	March 31, 2018
ASSETS			
Non-Current Assets			
(a) Financial Assets			
(i) Investments	4	42,18,222	1,14,57,815
		42,18,222	1,14,57,815
Current assets			
(a) Financial Assets			
(i) Trade Receivables	5	6,000	5,130
(ii) Cash and Cash Equivalents	6	14,24,734	9,73,681
(iii) Bank Balances Other than (ii) above	7	-	1,765
(iv) Other Financial Assets	4	1,18,331	12,62,191
(b) Other Current Assets	8	14,33,688	14,33,983
		29,82,753	36,76,750
TOTAL		72,00,975	1,51,34,565
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	9	1,40,21,500	1,40,21,500
(b) Other Equity	10	(1,22,77,791)	(82,02,517)
		17,43,709	58,18,983
Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables	12		
Total outstanding dues of Micro enterprises and Small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,20,822	29,35,860
(ii) Other Financial Liabilities	11	28,30,879	-
(b) Other Current Liabilities	13	22,05,565	63,79,722
		54,57,266	93,15,582
TOTAL		72,00,975	1,51,34,565

Significant Accounting Policies and Notes Forming Part of the Financial Statements.

1 to 29

As per our report of even date attached

For and on behalf of the Board of Directors

For GMJ & Co
Chartered Accountants
FRN: 103429W

Sanjeev Maheshwari
Partner
M.No. 038755

Rajesh Kadu
Company Secretary
Mumbai, 25 May 2019

Bharat Somani, Managing Director
Vikram Somani, CFO
Saraswati Somani, Director
Ashish Gupta, Director
Dharmesh S. Shah, Director
Govindlal Manasawala, Director

Profit & Loss Account for the year ended 31 March 2019

Particulars	Notes	2018-19	2017-18
REVENUE			
Other income	14	37,25,687	4,21,845
Total Revenue (I)		37,25,687	4,21,845
EXPENSES			
Finance costs	15	1,21,253	-
Other expenses	16	76,79,707	2,69,60,831
Total Expenses (II)		78,00,960	2,69,60,831
Profit/(loss) before exceptional items and tax (I-II)		(40,75,273)	(2,65,38,986)
Exceptional Items	17	-	-
Profit/(loss) before tax		(40,75,273)	(2,65,38,986)
Tax expense:			
Current tax		-	-
Adjustment of tax relating to earlier periods		-	-
Deferred tax		-	-
Profit/(loss) for the period		(40,75,273)	(2,65,38,986)
OTHER COMPREHENSIVE INCOME			
A. Other Comprehensive income not to be reclassified to profit and loss in subsequent		-	-
B. Other Comprehensive income to be reclassified to profit and loss in subsequent		-	-
Other Comprehensive income for the year, net of tax		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		(40,75,273)	(2,65,38,986)
Earnings per share for profit attributable to equity shareholders	17		
Basic and Diluted EPS		(2.91)	(18.93)

Significant Accounting Policies and Notes Forming Part of the Financial Statements.

1 to 29

As per our report of even date attached

For and on behalf of the Board of Directors

For GMJ & Co
Chartered Accountants
FRN: 103429W

Sanjeev Maheshwari
Partner
M.No. 038755

Rajesh Kadu
Company Secretary
Mumbai, 25 May 2019

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Ashish Gupta, Director
Dharmesh S. Shah, Director
Govindlal Manasawala, Director

