



# SAGAR PRODUCTIONS LIMITED

907, Dev Plaza, Opp. Andheri Fire Station, Andheri (W), Mumbai - 400 059.

Tel. No. 022-6522 4150 email : splgrive@rediffmail.com

CIN : L93000MH1980PLC170432 Website : www.sagarproductions.com

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Date: 18<sup>th</sup> October, 2016

## **BSE Limited**

Corporate Services Department,  
Dalal Street, Fort  
Mumbai - 400001.

Ref : Scrip ID: SAGARPROD Scrip Code : 532092

**Sub : Submission of Annual Report for the year 2015-16 pursuant to Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015**

Dear Sir,

In compliance with Regulation 34(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, enclosed herewith please find the Annual Report of the Company for the financial year 2015-16 which has been duly approved and adopted in the Annual General Meeting held on 29<sup>th</sup> September 2016.

Kindly take the same on your record and oblige.

**For Sagar Productions Limited**

*Lesson*

(Kalakad Sundaram Sathi)

**Whole-time Director**

**DIN: 00150876**



Encl: A/a.

# ***Sagar Productions Limited***

**37<sup>TH</sup> ANNUAL REPORT 2015-16**

## COMPANY INFORMATION

<b>BOARD OF DIRECTORS</b>	Kalakad Sathi (Whole-time Director)
	Jitendra Keny (Non-Executive, Independent)
	Ramavtar Kankani (Non-Executive, Independent) <i>ceased to be Director w.e.f. 23.10.2015</i>
	Hemlata Chanda (Non-Executive, Independent)
	Deepak Mardhekar (Executive Director)
<b>REGISTERED OFFICE</b>	907, Dev Plaza, 9 <sup>th</sup> Floor, Opp Andheri Fire Station S. V. Road, Andheri- West, Mumbai – 400 059. Phone – 022-65224150
<b>EMAIL-ID</b>	splgrive@rediffmail.com
<b>WEBSITE</b>	<a href="http://www.sagarproductions.com">www.sagarproductions.com</a>
<b>BANKERS</b>	HDFC Bank Ltd. The Pratap Co-Op Bank Ltd.
<b>AUDITORS</b>	M/s. Sudhir M Desai & Co., Chartered Accountants
<b>SECRETARIAL AUDITOR</b>	M/s. Rituraj & Associates, Practising Company Secretary
<b>REGISTRAR &amp; SHARES TRANSFER AGENT</b>	M/s. Maheshwari Datamatics Pvt Ltd. 6, Mangoe Lane, (Surendra Mohan Ghosh Sarani), 2 <sup>nd</sup> Floor, Kolkata, West Bengal – 700001. Phone - 033-22482248, 22435809 Fax - 033-22484787 Email id: <a href="mailto:info@mdpl.in">info@mdpl.in</a> Website : <a href="http://www.mdpl.in">www.mdpl.in</a>

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## NOTICE

NOTICE is hereby given that the 37<sup>th</sup> Annual General Meeting of the Members of **M/s. SAGAR PRODUCTIONS LIMITED** will be held on **Thursday, 29<sup>th</sup> September 2016** at 3.00 p.m. at 1008/1009, Gold Crest Centre, L T Road, Borivali West, Mumbai – 400 092, India 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<sup>st</sup> March, 2016 including the Audited Balance Sheet as at 31<sup>st</sup> March, 2016 and Statement of Profit & Loss for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Kalakad Sathi (DIN: 00150876), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. Sudhir M. Desai & Co., Chartered Accountants (Firm Reg. No. 125516W) as Statutory Auditors of the Company and to fix their remuneration; and to pass the following resolution as an Ordinary Resolution with or without modifications(s):

**“RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditor) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and other applicable regulations and the resolution passed by the members of the Company at their 36<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2015, appointment of M/s. Sudhir M. Desai & Co., Chartered Accountants (Firm Reg. No. 125516W) for a period of 5 years i.e. upto the conclusion of 41<sup>st</sup> Annual General Meeting, be and is hereby ratified under the Companies Act, 2013, and at such remuneration as may be determined by Board of Directors on the recommendation of Audit Committee.”

### **SPECIAL BUSINESS**

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

**“RESOLVED THAT** pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the member an amount of Rs. 50/- per document, over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, directors or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

Regd. Office:  
907, Dev Plaza, 9<sup>th</sup> Floor,  
Opp. Andheri Fire Station, S.V. Road,  
Andheri (W), Mumbai – 400059.

Place: Mumbai  
Date: 13<sup>th</sup> August 2016

By Order of the Board of Directors  
**For Sagar Productions Limited**

-Sd/-  
Kalakad Sathi  
**Whole-time Director**  
DIN: 00150876

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**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies in order to be effective must be received by the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable.
2. A person can act as a proxy on behalf of members not exceeding fifty (50) 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 shareholder.
3. Corporate Members intending to send their representatives to attend the Meeting are requested to send to the Company a duly certified copy of the Board Resolution authorising their representative 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 higher in the order of names will be entitled to vote.
5. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No. alongwith their copies of the Annual Report to the meeting.
6. The Explanatory Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business under Item no. 4 as set out in the Notice is annexed hereto.
7. The Company has notified closure of Register of Members and Share Transfer Books from 26<sup>th</sup> September, 2016 to 29<sup>th</sup> September, 2016 (both days inclusive) for the purpose of annual book closure.

8. Additional information pursuant to Regulations of SEBI (Listing Obligation and Disclosures Requirements) Regulation, 2015 in respect of Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Notice.
9. Members desirous of obtaining any information as regards accounts and operations of the Company are requested to address their queries to the Registered Office of the Company in writing at least ten days in advance before the date of the Meeting, to enable the Company to keep the necessary information ready.
10. Members are requested to notify immediately any change in their communication address to their Depository Participants (DPs) in respect of their electronic share accounts quoting Client ID Number and to the Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt Ltd., in respect of their holding in physical shares, quoting Folio No.
11. Members are requested to intimate the Registrar and Share Transfer Agents for consolidation into a single folio Members, if they have shares in physical form in multiple folios in identical names or joint holding in the same order of names and convert their holdings in dematerialised form to eliminate risks associated with physical shares and better management of the securities. Members can write to the company's registrar and share transfer agent in this regard.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s. Maheshwari Datamatics Pvt Ltd., 6, Mangoe Lane, 2<sup>nd</sup> Floor, Kolkata, West Bengal – 700001.
13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 2.00 p.m. prior to the date of the Meeting.
14. The Annual Report 2015-16 and Notice of the 37<sup>th</sup> Annual General Meeting of the Company along with Attendance Slip and Proxy Form are being sent in electronic form to all the members whose email IDs are registered with the Company/Depository Participants(s). For members who have not registered their email address, physical copies of the aforesaid documents are being sent in the permitted mode.
15. Members may also note that the Notice of the 37<sup>th</sup> Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website [www.sagarproductions.com](http://www.sagarproductions.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [splgrive@rediffmail.com](mailto:splgrive@rediffmail.com)
16. To support the green initiative of the Government, members who have not registered their e-mail address so far are requested to register their e-mail address, in respect of their electronic holdings with the Depository through their concerned Depository Participants and members who hold shares in physical form are requested to register their e-mail address with the Registrar of the Company i.e. M/s. Maheshwari Datamatics Pvt Ltd., 6, Mangoe Lane, 2<sup>nd</sup> Floor, Kolkata, West Bengal – 700001.

17. The route map showing direction to reach the venue of the 37<sup>th</sup> Annual General Meeting is annexed.

18. **Voting through electronics means:**

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 the 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 ensuing 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 Central Depository Services Limited (CDSL).

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **26<sup>th</sup> September 2016 at 10.00 a.m.** and ends on **28<sup>th</sup> September 2016 at 5.00 p.m.** During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **22<sup>nd</sup> September 2016** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Dr. S. K. Jain, Practising Company Secretary, Proprietor of M/s. S. K. Jain & Company, Company Secretaries, FCS 1473, CP. No.3076 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.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (v) Click on Shareholders.
- (vi) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vii) Next enter the Image Verification as displayed and Click on Login.
- (viii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (ix) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable

	<p>for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (x) After entering these details appropriately, click on "SUBMIT" tab.
- (xi) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xiii) Click on the EVSN for the relevant <SAGAR PRODUCTIONS LIMITED> on which you choose to vote.
- (xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xvi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xviii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xix) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



(xx) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xxi) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**Annexure to Notice**

**Details of the Director seeking appointment/re-appointment in forthcoming Annual General Meeting**

Name of Director	Mr. Kalakad Sathi
DIN	00150876
Date of Appointment	22.01.2007
Brief Profile	Mr. Sathi is a Commerce Graduate and has an experience of 20 years in the field of Finance. He has been associated with the Company since 2007 and since then has been involved in decision making and day to day operations of the Company.
List of Limited Companies in which outside Directorship held as on 31.03.2016	Global Films and Broadcasting Limited
Chairman/Member of the Committee of Board of Directors of the Company as on 31 <sup>st</sup> March, 2016	Member in Audit Committee, Stakeholders’ Relationship & Nomination and Remuneration Committee.
Chairman/ Member of the Committee of other Companies as on 31 <sup>st</sup> March, 2016	None
No. of Shares held in the Company	NIL

*\*The Directorship above does not include Directorship held with Private and foreign companies and companies registered under Section 8 of the Companies Act, 2013.*

## **STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **ITEM NO: 4**

As per the provisions of section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he/she shall pay an amount of Rs. 50/- as fees. Therefore, to enable the members to avail this facility, it is necessary for the Company to approve the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution.

Since the Companies Act, 2013 requires the fees to be approved in the Annual General Meeting; the Directors accordingly commend the Ordinary Resolution at item no. 4 of the accompanying notice, for the approval of the members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the accompanying Notice.

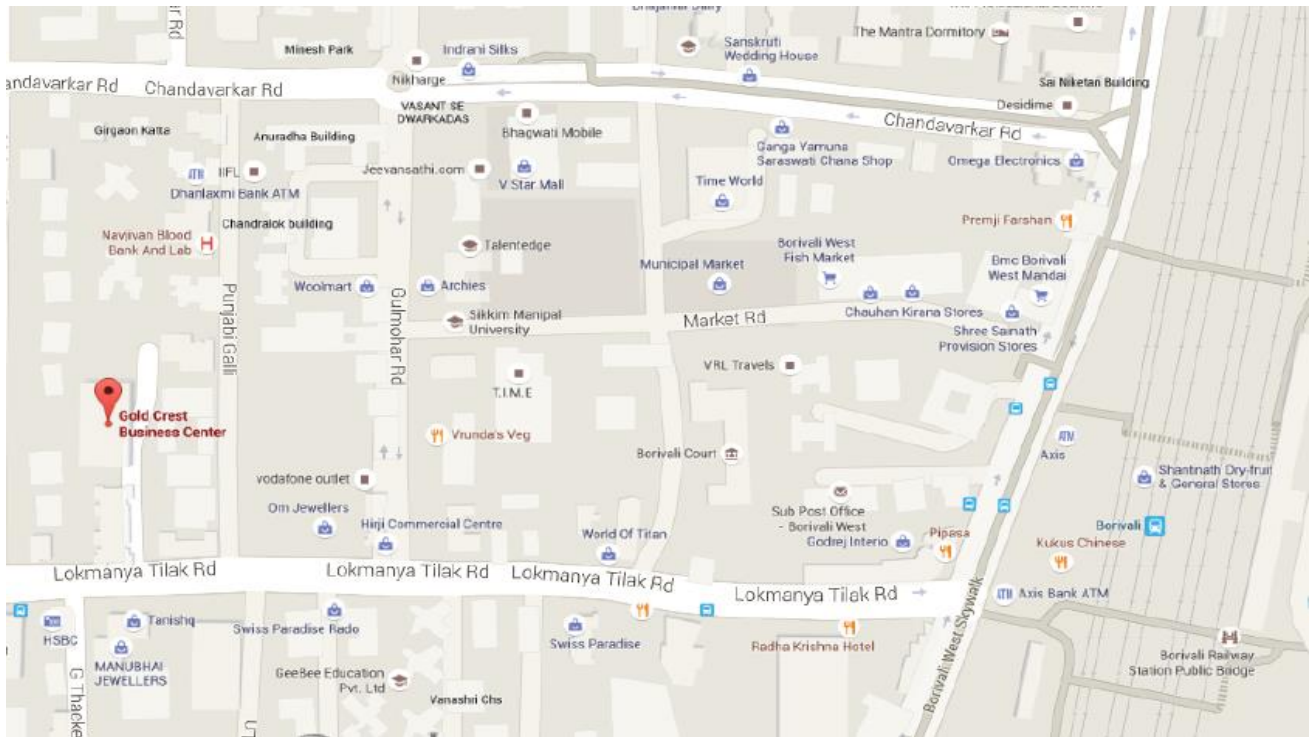
Regd. Office:  
907, Dev Plaza, 9<sup>th</sup> Floor,  
Opp. Andheri Fire Station, S.V. Road,  
Andheri (W), Mumbai - 400059

Place: Mumbai  
Date: 13<sup>th</sup> August 2016

By Order of the Board of Directors  
**For Sagar Productions Limited**

-Sd/-  
Kalakad Sathi  
**Whole-time Director**  
DIN: 00150876

## ROUTE MAP FOR THE VENUE OF ANNUAL GENERAL MEETING



## DIRECTORS' REPORT

The Members,  
**SAGAR PRODUCTIONS LIMITED**

Your Directors are pleased to present their **37<sup>th</sup> Annual Report** together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2016 and the Auditors Report thereon.

### **Business Performance**

(Rs. In Lacs)

Particulars	Year Ended 31-03-2016	Year Ended 31-03-2015
Total Revenue	90.73	0.60
Profit before depreciation and Tax	-	(6.14)
Less: Depreciation	-	-
<b>Profit after depreciation and before Tax</b>	<b>1.05</b>	<b>(6.14)</b>
Less : Provision For Tax	0.35	-
Less : Deffered Tax	-	-
Less : Short/ Excess earlier year	-	(4.95)
<b>Net Profit</b>	<b>0.70</b>	<b>(11.17)</b>
Add: Profit & Loss A/c balance of previous years	<b>(555.20)</b>	<b>(544.03)</b>
Appropriations:		
Transfer to Capital Reduction Reserve	<b>523.43</b>	-
Proposed Dividend	-	-
Interim Dividend	-	-
Dividend Distribution Tax	-	-
Transfer to General Reserve	-	-
<b>Balance c/f to Balance Sheet</b>	<b>(31.07)</b>	<b>(555.20)</b>

### **Operations and Future Plans**

Your Company wishes to inform that the total revenue earned by the Company was Rs. 90.73 Lakhs as compared to Rs. 0.60 Lakhs of the previous year. Due to increase in operations of the Company, the expenses of the Company have also surged substantially, thereby recording a net profit of Rs. 0.70 Lakhs as compared to loss of Rs. 11.03 Lakhs in the year 2014-15.

Your Directors are delighted that after booking losses since many years, Company has seen a profit and are optimistic that the upward trend shall continue to follow.

**Dividend**

In order to plough back the profit, your Directors have not recommended any dividend for the year ended 31<sup>st</sup> March, 2016.

**Share Capital**

The Issued, Subscribed & Paid up Capital of the Company as on 31<sup>st</sup> March, 2016 stands at Rs. 4,01,42,125/- divided into 4,01,42,125 Equity Shares of Rs. 1/- each.

**Reduction of Share capital:**

During the year under review, the Hon'ble Bombay High Court vide its order dated 18<sup>th</sup> April 2015 approved the Scheme of Arrangement. In accordance with the Scheme, your Company had carried out reduction of the Share capital in the following manner:

- i. The Company had consolidated its then Authorized Share Capital of Rs. 6,00,00,000/- divided into 6,00,00,000 Equity Shares of Re.1/- each and paid-up capital of Rs. 5,36,85,000/- divided into 5,36,85,000 Equity Shares of Re.1/- each in such manner that every 40 existing Equity shares of Re. 1/- each constitutes one share of Rs. 40/- each fully paid-up thereby restructuring it into Authorized Share Capital of Rs. 6,00,00,000/- divided into 15,00,000 Equity Shares of Rs. 40/- each and paid-up capital of Rs. 5,36,85,000/- divided into 13,42,125 Equity Shares of Rs.40/- each.
- ii. Post consolidation, the Company had reduced the paid-up share capital from then existing Rs. 5,36,85,000/- divided into 13,42,125 Equity Shares of Rs. 40/- each to Rs. 13,42,125/- divided into 13,42,125 shares of Re. 1/- each by cancelling capital of Rs. 39/- upon each of the 13,42,125 Equity Shares of Rs. 40/- each and thereby reducing the nominal value of shares from Rs. 40/- each to Re. 1/- each.
- iii. After completion of the abovementioned cancellation and reduction, the paid up Capital stood at Rs. 13,42,125/- divided into 13,42,125 Equity Shares of Re. 1/- each and the Authorized Share Capital of the Company was reorganized in such a manner that Rs. 6,00,00,000/- divided into 15,00,000 Equity Shares of Rs. 40/- each was further sub-divided into 6,00,00,000 Equity Shares of Re. 1/- each. The Authorized Share Capital, after this arrangement, stood at Rs. 6,00,00,000/- divided into 6,00,00,000 Equity Shares of Re. 1/- each.