Cash Flow for the year ended 31 March 2019

Particulars	2018-19	2017-18
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit/(Loss) before income tax from:	(40,75,273)	<i>(2,65,38,986)</i>
Adjustments for:		
(Gain)/Loss on sale of investments	(1,11,233)	<i>2,66,53,085</i>
Changes in fair value of financial assets at fair value through profit or loss	2,93,824	<i>-</i>
Dividend and interest income classified as investing cash flows	(57,254)	<i>(81,190)</i>
Sundry balances written back	(35,57,198)	<i>-</i>
Sundry balances written off	11,71,052	<i>-</i>
Finance costs	1,21,253	<i>-</i>
Change in operating assets and liabilities:		
(Increase)/Decrease in trade receivables	35,56,328	<i>(5,130)</i>
Increase/(decrease) in trade payables	(36,86,091)	<i>(1,28,457)</i>
(Increase)/decrease in other financial assets	8,50,035	<i>(24,130)</i>
(Increase)/decrease in other current assets	295	<i>(3,46,914)</i>
(Increase)/decrease in other bank balance	1,765	<i>(1,765)</i>
Increase/(decrease) in other financial liabilities	28,30,878	<i>-</i>
Increase/(decrease) in other current liabilities	(41,74,157)	<i>(8,43,711)</i>
Cash generated from operations	(68,35,775)	<i>(13,17,198)</i>
Less: Income taxes paid	-	<i>-</i>
Net cash inflow from operating activities	(68,35,775)	<i>(13,17,198)</i>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchase of investments	-	<i>(1,11,10,900)</i>
Proceeds from sale of investments	73,50,825.46	<i>-</i>
Dividends received	57,256	<i>81,190</i>
Net cash outflow from investing activities	74,08,082	<i>(1,10,29,711)</i>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of borrowings	-	<i>-</i>
Proceeds from borrowings	-	<i>-</i>
Interest paid	(1,21,253)	<i>-</i>
Net cash inflow (outflow) from financing activities	(1,21,253)	<i>-</i>
Net increase (decrease) in cash and cash equivalents	4,51,053	<i>(1,23,46,908)</i>
Cash and Cash Equivalents at the beginning of the financial year	9,73,681	<i>1,33,20,589</i>
Cash and Cash Equivalents at end of the year	14,24,734	<i>9,73,681</i>
Reconciliation of cash and cash equivalents as per the cash flow statement:		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents	14,24,734	<i>9,73,681</i>
Balances per statement of cash flows	14,24,734	<i>9,73,681</i>

Significant Accounting Policies and Notes Forming Part of the Financial Statements.

1 to 29

As per our report of even date attached

For and on behalf of the Board of Directors

For GMJ & Co
Chartered Accountants
FRN: 103429W

Sanjeev Maheshwari
Partner
M.No. 038755

Rajesh Kadu
Company Secretary
Mumbai, 25 May 2019

Bharat Somani, Managing Director
Vikram Somani, CFO
Saraswati Somani, Director
Ashish Gupta, Director
Dharmesh S. Shah, Director
Govindlal Manasawala, Director

Changes in Equity for the year ended 31 March 2019

A Equity Share Capital

Particulars	Balance at the Beginning of the period	Changes in Equity share capital during the year	Balance at the end of the period
March 31, 2018			
Numbers	14,02,150	-	14,02,150
Amount	1,40,21,500	-	1,40,21,500
March 31, 2019			
Numbers	14,02,150	-	14,02,150
Amount	1,40,21,500	-	1,40,21,500

B Other Equity

Particulars	Reserves and Surplus		Total
	Securities Premium	Retained Earnings	
As at April 1, 2017	1,17,34,600	66,01,870	1,83,36,470
Profit for the period		(2,65,38,986)	(2,65,38,986)
Other comprehensive income		-	-
Total comprehensive income for the year	1,17,34,600	(1,99,37,116)	(82,02,516)
As at March 31, 2018	1,17,34,600	(1,99,37,116)	(82,02,516)
Profit for the period		(40,75,273)	(40,75,273)
Other comprehensive income		-	-
Total comprehensive income for the year	1,17,34,600	(2,40,12,389)	(1,22,77,789)
As at March 31, 2019	1,17,34,600	(2,40,12,389)	(1,22,77,789)

Significant Accounting Policies and Notes Forming Part of the Financial Statements.

1 to 29

As per our report of even date attached

For and on behalf of the Board of Directors

For GMJ & Co
Chartered Accountants
FRN: 103429W

Sanjeev Maheshwari
Partner
M.No. 038755

Rajesh Kadu
Company Secretary
Mumbai, 25 May 2019

Bharat Somani, Managing Director
Vikram Somani, CFO
Saraswati Somani, Director
Ashish Gupta, Director
Dharmesh S. Shah, Director
Govindlal Manasawala, Director

Notes to Financial Statements

1. Corporate Information

The financial statements comprise financial statements of Soma Papers and Industries Limited (the company) and for the year ended March 31, 2019. The company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on one recognized stock exchange in India. The registered office of the company is located at G. D. Somani Marg, Panchak, Nashik Road 422101, Maharashtra.