**Preferential Issue:**

Pursuant to the Scheme of Arrangement, Company had made preferential allotment of 3,88,00,000 Fully Convertible Warrants of Re. 1/- each on 29<sup>th</sup> May, 2015 to Promoters & Non-Promoters after receipt of 25% of the issue price from the subscribers. Post receipt of the remaining issue price, the said warrants were converted into 3,88,00,000 fully paid Equity Shares of Re. 1/- each on 23<sup>rd</sup> October 2015. The said shares were duly listed on Bombay Stock Exchange and are subject to lock-in. The Company had fully abide with the applicable provisions of sections 62(1)(c) of the Companies Act, 2013 alongwith other applicable provisions of the Companies Act, 1956, and SEBI (ICDR)Regulations, 2009 to the extent it was required.

**Transfer to Reserve**

The Board does not propose to make transfer to reserves for the year 2015-16 and instead intends to retain the net profit in the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2016.

**Directors and Key Managerial Personnel**

In accordance with the provisions of Section 152 of the Act, and that of Articles of Association of the Company, Mr. Kalakad Sathi (DIN: 00150876) Whole-time Director of the Company retires by rotation at this Annual General Meeting of the Company and being eligible, offers himself for reappointment.

During the year review, Mr. Ramavtar Kankani had resigned from the Board citing personal issue. The Board had approved his resignation with effect from 23<sup>th</sup> October 2015 and placed its appreciation towards the guidance provided by Mr. Kankani during his tenure with the Company.

### **Board Evaluation**

Your Board has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the board after seeking inputs from the Committee Members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

Board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

### **Meetings of the Board**

During the year ended 31<sup>st</sup> March, 2016, Six (6) Board Meetings were held by the Company on 25<sup>th</sup> May, 2015; 29<sup>th</sup> May, 2015; 10<sup>th</sup> June, 2015; 13<sup>th</sup> August, 2015; 23<sup>rd</sup> October, 2015 and 12<sup>th</sup> February, 2016. The intervening gap between the Meetings was within the period as prescribed under the Companies Act, 2013 & Listing Regulations.

### **Details of Committees of the Board**

Currently, the Company has three (3) Committees namely Audit Committee, Nomination and Remuneration Committee & Stakeholders' Relationship Committee. The detailed composition of various Committees is elucidated below:

#### **i) Audit Committee**

The Audit Committee comprises of three Directors namely Mr. Jitendra Keny (Non-Executive, Independent), Mr. Kalakad Sathi (Executive) and \*Mrs. Hemlata Chanda (Non-Executive, Independent). The Chairman of the Committee is Mr. Jitendra Keny who is an Independent, Non-Executive Director. The recommendations of the Audit Committee are always welcomed and accepted by the Board & all the steps impacting the financials of the Company are undertaken only after the consultation of the Audit Committee. During the period ended 31<sup>st</sup> March, 2016, four (4) Meetings of Audit Committee were held on 29<sup>th</sup> May, 2015; 13<sup>th</sup> August, 2015; 23<sup>rd</sup> October, 2015 and 12<sup>th</sup> February, 2016.

***\*The Audit Committee was reconstituted in the Board Meeting held on 23<sup>rd</sup> October, 2015 following the resignation of Mr. Ramavtar Kankani from the Directorship of the Company. Hence, in his place Mrs. Hemlata Chanda was admitted in the Committee.***

**ii) Nomination & Remuneration Committee**

The Committee was constituted in accordance with the provisions under Section 178 of the Companies Act, 2013. The Committee consists of three (3) Members, namely Mr. Jitendra Keny (Non-Executive, Independent Director), Mr. Kalakad Sathi (Executive Director) and \*Mrs. Hemlata Chanda (Non-Executive, Independent Director). The Committee is chaired by Mr. Jitendra Keny. During the year ended 31<sup>st</sup> March, 2016, one (1) Committee Meeting was held on 25<sup>th</sup> May, 2015.

***\*Post the resignation of Mr. Ramavtar Kanakani from the Directorship of the Company, the Committee was reconstituted in the Board Meeting held on 23<sup>rd</sup> October 2015 as Mr. Kankani held membership in the Committee. Mrs. Hemlata Chanda (Non-Executive, Independent Director) was admitted in the Committee in place of Mr. Kankani.***

**Nomination and Remuneration Committee Policy**

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy forms part of this report as **Annexure - I**.

**iii) Stakeholders' Relationship Committee**

The Committee oversees all the matters relating to Stakeholders' grievances/complaints. The role of the Committee is to consider & resolve securities holders' complaint. The Committee consists of three members, namely Mrs. Hemlata Chanda (Non-executive, Independent), Mr. Jitendra Keny (Non-executive, Independent) and Mr. Kalakad Sathi (Executive). The Committee is chaired by \*Mrs. Hemlata Chanda. During the year ended 31<sup>st</sup> March, 2016, four (4) Committee Meetings were held on 29<sup>th</sup> May, 2015; 13<sup>th</sup> August, 2015; 23<sup>rd</sup> October, 2015 and 12<sup>th</sup> February, 2016.

***\*The Stakeholders' Relationship Committee was reconstituted in the Board Meeting held on 23<sup>rd</sup> October, 2015 following the resignation of Mr. Ramavtar Kankani from the Directorship of the Company. Hence, in his place Mrs. Hemlata Chanda was admitted & designated as a Chairperson of the Committee.***

**Declaration of Independence from Independent Directors**

Your Company has received declarations pursuant to Section 149(7) of the Companies Act, 2013 from all the Independent Directors confirming that they meet the criteria of independence laid down under Section 149(6) of the Companies Act, 2013. Based on the declaration(s) of Independent Directors, the Board of Directors recorded its opinion that all Independent Directors are independent of the Management and have fulfilled the conditions as specified in the Companies Act, 2013, rules made thereunder as well as applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

**Directors' Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors of your Company confirm that:

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

- 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) 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.

### **Change in the Nature of Business**

During the period under review, there is no change in the nature of business of the Company. The Company continues to operate in the Media Sector.

### **Extract of Annual Return**

The extract of Annual Return in Form MGT-9 as required under Section 92 of the Companies Act, 2013 (herein after referred to as "the Act") forms an integral part of this Report as "**Annexure -II**".

### **Sexual Harassment Policy**

In order to prevent sexual harassment at workplace, your Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rule made thereunder. During the year under review, there were no cases filed or reported pursuant to the provisions of the said Act.

### **Auditors & their Report**

#### **a) Statutory Auditor:**

At the AGM held on 30<sup>th</sup> September, 2015 for the Financial year ended 2014-15, the Members have approved & accorded their assent for appointment of M/s. Sudhir M Desai & Co., Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of the 36<sup>th</sup> Annual General Meeting until the conclusion of the 41<sup>st</sup> Annual General Meeting of the Company to be held in the year 2020, subject to the ratification of the Members at every Annual General Meeting. Also, the Company has received a letter from Auditors to the effect that their appointment if made it would be within the prescribed limits under Section 139 of the Companies Act, 2013.

The Statutory Auditors M/s. Sudhir M. Desai & Co., have issued their reports on Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2016. There are no adverse remarks or qualifications in the said report. The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

#### **b) Secretarial Auditor:**

In compliance with the provisions of Sec 204 and other applicable provisions of Companies Act 2013, the Board of Directors have appointed M/s. Rituraj & Associates, Practising Company Secretary as Secretarial Auditors to undertake secretarial audit of the Company for the financial year ended 31<sup>st</sup> March, 2016. The Secretarial Audit Report is annexed herewith as **Annexure -III** and forms an integral part of this report.

Secretarial Auditor has made and mentioned the following observation in its report:

*The Company has not appointed Chief Financial Officer (CFO) and Company Secretary as whole time Key Managerial Personnel under section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014.*



With regards to the observation made above your Board clarifies that the Company after deliberation have made various efforts for recruitment of the aforesaid Key Managerial Personnel. However, as you are aware that the Company had made huge losses in last decade and is currently in the stage of recovery. The Company had made every attempt to search suitable candidates for aforesaid positions during the year and assures that the same positions will be filled within short span.