The Company is principally engaged in the Manufacturing Activity but stop w.e.f August 4, 2004

The financial statements were authorized for issue in accordance with a resolution of the directors on May 25, 2019.

2. Significant Accounting Policies

2.1 Basis of preparation

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) prescribed under Section 133 of the Companies Act, 2013 (‘Act’) read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value

The financial statements are presented in Indian Rupees (INR)

2.2 Summary of significant accounting policies

a. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of Goods and services Tax, excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties. The company recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company’s activities as described below. The company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Effective April 1, 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers, using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

Recognizing revenue from major business activities

i. Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

ii. Interest income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated

future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

iii. Dividend income

Dividend income on investment is recognized when the right to receive dividend is established.

b. Taxes

i. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii. Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

c. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific

asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

i. As a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

ii. As a lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Lease income from operating leases where the company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

d. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

e. Inventories

Inventories if any, are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress, if any: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Initial cost of inventories includes the transfer of gains and losses on qualifying cash flow hedges, recognized in OCI, in respect of the purchases of raw materials.

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

f. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

1. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

2. Debt instruments at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- (b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative

gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

3. Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

4. Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Interest in subsidiaries, associates and joint ventures are accounted at cost.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note details how the company determines whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

ii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

1. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

2. Loans and borrowings

This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are de-recognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

3. Financial guarantee contracts

Financial guarantee contracts issued by the company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

iii. Reclassification of financial assets

The company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

iv. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

g. Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within credit days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

h. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are expensed in the period in which they are incurred.

i. Provisions

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities recognized in a business combination

A contingent liability recognized in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognized in accordance with the requirements for provisions above or the amount initially recognized less, when appropriate, cumulative amortization recognized in accordance with the requirements for revenue recognition.

j. Employee benefits

i. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Other long-term employee-benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii. Post-employment obligations

The company operates the following post-employment schemes:

(a) defined benefit plans such as gratuity, pension, post-employment medical plans; and

(b) defined contribution plans such as provident fund.

Pension and gratuity obligations

The liability or asset recognized in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The benefits which are denominated in currency other than INR, the cash flows are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Post-employment medical obligations

Company provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit plans. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income in the period in which they arise.

Defined contribution plans

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

k. Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

1. Current / non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle.

3. Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

4. FINANCIAL ASSETS		
Particulars	March 31, 2019	<i>March 31, 2018</i>
(A) INVESTMENTS		
Non Current		
(1) Investments carried at fair value through Profit and Loss		
Quoted		
(a) Investments in Equity Instruments		
2,000 Equity shares of Bajaj Hindusthan Sugar Limited (March 31,2018: 2,000)	15,800	<i>31,502</i>
Nil share of Hexaware Technologies Limited (March 31,2018: 500)	-	<i>1,66,568</i>
Nil share of Bajaj Electricals Limited (March 31,2018: 500)	-	<i>2,55,034</i>
1,000 Equity shares of Elecon Engineering Co. Limited (March 31,2018: 1,000)	63,000	<i>1,07,104</i>
1,000 Equity shares of Mukand Limited (March 31,2018: 1,000)	54,100	<i>87,056</i>
Nil share of Praj Industries Limited (March 31,2018: 1,000)	-	<i>97,113</i>
500 Equity shares of SBI Life Insurance Co. Limited (March 31,2018: 500)	2,91,700	<i>3,48,620</i>
2,000 Equity shares of South Indian Bank Limited (March 31,2018: 2,000)	33,000	<i>62,998</i>
Nil Equity shares of State bank of India (March 31,2018: 1,500)	-	<i>4,49,100</i>
Nil Equity shares of Sun Pharma Adv. Res. Co. Limited (March 31,2018: 500)	-	<i>2,52,115</i>
1,000 Equity shares of Vodafone Idea Limited (March 31, 2018: 1,000)	18,250	<i>87,920</i>
3,000 Equity shares of Ambuja Cements Limited (March 31,2018: Nil)	7,05,900	-
Nil Equity share of Adhunik Synthetics Limited (March 31,2018 : Nil)	25,000	<i>25,000</i>
Nil Equity shares of Aluminium Industries Limited (March 31,2018 : Nil)	18,75,000	<i>18,75,000</i>
Nil Equity shares of Conway Printers Limited (March 31,2018 : Nil)	2,50,000	<i>2,50,000</i>
Nil Equity shares of Titaghur Paper Mills Company Limited (March 31,2018 : Nil)	850	<i>850</i>
Less: Provision for diminution in investment	(21,50,850)	<i>(21,50,850)</i>
A	11,81,750	<i>19,45,130</i>