### **Risk Management**

Risk Management is the process of identification, assessment, and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities. The Company has laid a comprehensive Risk Assessment and Minimization Procedure, which is reviewed by the Audit committee and approved by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The policy has been hosted on Company's website [www.sagarproductions.com](http://www.sagarproductions.com)

### **Internal Control Systems and their Adequacy**

The Company has adequate system of internal details of the Policy have been posted on the control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. Internal Audit is carried out in a programmed way and follow up actions were taken for all audit observations. Your Company's Statutory Auditors have, in their report, confirmed the adequacy of the internal control procedures.

### **Public Deposits**

The Company has not accepted any deposit from the general public within the meaning of section 73 of the Companies Act, 2013 and the rules made there under.

### **Particulars of Contracts/ Arrangements with Related Party**

During the year, there were no related party transactions made in the Company, therefore Form AOC-2 is not applicable to the Company. The policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.sagarproductions.com/images/pdf/Policy%20on%20Related%20Party%20Transactions.pdf>

### **Particulars of Loans, Guarantees or Investments by the Company under section 186**

During the year ended 31<sup>st</sup> March 2016, the Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

### **Material Changes affecting the financial position of the Company**

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

### **Corporate Social Responsibility Committee**

The prerequisite in terms of Section 135 of the Companies Act, 2013 of corporate social responsibility does not apply to the Company. However, your Company endeavours to involve itself in social development activities as and when required.

### Dematerialisation of Shares

Your Company has availed connectivity with both the Depositories, i.e., National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for dematerialization of its Equity Shares. The ISIN No. **INE807D01030** has been allotted for the Company Shares.

As on 31<sup>st</sup> March, 2016, 3.33% of the paid up Equity Share Capital stands in Demat mode and the remaining 96.67% Equity Shares were held in physical mode, the details of which are as follows:

Particulars	No. of Shares	% of Total Capital
Held in Demat form with CDSL	550281	1.37
Held in Demat form with NSDL	789489	1.97
Held in physical mode	38802355	96.66

The reason for lesser holding in demat form is that the Corporate Action for Preferential Allotment of Equity Shares was not completed till 31<sup>st</sup> March, 2016 and therefore the Shares allotted post conversion of warrants were in physical mode which were subsequently transferred to holders account in demat form.

### Listing of Shares

The shares of your Company are listed at BSE Limited. The applicable Annual Listing fees have been paid to the Stock Exchange for the financial year 2015-16.

During the year, Company had approached BSE Ltd twice for listing of its shares, the details of which are as follows:

- i. On 25<sup>th</sup> August, 2015, BSE Ltd granted listing approval to the Company with respect to the listing of 13,42,125 shares post reduction of Share Capital;
- ii. On 04<sup>th</sup> December, 2015, BSE Ltd had granted listing approval for 3,88,00,000 Equity Shares allotted post conversion of warrants.

### Execution of Listing Agreement

The Securities and Exchange Board of India (“SEBI”) on 2<sup>nd</sup> September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the “Listing Regulations”) with an aim to consolidate and streamline the provisions of the Listing Regulations for different segments of capital markets to ensure better enforceability. In furtherance to the same, SEBI issued Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015 which requires every existing Listed Company which has previously entered into Listing Agreement with a Stock Exchange, to execute a fresh listing agreement with the respective Stock Exchange within six months of the date of notification of the said regulations. Your Company has entered & executed the Listing Agreement with BSE Limited in the month of February, 2016.

### Adoption of various Policies

During the year, the Company had adopted certain policies as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Prevention of Insider Trading

The Company has also adopted “Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders” and “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)”. All the Directors, Senior Management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code.

### **Vigil Mechanism/Whistle Blower Policy**

The Board of Directors of Company has pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism / Whistle Blower Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc. The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee who is entrusted with the responsibility to oversee the Vigil mechanism. The policy same is also available on the web-site at the web-link <http://www.sagarproductions.com/images/pdf/Whistle%20Blower%20Policy.pdf>

### **Corporate Governance**

In terms of Regulation 15(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the provisions related to Corporate Governance as specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of schedule V shall not be applicable to the Company as the Company's paid up equity share capital is less than Rs.10 crore and Net worth does not exceed Rs.25 crore. Hence, the company is not providing a separate report on corporate governance, and also a certificate from the Company's Auditors confirming the compliance of Corporate Governance.

### **Secretarial Standards of ICSI**

Pursuant to the approval given on 10<sup>th</sup> April 2015 by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from 1<sup>st</sup> July 2015. The Company is in compliance with the same.

### **Significant and Material Orders Passed by the Regulators or Courts**

The Hon'ble High Court of Bombay has passed an order on 18<sup>th</sup> April 2015 approving the Scheme of Arrangement between the Company and its Equity Shareholders. In terms of the Scheme, the paid up Share Capital of the Company had reduced and the Company had made a preferential allotment. The order as received from the Court was submitted with Registrar of Companies, Mumbai, Regional Director, BSE Limited, etc. within the specified timeframe.

### **Management Discussion and Analysis**

Management Discussion and Analysis Report is appended as "Annexure - IV" to this Report.

### **Particulars of Employees**

Particulars of employees in accordance with the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not given, as none of the employees qualifies for such disclosure.

### **Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo**

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

## **Acknowledgement**

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all our Clients, Bankers, Business Associates and the Government and other regulatory authorities and thank all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company. Your Directors would like to place on record their gratitude to all the employees who have continued their support during the year.

By Order of the Board of Directors  
**For Sagar Productions Limited**

Place: Mumbai  
Date: 27.05.2016

-Sd/-  
**Kalakad Sathi**  
Whole Time Director  
(DIN: 00150876)

-Sd/-  
**Deepak Mardhekar**  
Director  
(DIN: 06985092)

## **ANNEXURE - I**

### **NOMINATION & REMUNERATION POLICY**

#### **PREAMBLE:**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

#### **APPLICABILITY:**

This Policy is applicable to all the Directors, Key Managerial Personnel (KMP) and Senior Management team and other employees of **Sagar Productions Limited** ("Company").

#### **DEFINITIONS:**

- i) "**Act**" means Companies Act, 2013 and rules framed thereunder as amended from time to time;
- ii) "**Board of Directors**" or Board, in relation to the company, means the collective body of the Directors of the Company;
- iii) "**Company**" means "Sagar Productions Limited"; and
- iv) "**Policy**" or "**This policy**" means Nomination and Remuneration Policy.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

#### **ROLE OF THE COMMITTEE:**

The role of the Nomination and Remuneration Committee will be the following:

- i) To formulate criteria for determining qualifications, positive attributes and independence of a Director;
- ii) To formulate criteria for evaluation of Independent Directors and the Board;
- iii) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy;
- iv) To carry out evaluation of Director's performance; and
- v) To recommend to the Board, the appointment and removal of Directors and Senior Management.

#### **APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:**

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.

#### **REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL:**

- Remuneration to Managing Director / Whole-time Directors:
  - a. The Remuneration/ Commission etc. paid to Managing Director / Whole-time Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
  - b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration of Managing Director / Whole-time Director.
- Remuneration to Non- Executive / Independent Directors:
  - a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
  - b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

#### **AMENDMENTS TO THE NOMINATION AND REMUNERATION POLICY:**

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.

## **ANNEXURE – II**

### **FORM NO. MGT – 9**

#### **EXTRACT OF ANNUAL RETURN**

As on financial year ended 31<sup>st</sup> March, 2015

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

#### **I. REGISTRATION AND OTHER DETAILS:**

CIN	L93000MHM1980PLC170432
Registration Date	05-04-1980
Name of the Company	<b>Sagar Productions Limited</b>
Category / Sub-Category of the Company	
Category	Public Company
Sub - Category	Company limited by Shares
Address of the Registered Office and contact details	907, Dev Plaza, 9 <sup>th</sup> Floor, Opp. Andheri Fire Station, Andheri - West, Mumbai – 400059, Maharashtra. Tel: 022-65224150 Email id: <a href="mailto:splgrive@rediffmail.com">splgrive@rediffmail.com</a> Website: <a href="http://www.sagarproductions.com">www.sagarproductions.com</a>
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	<b>M/s. Maheshwari Datamatics Private Ltd.</b> 6, Mangoe Lane, 2 <sup>nd</sup> Floor, Kolkata, West Bengal – 700001. Tel No.: 91(033) 2248 2248 Fax No.: 91(033) 2248 4787 Email id: <a href="mailto:mdpldc@yahoo.com">mdpldc@yahoo.com</a>

#### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

<b>Sr. No.</b>	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the company</b>
1	Production of videos, television programmes or television commercials	59112, 59113	100

#### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – NONE**

<b>Sr. No</b>	<b>Name and address of the Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of Shares Held</b>	<b>Applicable Section</b>
1	N.A.	-	-	-	-

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### a) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>Promoter</b>									
<b>1) Indian</b>									
Individual/ HUF	0	0	0	0.00	0	0	0	0.00	-
Central Govt	0	0	0	0.00	0	0	0	0.00	-
State Govt(s)	0	0	0	0.00	0	0	0	0.00	-
Bodies Corp	0	3000000	3000000	5.59	75000	9000000	9075000	22.61	17.02
Banks / FI	0	0	0	0.00	0	0	0	0.00	-
Any Other	0	0	0	0.00	0	0	0	0.00	-
<b>Sub total(A)(1):-</b>	<b>0</b>	<b>3000000</b>	<b>3000000</b>	<b>5.59</b>	<b>75000</b>	<b>9000000</b>	<b>9075000</b>	<b>22.61</b>	<b>17.02</b>
<b>2) Foreign</b>									
NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	-
Other Individuals	0	0	0	0.00	0	0	0	0.00	-
Bodies Corp.	0	0	0	0.00	0	0	0	0.00	-
Banks / FI	0	0	0	0.00	0	0	0	0.00	-
Any Other....	0	0	0	0.00	0	0	0	0.00	-
<b>Sub-total(A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>-</b>
<b>Total Shareholding of Prom &amp; Prom. Group (A)=(A)(1)+(A)(2)</b>	<b>0</b>	<b>3000000</b>	<b>3000000</b>	<b>5.59</b>	<b>75000</b>	<b>9000000</b>	<b>9075000</b>	<b>22.61</b>	<b>17.02</b>
<b>Public Shareholding</b>									
<b>1) Institutions</b>									
Mutual Funds	0	0	0	0.00	0	0	0	0.00	-
Banks / FI	0	0	0	0.00	0	0	0	0.00	-
Central Govt	0	0	0	0.00	0	0	0	0.00	-
State Govt(s)	0	0	0	0.00	0	0	0	0.00	-
Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	-
Insurance Companies	0	0	0	0.00	0	0	0	0.00	-
FIs	0	0	0	0.00	0	0	0	0.00	-
Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	-
Others (specify)	0	0	0	0.00	0	0	0	0.00	-
<b>Sub-total(B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>-</b>
<b>2) Non Institutions</b>									
Bodies Corp.									
(i) Indian	10086808	0	10086808	18.79	236524	1000000	1236524	3.08	(15.71)
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	-
Individuals									
(i) Individual shareholders holding	24384452	33511	24417963	45.48	1006023	1489	1007512	2.51	(42.97)



nominal share capital upto Rs. 1 lakh									
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	15714537	0	15714537	29.27	0	28800000	28800000	71.75	42.48
Others									
(i) Clearing Member	0	0	0	0.00	10579	0	10579	0.03	0.03
(ii) NRIs	465692	0	465692	0.87	11644	0	11644	0.03	(0.84)
(iii) Trusts	0	0	0	0.00	0	866	866	0.00	-
<b>Sub-total(B)(2)</b>	<b>50651489</b>	<b>33511</b>	<b>50685000</b>	<b>94.41</b>	<b>1264770</b>	<b>29802355</b>	<b>31067125</b>	<b>77.39</b>	<b>17.02</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>50651489</b>	<b>33511</b>	<b>50685000</b>	<b>94.41</b>	<b>1264770</b>	<b>29802355</b>	<b>31067125</b>	<b>77.39</b>	<b>17.02</b>
Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	-
<b>Grand Total (A+B+C)</b>	<b>50651489</b>	<b>3033511</b>	<b>53685000</b>	<b>100.00</b>	<b>1339770</b>	<b>38802355</b>	<b>40142125</b>	<b>100.00</b>	<b>-</b>

**b) Shareholding of Promoters**

Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change 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	
Divit India Services Pvt Ltd	3000000	5.59	0	75000	0.19	0	(5.4)
Winotel Infomedia Technologies Pvt Ltd	0	0.00	0	9000000	22.42	0	22.42
<b>Total</b>	<b>3000000</b>	<b>5.59</b>	<b>0</b>	<b>9075000</b>	<b>22.61</b>	<b>0</b>	<b>22.43</b>

**c) Change in Promoters' Shareholding**

Sr. No	Shareholder's Name	Shareholding as on 31.03.2015		Increase/ (Decrease) of Shareholding			Shareholding as on 31.03.2016	
		No. of Shares	% of total shares	Date	No. of Shares	Reason	No. of shares	% of total shares
1.	Divit India Services Pvt Ltd	3000000	5.59	10.06.2015	(2925000)	Reduction of Share Capital	75000	0.19
2.	Winotel Infomedia Technologies Pvt Ltd	0	0	23.10.2015	9000000	Preferential Allotment	9000000	22.43

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

Sr. No.	Name of Shareholder	Shareholding as at 31.03.2015		Change in Shareholding during the year		Shareholding as at 31.03.2016	
		No. of shares	% of total Share Capital	Increase (No. of Shares)	Decrease (No. of Shares)	No. of shares	% of total Share Capital
1.	Surendra Kabra	0	0.00	*1600000	-	1600000	3.99
2.	Ramanand Kabra	0	0.00	*1500000	-	1500000	3.74
3.	Deepu Kabra	0	0.00	*1500000	-	1500000	3.74
4.	Sagar Tilokchand Kothari	0	0.00	*1500000	-	1500000	3.74
5.	Pravin Nanji Gala	100	0.00	*1450000	** (98)	1450002	3.61
6.	Surbhi Kabra	0	0.00	*1400000	-	1400000	3.49
7.	Swati Kabra	0	0.00	*1400000	-	1400000	3.49
8.	Seema Kabra	0	0.00	*1400000	-	1400000	3.49
9.	Anuradha Bang	0	0.00	*1200000	-	1200000	2.99
10.	Kavita Bang	0	0.00	*1200000	-	1200000	2.99

\*The Increase was due to conversion of warrants issued on preferential basis by the Company on 23<sup>rd</sup> October 2015.

\*\*The decrease in shares of Mr. Pravin Nanji Gala is due to reduction of Share Capital of the Company on 10<sup>th</sup> June 2015.

**e) Shareholding of Directors and Key Managerial Personnel:**

For Each of the Directors and KMP	Shareholding as on 31.03.2015		Increase/ (Decrease) of Shareholding			Shareholding as on 31.03.2016	
	No. of Shares	% of total shares	Date	No. of Shares	Reason	No. of shares	% of total shares
None	--	--	--	--	--	--	--

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness as at 31.03.2015				
i) Principal Amount	--	3938344	--	3938344
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total(i+ii+iii)</b>	<b>0</b>	<b>3938344</b>	<b>0</b>	<b>3938344</b>
Change in Indebtedness during the financial year				
- Addition	--	--	--	--
- Reduction	--	(1438344)	--	(1438344)
<b>Net Change</b>	<b>0</b>	<b>(1438344)</b>	<b>0</b>	<b>(1438344)</b>
Indebtedness as at 31.03.2016				
i) Principal Amount	--	2500000	--	2500000
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>2500000</b>	<b>0</b>	<b>2500000</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/ or Manager

Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
	<b>Mr. Kalakad Sathi (Whole-time Director)</b>	
Gross salary		
(a)Salary as per provisions contained in section17(1) of the Income Tax Act, 1961	--	--
(b)Value of perquisites u/s 17(2) of Income Tax Act, 1961	--	--
(c)Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	--	--
Stock Option	--	--
Sweat Equity	--	--
Commission	--	--
- as % of profit		
- others, specify...		
Others, please specify	--	--
<b>Total (A)</b>	<b>--</b>	<b>--</b>

**B. Remuneration to other directors:**

Particulars of Remuneration	Name of Directors			Total Amount
	Mr. Ramavtar Kakani (*)	Mr. Jitendra Keny	Mrs. Hemlata Chanda	
<u>Independent Directors</u>				
Fee for attending Board/Committee Meetings	30000	35000	20000	85000
Commission	--	--	--	--
Others, please specify	--	--	--	--
<b>Total (1)</b>	<b>30000</b>	<b>35000</b>	<b>20000</b>	<b>85000</b>
<u>Other Non-Executive Directors</u>				
Fee for attending board / committee meetings	--	--	--	--
Commission				
Others, please specify				
<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total (B)=(1+2)</b>	<b>30000</b>	<b>35000</b>	<b>20000</b>	<b>85000</b>

*\* Mr. Ramavtar Kankani ceased to be a Director of the Company w.e.f. 23<sup>rd</sup> October, 2015 citing personal obligations & health related issues. Hence, the remuneration stated above pertains till his association with the Company.*

**C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD**

During the financial year ended 31<sup>st</sup> March 2016, the Company does not have a CFO and Company Secretary, hence no remuneration has been paid to any of the Key Managerial Personnel.