(b) Investments in Mutual Funds		
836.429 Units of Franklin India Prima Plus (March 31, 2018: 836.429)	5,04,061	5,00,000
Nil Units of HDFC Cash Management Fund (March 31, 2018: 573.659)	-	20,12,686
Nil Units of HDFC Medium Term Opportunities Fund R (March 31, 2018: 97,193.064)	-	10,00,000
Nil Units of HDFC Prudence Fund - Div (March 31, 2018: 30,227.005)	-	10,00,000
11,755.26 Units of ICICI Prudential Balanced Fund (March 31,2018: 23,450.957)	15,80,377	30,00,000
Nil Units of L&T Flexi Bond Fund (G) (March 31,2018: 54,307.686)	-	10,00,000
78,917.255 Units of Reliance MIP (March 31,2018:78,917.255)	9,52,034	10,00,000
B	30,36,472	95,12,685
Total (A + B)	42,18,222	1,14,57,815
Market value of quoted investments	42,18,222	1,14,57,815
Aggregate amount of impairment in the value of investments	21,50,850	21,50,850
Investments carried at amortised cost	-	-
Investments carried at fair value through other comprehensive income	-	-
Investments carried at fair value through profit and loss	42,18,222	1,14,57,815
Investments carried at cost	-	-
(B) OTHER FINANCIAL ASSETS		
Current		
Financial assets carried at amortised cost		
Security Deposits	-	11,65,922
Other financial assets	1,18,331	96,269
Total	1,18,331	12,62,191

5. TRADE RECEIVABLES		
Particulars	March 31, 2019	<i>March 31, 2018</i>
Current		
Trade Receivables from customers	6,000	5,130
	6,000	5,130
Breakup of Security details		
Secured, considered good	-	-
Unsecured, considered good	6,000	5,130
Which Have Significant Increase In Credit Risk	-	-
Credit Impaired	-	-
	6,000	5,130
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Doubtful	-	-
	6,000	5,130

Trade or Other Receivable due from directors or other officers of the company either severally or jointly with any other person amounted to INR NIL (Previous year INR NIL)

Trade or Other Receivable due from firms or private companies respectively in which any director is a partner, a director or a member amounted to INR NIL (Previous year INR NIL)

6. CASH AND CASH EQUIVALENTS		
Particulars	March 31, 2019	<i>March 31, 2018</i>
Balances with banks:		
- On current accounts	14,21,877	9,70,824
Cash on hand	2,857	2,857
	14,24,734	9,73,681

7. OTHER BANK BALANCES		
Particulars	March 31, 2019	<i>March 31, 2018</i>
Other Balances with banks	-	1,765
	-	1,765

8. OTHER ASSETS		
Particulars	March 31, 2019	<i>March 31, 2018</i>
Current		
Advances other than Capital advances		
- Other Advances*	14,33,688	14,33,983
Others		
- Other current assets	-	-
Total	14,33,688	14,33,983

* Advance given to a party which is outstanding from long time. The Management estimates that it is bonafide and recoverable.