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

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made. If any (give details)
<b>A. Company</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. Other Officers In Default</b>					
Penalty			None		
Punishment					
Compounding					

**ANNEXURE – III**

**FORM NO. MR - 3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

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

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

To,

The Members,

**SAGAR PRODUCTIONS LIMITED**

907, Dev Plaza, 9th Floor,

Opp. Andheri Fire Station, Andheri (west)

Mumbai – 400059.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAGAR PRODUCTIONS LIMITED** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31<sup>st</sup> March, 2016** complied with the statutory provisions listed hereunder and also that the Company has proper Board–processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye- laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment were not attracted to the Company during the Financial Year under Review;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 till 14<sup>th</sup> May, 2015 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 from 15<sup>th</sup> May, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Applicable to the Company during the financial year under review)**
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, presently known as SEBI (Share Based Employee Benefits) Regulations, 2014;**(Not applicable to the Company during the financial year under review)**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **((Not Applicable during the financial year under review);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009**2009 (Not applicable during the financial year under review);**
- h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(Not applicable during the financial year under review);and**
- vi. Other laws applicable specifically to the Company namely:
  1. The Copyright Act, 1957
  2. The Trade Marks Act, 1999
  3. Cable Television Networks (Regulation) Act, 1994
  4. Cinematograph Act, 1952.

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

- i. Secretarial Standards SS-1 and SS-2 issued and notified with effect from July 01, 2015 by the Institute of Company Secretaries of India;
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s)
- iii. Securities and Exchange Board of India with (Listing Obligations and Disclosures Requirements) Regulations 2015 w.e.f. 1<sup>st</sup> December 2015
- iv. The Company entered into the new Listing Agreement entered with BSE Limited and National Stock Exchange of India Limited on February 12<sup>th</sup>, 2016 under Regulation 109 of SEBI (Listing Obligations and Disclosures 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 **except the following:**

- 1) **The Company has not appointed Chief Financial Officer (CFO) and Company Secretary as whole time Key Managerial Personnel under section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment of and Remuneration of Managerial Personnel) Rules, 2014.**

### **I 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, agenda and detailed notes on agenda were sent at least seven days in advance and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable Laws, Rules, Regulations and Guidelines.

I have also examined the books, papers and returns filed and other records maintained by the Company's for the Financial Year ended on March 31, 2016 according to the provisions of various Labour Laws and other Laws applicable, including the Rules made thereunder, and amended from time to time, to the Company, as informed by the Company, details of which are mentioned in '**Annexure I**':

In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts I have relied on the Reports given by the Statutory Auditors of the Company.

**I further report that** during the audit period the Company has not done the following specific events:

- i. Redemption/buy-back of securities;
- ii. Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013;
- iii. Merger / amalgamation / reconstruction etc;
- iv. Foreign technical collaborations.

However during the year the company has following specific events:

1. I further report that during the audit period, the Company has adopted new set of Articles of Association of the Company as per Section 14 of the Companies Act, 2013 by passing its Special Resolution in the Adjourned Annual General Meeting held on 06<sup>th</sup> October, 2015
2. The Honourable Bombay high court by order dated 18 April 2015 in company scheme petition No 867 of 2014 connected with Company Summons for Directions No 758 has sanctioned the Scheme of Arrangement filed by the company under section 391 -394 read with sections 100-105 of the companies act, 1956 and other relevant provisions of the companies act 2013. Pursuant to the said order;
  - a) The authorized share capital of the company has been reorganized by consolidating the existing authorized share capital of Rs 6,00,00,000 divided into 6,00,00,000 equity shares of Rs 1 each and paid up share capital of Rs 5,00,36,000 divided into 5,36,85,000 equity share of Re 1 each in such a manner that every 40 existing equity shares of Re 1 each constitutes one share of Re 1 each. Accordingly authorized share capital of the company was restructured comprising of authorized capital of Rs 6,00,00,000 divided into 15,00,000 equity shares of Rs 40 each. Paid up share capital was restructured comprising of paid up share capital of Rs 5,36,85,000 divided into 13,42,125 equity shares of Rs 40 each.

b) Post consolidation the paid up share capital has been reduced from Rs 5,36,85,000 divided into 13,42,125 shares of Rs 40 each to Rs 13,42,125 divided into 13,42,125 shares of Re 1 each by cancelling capital of Rs 39 upon each of the 13,42,125 shares of Rs 40 each and thereby reducing the nominal value of shares from Rs 40 each to Re 1 each.

c) The paid up share capital of the company by Rs 5,23,42,875 has been utilized to write off the debit balance in Profit and Loss Account of the company.

3. Pursuant to the scheme of arrangement sanctioned by Honourable Bombay High Court by its order dated 18th April, 2015, the company had issued and allotted 3,88,00,000 warrants of Re 1 each on Preferential basis convertible into 3,88,00,000 equity share of Re 1 each to the promoters and non-promoters in the board meeting held on 29<sup>th</sup> May, 2015.

The Board of Directors in its meeting held on 23<sup>rd</sup> October 2010 issued and allotted 3,88,00,000 of Re 1 each to the warrants holders upon exercise of conversion option by them. The company has filed form PAS-3 for the allotment of 3,88,00,000 equity shares of Re 1 each to the warrants holders on 9<sup>th</sup> November, 2015.

4. Mrs. Hemlata Chanda (DIN:06570753) who was appointed as an Additional Director designated as Independent Director in the Board meeting held on 25<sup>th</sup> March, 2015 was appointed as Regular Director designated as Independent Director for a term of five consecutive years at the Adjourned Annual General Meeting held on 06<sup>th</sup> October, 2015.
5. Mr. Ram Avtar Kankani resigned from the post of directorship w.e.f. 23<sup>rd</sup> October, 2015.

For **Ritu Raj & Associates**

Sd/-

**Ritu Raj**

**Proprietor**

Membership No. 36430

COP No. 13478

Date: 27.05.2016

Place: Mumbai

This report should be read with my letter of even date which is annexed as **Annexure-II** and forms an integral part of this report.

#### Annexure-I

##### List of applicable laws to the Company

1. Payment of Bonus Act, 1956;
2. Professional Tax Act, 1975;
3. Employees' Provident Fund Act, 1952;
4. The Contract Labour Act, 1970;
5. The Employees' State Insurance Act, 1948;
6. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
7. Income tax Act, 1961
8. Service Tax Act, 1961
9. Information Technology Act, 2000



**Annexure-II**

To,  
The Members  
**SAGAR PRODUCTION LIMITED**

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

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, I 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, regulations and standards is the responsibility of management. My examination was limited to the verification of procedure 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 Ritu Raj & Associates**

Sd/-

**Ritu Raj**

**Proprietor**

Membership No. 36430

COP No. 13478

Date: 27.05.2016

Place: Mumbai

## **ANNEXURE - IV**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

#### **THE INDIAN MEDIA AND ENTERTAINMENT INDUSTRY:**

The Indian Media and Entertainment (M&E) industry is a sunrise sector for the economy and is making high growth strides. Proving its resilience to the world, the Indian M&E industry is on the cusp of a strong phase of growth, backed by rising consumer demand and improving advertising revenues.

During the year, Indian M&E Industry has seen various developments and investments not only from Indian channels but also from worldwide media Companies. Various Indian Media Companies have collaborated with renowned overseas media and broadcasting companies to launch digital, television, mobile and branded content in India. Many M&E Companies like Balaji Telefilms Limited, Reliance Entertainment in association with DreamWorks (led by Mr Steven Spielberg) along with Participant Media (led by Mr Jeff Skoll) and Entertainment One (eOne), ScoopWhoop amongst others have raised funds to start/expand their respective Ventures. The year 2015-16 has also seen Global video-streaming service Netflix entering Indian M&E industry.

The Indian media and entertainment (M&E) industry is expected to grow at a compounded annual growth rate (CAGR) of 14.3% to touch Rs.2.26 trillion by 2020 with advertising revenues expected to grow at 15.9% to reach Rs.99,400 crore. Growth for television advertising is projected at a CAGR of 15% between 2015 and 2020, while print media is expected to grow at 8.6%.

The Government of India has supported Media and Entertainment industry's growth by taking various initiatives such as digitising the cable distribution sector to attract greater institutional funding, increasing FDI limit from 74 per cent to 100 per cent in cable and DTH satellite platforms, and granting industry status to the film industry for easy access to institutional finance. In the Union Budget 2016-17, the Government has proposed basic custom duty exemption on newsprint. During the year 2015-16, the Centre has given go-ahead for licences to 45 new news and entertainment channels in India.

*\*Source: Report by consulting firm KPMG and FICCI (Federation of Indian Chambers of Commerce and Industry) and [www.ibef.org](http://www.ibef.org).*

#### **BRIEF HISTORY & BUSINESS OVERVIEW**

Incorporated in 1980 as Kirti Finvest Limited, your Company was engaged in Financing, Share trading and Investments. Your Company was formerly known as Kirti Finvest Limited and changed its name to Sagar Productions Limited in May 2010, focusing into media segment. Your Company is into media production and media trading activity.

#### **REVIEW OF OPERATIONS & BUSINESS OVERVIEW**

Gross Sales/Revenue for the year 2015-16 stood at Rs. 90.73 Lacs in comparison to last year's sales/revenue of Rs. 0.60 Lacs. In term of Net Profit/(Loss), the Company has achieved net profit of Rs. 0.70 lac as compared to Loss of Rs. (11.77) Lacs of FY 2014-15. The Company had suffered losses in last decade which has been accumulated over a period of time. During the year 2015-16, the Company on receipt of approval from Hon'ble Bombay High Court sanctioning the Scheme of Arrangement; have reduced Share Capital of the Company by writing off losses. Your Company has also raised additional Capital of Rs. 3.88 Crores by way

of Preferential Issue to carry forward its business. With more funds at its disposal and clean financial statements, Company is targeting expansion of its business in years to come.

## **HUMAN RESOURCES**

Your Company recognises the need of talent and nurturing quality staff as a key to success. We will continue to focus on training and motivation of manpower so as to develop teams of qualified and skilled personnel to effectively discharge their responsibilities in a number of projects and activities. It is, in this context, which we have been working towards promoting the skills and professionalism of our employees to cope with and focus on the challenges of change and growth which is important to the segment your Company operates in.

## **INTERNAL CONTROLS & THEIR ADEQUACY**

The company believes in formulating adequate and effective internal control systems and implementing the same to ensure that the interests of the company are safeguarded and reliability of accounting data and its accuracy are ensured with proper checks and balances. The senior management team meets to address issues like operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulation, at regular frequency to discuss various issues that influence the business and to take strategic decisions. The company has an internal audit system, which submits report to the Chairman of Audit Committee periodically.

## **THREATS RISKS & CONCERNS**

The management of risk does not imply risk elimination but prudent risk management. We can withstand the competition despite an increasing number of new players. Due to industry specific high attrition of key professionals the quality of the productions and their consistency could suffer. There is a risk of sourcing software at reasonable acquisition costs and the rapid changing market can be a threat. Your company's management is proactive to recognise risks & threats and make use of opportunity. Piracy is a major hurdle in our segment. Physical format is diminishing to an extent largely due to this. Besides regulatory frame work, subsidies, taxes and related policy can affect our industry.

## **CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis and the annual report describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations in India and other countries. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting the domestic market, in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors and unforeseen circumstances

## CERTIFICATION FROM WHOLETIME DIRECTOR

To,  
The Board of Directors,  
**Sagar Productions Limited**

We hereby certify the following as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that:

- 1) We have reviewed Financial Statements and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief :
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal controls 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 the steps we have taken or propose to take to rectify these deficiencies.
- 4) We further certify that:
  - c. there have been no significant changes in internal control over financial reporting during the period under review;
  - d. there have been no significant changes in accounting policies made during the period and that the same have been disclosed in the notes to the financial statements; and
  - e. there have been no 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.

Place: Mumbai  
Date: 13.08.2016

-Sd/-  
**(Kalakad Sathi)**  
Whole-time Director  
(DIN: 00150876)

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**SAGAR PRODUCTIONS LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Sagar Productions Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit, and Loss and Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

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

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and

Fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31<sup>st</sup> March 2016, its loss and its cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d) in our opinion, the aforesaid (Standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date: 27.05.2016  
Place: Mumbai

**For Sudhir M Desai & Co.**  
Chartered Accountants  
**Firm Registration No. 125516W**  
-Sd-  
**Sudhir M Desai**  
Proprietor  
M. No: 041999

### **“Annexure A” to the Independent Auditors’ Report**

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2016:

- 1) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- c) The title deeds of immovable properties are held in the name of the company.
- 2) a) The management has conducted the physical verification of inventory at reasonable intervals.
- b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, there were no transactions with the related parties during the year under review.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has made a preferential allotment of 3,88,00,000 convertible warrants which were later on converted into 3,88,00,000 equity shares during the year under review. The allotment was made in compliance with section 42 of the Act.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For Sudhir M Desai & Co.**  
Chartered Accountants  
**Firm Registration No. 125516W**

-Sd-

**Sudhir M Desai**

Proprietor

M. No: 041999

Date: 27.05.2016

Place: Mumbai



## **“Annexure B” to the Independent Auditor’s 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 **M/s. SAGAR PRODUCTIONS LIMITED** (“the Company”) as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the

maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

#### **Opinion**

In our opinion, 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sudhir M Desai & Co.**  
Chartered Accountants  
**Firm Registration No. 125516W**  
-Sd-  
**Sudhir M Desai**  
Proprietor  
M. No: 041999

Date: 27.05.2016  
Place: Mumbai

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016**

PARTICULARS	NOTE NO.	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>I EQUITY AND LIABILITIES</b>			
<b>1 SHAREHOLDER'S FUNDS</b>			
(a) Share Capital	1	40,142,125	53,685,000
(b) Reserve & Surplus	2	(3,107,326)	(55,520,495)
<b>2 NON-CURRENT LIABILITIES</b>			
(a) Long-term provisions	3	57,267	-
<b>3 CURRENT LIABILITIES</b>			
(a) Short-term borrowings	4	2,500,000	3,938,344
(b) Other current liabilities	5	28,205	2,030,357
<b>TOTAL</b>		<b>39,620,271</b>	<b>4,133,206</b>
<b>II ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Non-current investments	6	60,000	60,000
(b) Long-term loans and advances	7	2,926,018	4,034,018
(c) Work In Progress	8	27,385,290	-
<b>2 CURRENT ASSETS</b>			
(a) Inventories	9	1,200,000	-
(b) Trade Receivables		7,460,260	-
(c) Cash and cash equivalents	10	65,902	16,387
(d) Short-term loans and advances		-	-
(e) Other current assets	11	522,801	22,801
<b>TOTAL</b>		<b>39,620,271</b>	<b>4,133,206</b>

See accompanying notes to the financial statements as per our report of even date

**For Sudhir M Desai & Co.**  
Chartered Accountants  
**Firm Registration No. 125516W**

-Sd-  
**Sudhir M Desai**  
Proprietor  
M. No: 041999

Place : Mumbai  
Date : 27.05.2016

**FOR SAGAR PRODUCTIONS LIMITED**

-Sd-  
**(Kalakad Sathi)**  
Whole-time Director  
DIN: 00150876

-Sd-  
**(Jitendra Keny)**  
Director  
DIN: 05291023

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2016 (RS.)	YEAR ENDED 31.03.2015 (RS.)
<b>INCOME</b>			
Revenue from operations	12	9,073,013	-
Other Income	13	-	60,000
<b>Total Revenue</b>		<b>9,073,013</b>	<b>60,000</b>
<b>EXPENDITURE</b>			
Purchase of finished Goods		8,982,500	-
Change in inventories of finished goods	14	(1,200,000)	-
Employees benefit expenses	15	80,584	106,767
Other expenses	16	1,104,635	575,973
<b>Total expenses</b>		<b>8,967,719</b>	<b>682,740</b>
<b>Profit / (Loss) before tax</b>		<b>105,294</b>	<b>(622,740)</b>
Current tax		35,000	-
Income Tax for Earlier years		-	494,637
Deferred Tax		-	-
<b>Profit / (Loss) before exceptional item</b>		<b>70,294</b>	<b>(1,117,377)</b>
Earning per equity shares			
(1) Basic		0.00	0.00

See accompanying notes to the financial statements as per our report of even date

**For Sudhir M Desai & Co.**

Chartered Accountants

**Firm Registration No. 125516W**

Sd/-

**Sudhir M Desai**

Proprietor

M. No: 041999

**FOR SAGAR PRODUCTIONS LIMITED**

Sd/-

(Kalakad Sathi)

Whole-time Director

DIN: 00150876

Sd/-

(Jitendra Keny)