9. SHARE CAPITAL

i. Authorised Share Capital

	Equity Share	
	Number	Amount
At April 1, 2017	50,00,000	5,00,00,000
Increase/(decrease) during the year	-	-
At March 31, 2018	50,00,000	5,00,00,000
Increase/(decrease) during the year	-	-
At March 31, 2019	50,00,000	5,00,00,000

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii. Issued Capital

	Number	Amount
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2017	14,02,150	1,40,21,500
Issued during the period		-
At March 31, 2018	14,02,150	1,40,21,500
Issued during the period		-
At March 31, 2019	14,02,150	1,40,21,500

iii. The Company does not have a holding company.

iv. Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2019		As at March 31, 2018	
	Number	% holding	Number	% holding
<i>Equity shares of INR 10/-each fully paid</i> SRS Trading & Agencies Pvt. Ltd.	5,65,736	40.35%	5,65,736	40.35%

v. Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

vi. Shares reserved for issue under options

None of the above shares are reserved for the issue under option/contract/commitments for sale of shares or disinvestment.

10. OTHER EQUITY		
Reserves and Surplus		(Amount in INR)
Particulars	March 31, 2019	March 31, 2018
Securities Premium	1,17,34,600	1,17,34,600
Retained Earnings	(2,40,12,391)	(1,99,37,117)
	(1,22,77,791)	(82,02,517)

(a) Securities Premium

	March 31, 2019	March 31, 2018
Opening balance	1,17,34,600	1,17,34,600
Add: Changes during the year	-	-
Closing balance	1,17,34,600	1,17,34,600

(b) Retained Earnings **(Amount in INR)**

	March 31, 2019	March 31, 2018
Opening balance	(1,99,37,116)	66,01,870.00
Loss for the year	(40,75,272.62)	(2,65,38,986.00)
Closing balance	(2,40,12,389)	(1,99,37,116)

11. OTHER FINANCIAL LIABILITIES

Particulars	March 31, 2019	<i>March 31, 2018</i>
Current		
Financial Liabilities at amortised cost		
Interest accrued and due on borrowings	-	-
Deposits Payable	-	-
Other Payables*	28,30,879	-
Total	28,30,879	-

* it includes ST incentive loan and interest accrued thereon.

12. TRADE PAYABLES

Particulars	March 31, 2019	<i>March 31, 2018</i>
Current		
Trade Payables to Micro and Small Enterprises	-	-
Trade Payables to Creditors other than Micro Enterprises And Small Enterprises	4,20,822	29,35,860
Total	4,20,822	29,35,860

13. OTHER LIABILITIES

Particulars	March 31, 2019	<i>March 31, 2018</i>
Current		
Advance received from Customers	4,38,332	4,38,332
Deposits Payable	-	10,42,160
Other Payables	-	27,86,879
Others		
Statutory Liabilities*	17,67,233	17,67,233
Others	-	3,45,118
Total	22,05,565	63,79,722

*includes TDS, Sales Tax, WBST, TNGST, etc.

14. OTHER INCOME		
Particulars	2018-19	2017-18
Dividend income	57,256	81,190
Net gain on sale of Investments	1,11,233	1,21,640
Sundry balances written back*	35,57,198	-
Miscellaneous Income	-	2,19,015
	37,25,687	4,21,845

*It includes written back long aged trade payables and deposit payables.

15. FINANCE COST		
Particulars	2018-19	2017-18
Interest expense on Other	1,21,253	-
	1,21,253	-

16. OTHER EXPENSES		
Particulars	2018-19	2017-18
Advertisement	-	7,760
Printing and Stationery	-	962
Payments to auditors (Refer note below)	34,220	22,500
Legal and professional fees	4,01,822	1,84,250
Net loss on sale of investments	-	2,66,53,085
Telephone and internet expenses	8,496	1,465
Travelling & conveyance expenses	4,500	18,210
Miscellaneous expenses	4,275	72,599
BSE Penalties	51,42,260	-
Listing Fees	6,19,258	-
Sundry balances written off	11,71,052	-
Fair value loss on financial instrument at Fair value through profit and loss	2,93,824	-
Total	76,79,707	2,69,60,831

(a) Details of Payments to auditors (Amount in INR)

	2018-19	2017-18
As auditor		
Audit Fee	34,220	22,500
	34,220	22,500

17. EARNINGS PER SHARE		
Particulars	March 31, 2019	March 31, 2018
(a) Basic and Diluted earnings per share	(2.91)	(18.93)
Profit attributable to the equity holders of the company used in calculating basic earnings per share	(40,75,273)	(2,65,38,986)
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	14,02,150	14,02,150
Weighted average number of equity shares used as the denominator in calculating diluted earnings per share	14,02,150	14,02,150

18. COMMITMENTS AND CONTINGENCIES		
A. Contingent Liabilities		
	March 31, 2019	March 31, 2018
i. Guarantees excluding financial guarantees		
Corporate Guarantee given to financial institutions and banks on behalf of Vecron Industries Limited	2,50,00,000	2,50,00,000
ii. Other money for which the company is contingently liable		
(i) Income tax Penalty Demand	-	19,38,082

19. RELATED PARTY TRANSACTIONS	
(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures	
Name of Related Party	Country of Incorporation
Key Management Personnel (KMP)	
Bharat Somani - Managing Director (W.e.f. 22nd March, 2019)	
Vikram Somani - Director and Chief Financial Officer (CFO - W.e.f. 22nd March, 2019)	
Saraswati Somani - Director	
Dharmesh Shah - Director	
Govindlal Manasawala - Director	
Ashish Gupta - Director	
Rajesh Kadu - Company Secretary (W.e.f. 24th November, 2018)	
Enterprises in which Key Management Personnel have significant influence	
SRS Trading & Agencies Private Limited	India

(ii) Transactions with related parties				
The following transactions occurred with related parties				
Name	Nature of Relationship	Nature of Transaction	March 31, 2019	March 31, 2018
Rajesh Kadu	Key Managerial Personnel	Legal and Professional	80,000	-

(iii) Advances to related parties				
Name	Nature of Relationship	Particulars	March 31, 2019	March 31, 2018
SRS Trading & Agencies Private Limited	Enterprises in which Key Management Personnel have significant influence	Beginning of the year	14,33,983	10,87,068
		Advances given	-	3,46,915
		End of the year	14,33,983	14,33,983

20. SEGMENT REPORTING	
The company is engaged in only one reportable operating segment i.e Coated Papers	
Hence , disclosure required by Ind AS 108 -'Segment Reporting' are not applicable to the company	

21. FAIR VALUE MEASUREMENTS

Particulars	(Amount in INR)			
	Carrying Amount		Fair Value	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
i. Financial Instruments by Category				
FINANCIAL ASSETS				
Amortised cost				
Trade Receivables	6,000	5,130	6,000	5,130
Cash and Cash Equivalents	14,24,734	9,73,681	14,24,734	9,73,681
Other bank balance	-	1,765	-	1,765
Other Financial Assets	1,18,331	12,62,191	1,18,331	12,62,191
FVTPL				
Investment in Equity Instruments	42,18,222	1,14,57,815	42,18,222	1,14,57,815
Total	57,67,287	1,37,00,582	57,67,287	1,37,00,582
FINANCIAL LIABILITIES				
Amortised cost				
Borrowings	-	-	-	-
Trade Payables	4,20,822.00	29,35,860.00	4,20,822.00	29,35,860.00
Other financial liabilities	28,30,879.00	-	28,30,879.00	-
Total	32,51,701	29,35,860	32,51,701	29,35,860

The management assessed that the fair value of cash and cash equivalent, other bank balance, trade receivables, trade payables, borrowings and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

ii. Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measure at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

Assets and liabilities measured at fair value - recurring fair value measurement:

Particulars	March 31, 2019			March 31, 2018			Total
	Fair value measurement using			Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Financial Assets							
<i>Financial Investments at FVTPL</i>							
Quoted equity shares	42,18,222			1,14,57,815			
Total Financial Assets	42,18,222	-	-	1,14,57,815	-	-	-

Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity shares, contingent consideration and indemnification assets included in level 3.

iii. Valuation technique used to determine fair value

Specific Valuation techniques used to value financial instruments include:
 - the use of quoted market prices

22. FINANCIAL RISK MANAGEMENT

The company's activity exposes it to market risk, liquidity risk and credit risk. The Company's management oversees the management of these risks and ensures that the company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk.

(i) Foreign currency risk

Currency risk is not material as the Company's primary business activities are within India and does not have significant exposure in foreign currency.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The management is responsible for the monitoring of the Company' interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable and competitive cost of funding.

(iii) Other price risk

The Company is not exposed to other price risk.

(B) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations leading to a financial loss. Credit risk arises from cash and cash equivalents, investments carried at amortized cost, as well as credit exposures to customers including outstanding receivables and unbilled revenues.

Trade receivables

Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

Cash and Cash Equivalents

Credit Risk on cash and cash equivalent is generally low as the said who have been assigned high credit rating by international and domestic rating agencies.

(C) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

23. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	March 31, 2019	March 31, 2018
Trade payables	4,20,822	29,35,860
Borrowing	-	-
Other payable	28,30,879	-
Less: cash and cash equivalents	(14,24,734)	(9,73,681)
Net Debt	18,26,967	19,62,179
Equity Share Capital	1,40,21,500	1,40,21,500
Other Equity	(1,22,77,791)	(82,02,517)
Total Capital	17,43,709	58,18,983
Capital and net debt	35,70,676	77,81,162
Gearing ratio	51.17	25.22

24. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED ACT, 2006)

Particulars	March 31, 2019	March 31, 2018
Principal amount due to suppliers under MSMED Act, 2006*	-	-
Interest accrued and due to suppliers under MSMED Act, on the above amount	-	-
Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
Interest paid to suppliers under MSMED Act, (other than Section 16)	-	-
Interest paid to suppliers under MSMED Act, (Section 16)	-	-
Interest due and payable to suppliers under MSMED Act, for payment already made	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	-	-

* Amount includes due and unpaid of INR Nil (March 31, 2018: INR Nil)

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

25. Going Concern

The Company has accumulated losses which are in excess of the net worth as at 31 March 2019. However, these accounts have been prepared on a "going concern" basis as the required financial support will be given by the promoters and they have plans to improve revenue & other financial parameters.

26. 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 by bank has been utilized to repay Bank Cash Credit Liabilities, Debentures with interest, Electricity Charges, deposit given to Labour Court for Labour Settlement, SICOM Loans and other related expenses. 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, Sales Tax Authority or labour court have been received against the proceeds received.

The balance of the auction proceeds, after payment of all determined liabilities, has been returned to the Company. The bank has not paid any interest on such amount that was held for a substantial period.

27. As per the Indian Accounting standard (Ind AS) 12 “Income Taxes” issued by the Institute of Chartered Accountants of India, having regard to the net worth of the Company being fully eroded and uncertainty as to whether the Company can continue as a going concern, the deferred tax assets/ liabilities has not been recognized.

28. In the opinion of the management, current assets, loans and advances have a value on realization 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.

29. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The amendment to standard issued up to the date of issuance of the Company’s financial statements, but not yet effective as of the date of the Company’s financial statements is disclosed below. The Company intends to adopt the amendment to standard when it becomes effective.

Amendment to Ind AS 12, Income taxes:

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, Income Taxes, in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

Ind AS 12, Appendix C, Uncertainty over Income Tax Treatment:

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 12, Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition:

- Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight, and
 - Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives
- The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.
- Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives. The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 19, plan amendment, curtailment or settlement:

On March 30, 2019, the Ministry of Corporate Affairs issued amendments to Ind AS 19, Employee Benefits, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- To recognize in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment

Ind AS 116, Leases: On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires the lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit and Loss. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for the adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the standard recognized at the date of initial application

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at the lessee's incremental borrowing rate at the date of initial application, or

An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Significant Accounting Policies and Notes Forming Part
of the Financial Statements.

1 to 29

As per our report of even date attached

For and on behalf of the Board of Directors

For GMJ & Co
Chartered Accountants
FRN: 103429W

Sanjeev Maheshwari
Partner
M.No. 038755

Rajesh Kadu
Company Secretary
Mumbai, 25 May 2019

Bharat Somani, Managing Director
Vikram Somani, CFO
Saraswati Somani, Director
Ashish Gupta, Director
Dharmesh S. Shah, Director
Govindlal Manasawala, Director