Director

DIN: 05291023

Place : Mumbai

Date : 27.05.2016

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2016**

<b>PARTICULARS</b>	<b>31.03.2016</b>	<b>31.03.2015</b>
Cash Flow from operating activities :		
Net Profit before Tax as per P & L A/c	105,294	(622,740)
Misc Income	-	-
Interest Income	-	-
Depreciation	-	-
Misc Exp W/off	-	-
Income tax Paid	-	-
<b>Operating Profit Before Working Capital Changes</b>		
Add : Adjusted for		
Other Current Assets	(500,000)	-
Sundry Debtors	(7,460,260)	-
Loans & Advances	1,108,000	147,467
Current Liabilities	(1,979,885)	686,964
Closing Stock	(28,585,290)	-
<b>Net Cash Inflow/Outflow Operations ( A )</b>	<b>(37,312,141)</b>	<b>(282,946)</b>
Cash Flow from Investing Activities :		
Fixed Assets	-	-
Preliminary Expenses	-	-
Receipt of Unsecured Loan	(1,438,344)	-
Investments	-	-
<b>Net Cash Flow from Investing Activities ( B )</b>	<b>(1,438,344)</b>	<b>-</b>
Cash Flow from Financial Activities:		
Share Capital	(13,542,875)	-
Share Capital Reduction	52,342,875	-
Deposits/Unsecured Loans	-	-
Misc. Expenditure	-	-
Income Tax Paid	-	-
<b>Net Cash Flow from Financing Activities ( C )</b>	<b>38,800,000</b>	<b>-</b>
Net Cash Increase in Cash & Cash Equivalents (A + B + C)	49,515	(282,946)
Opening Balances of Cash & Cash Equivalents	16,387	299,333
Closing Balances of Cash & Cash Equivalents	65,902	16,387
<b>NET INFLOW</b>	<b>-49,515</b>	<b>282,946</b>
See accompanying notes to the financial statements as per our report of even date		
<b>For Sudhir M Desai &amp; Co.</b> Chartered Accountants <b>Firm Registration No. 125516W</b> -Sd/- <b>Sudhir M Desai</b> Proprietor M. No: 041999  Place : Mumbai Date : 27.05.2016	<b>FOR SAGAR PRODUCTIONS LIMITED</b>  -Sd/- (Kalakad Sathi) Whole-time Director DIN: 00150876	
	-Sd/- (Jitendra Keny) Director DIN: 05291023	

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH 2016**

NOTE NO.	PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>1</b>	<b>SHARE CAPITAL</b>		
	<b>AUTHORISED</b>		
	60,000,000 Equity Shares of Re. 1/- Each	60,000,000	60,000,000
		<b>60,000,000</b>	<b>60,000,000</b>
	<b>ISSUED</b>		
	40,150,075 Equity Shares of Re. 1/- Each	40,150,075	54,003,000
		<b>40,150,075</b>	<b>54,003,000</b>
	<b>SUBSCRIBED &amp; PAID UP</b>		
	40,142,125 Equity Shares of Re. 1/- Each	40,142,125	53,685,000
		<b>40,142,125</b>	<b>53,685,000</b>
1.1	The reconciliation of the number of shares outstanding is set out below :		
	Equity Shares at the beginning of the year	53,685,000	53,685,000
	Ded : Shares Reduced by Capital Reduction	52,342,875	-
	Add: Shares issued during the year	38,800,000	-
	Equity Shares at the end of the year	<b>40,142,125</b>	<b>53,685,000</b>

**1.2 Rights, Preferences & Restrictions attached to Equity Shares**

The company has only one class of equity shares having a par value of Re. 1/- per share.

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

Name of shareholder	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	No of shares held	Percentage of Holding	No of shares held	Percentage of Holding
Winfotel Infomedia Technologies Pvt Ltd	9000000	22.42	-	-

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH 2016**

PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>2 RESERVE &amp; SURPLUS</b>		
<b>Capital Reserve</b>		
As per last Balance Sheet	-	-
(a)	-	-
<b>Security Premium Account</b>		
As per last Balance Sheet	-	-
(b)	-	-
<b>General Reserve</b>		
As per last Balance Sheet	664,334	664,334
(c)	664,334	664,334
<b>Statement of Profit &amp; Loss</b>		
As per last Balance Sheet	(56,184,829)	(55,067,452)
Add : Profit / (Loss) for the year	70,294	(1,117,377)
Less : Proposed Dividend	-	-
Less : Tax on Proposed Dividend	-	-
Less : Capital Reduction	52,342,875	-
(d)	<b>(3,771,660)</b>	<b>(56,184,829)</b>
Total reserve & surplus (a+b+c+d)	<b>(3,107,326)</b>	<b>(55,520,496)</b>

PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>3 LONG TERM PROVISIONS</b>		
Provision for Tax	54,347	-
Provision for Sub-Assets	2,920	-
	<b>57,267</b>	-

PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>4 SHORT TERM BORROWINGS</b>		
Inter Corporate Loan	2,500,000	3,938,344
<b>Total</b>	<b>2,500,000</b>	<b>3,938,344</b>

4.1 – Loans are repayable on demand.

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31<sup>ST</sup> MARCH, 2016**

PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>5 OTHER CURRENT LIABILITIES</b>		
Advances received from Customers	-	1,500,000
Outstanding Expenses	28,205	530,357
Other Liabilities	-	-
	<b>28,205</b>	<b>2,030,357</b>

PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>6 NON CURRENT INVESTMENTS</b>		
<b>Quoted</b>		
	-	-
(a)	-	-
<b>Unquoted</b>		
Sagar Portfolio Services Limited	60,000	60,000
(b)	<b>60,000</b>	<b>60,000</b>
<b>Share Application Money</b>		
	-	-
(c)	-	-
<b>Total (a+b+c)</b>	<b>60,000</b>	<b>60,000</b>

PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>7 LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured and Considered good)		
Loans (Inclusive interest accrued thereon)	2,520,568	3,654,018
Deposit	380,000	380,000
Advance Payment of Tax (Net of provision)	25,450	-
	<b>2,926,018</b>	<b>4,034,018</b>

PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>8 WORK IN PROGRESS</b>		
Work in Progress	27,385,290	-
	<b>27,385,290</b>	-



**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31<sup>ST</sup> MARCH, 2016**

PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>9 INVENTORIES</b>		
Stock in Hand	1,200,000	-
	<b>1,200,000</b>	<b>-</b>

PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>10 CASH AND BANK BALANCES</b>		
Cash in Hand	8,670	7,593
Balance with bank in current account	57,232	8,794
<b>A</b>	<b>65,902</b>	<b>16,387</b>
<b>OTHER BALANCES</b>		
Unpaid Dividend	-	-
<b>Total</b>	<b>65,902</b>	<b>16,387</b>

PARTICULARS	AS AT 31.03.2016 (RS.)	AS AT 31.03.2015 (RS.)
<b>11 OTHER CURRENT ASSETS</b>		
Pre operative expenses		
Share Issue Expenses	522,801	22,801
	<b>522,801</b>	<b>22,801</b>

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31<sup>ST</sup> MARCH, 2016**

PARTICULARS	YEAR ENDED 31.03.2016 (RS.)	YEAR ENDED 31.03.2015 (RS.)
<b>12 REVENUE FROM OPERATIONS</b>		
Sales	9,073,013	-
	9,073,013	
PARTICULARS	YEAR ENDED 31.03.2016 (RS.)	YEAR ENDED 31.03.2015 (RS.)
<b>13 OTHER INCOME</b>		
Interest on Non Current Investments	-	60,000
Profit / (Loss) on sale of Assets	-	-
	-	60,000
PARTICULARS	YEAR ENDED 31.03.2016 (RS.)	YEAR ENDED 30.06.2015 (RS.)
<b>14 CHANGE IN INVENTORIES</b>		
<b>Balance as of commencement of the Year :</b>		
Finished Goods	-	-
Traded Goods	-	-
<i>Less:</i>		
<b>Balance as of end of the Year :</b>		
Finished Goods	1,200,000	-
Traded Goods	-	-
	(1,200,000)	-
PARTICULARS	YEAR ENDED 31.03.2016 (RS.)	YEAR ENDED 31.03.2015 (RS.)
<b>15 EMPLOYEE BEBENEFIT EXPENSES</b>		
Salaries	74,500	97,500
Staff Welfare Expenses	6,084	9,267
Remuneration to Directors	-	-
	80,584	106,767

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2016**

PARTICULARS	YEAR ENDED 31.03.2016 (RS.)	YEAR ENDED 31.03.2015 (RS.)
<b>16 OTHER EXPENSES</b>		
Advertisement & Sales Promotion	27,803	92,619
General expenses	645,978	198,618
Legal & Professional Charges	114,110	52,706
Printing, Stationary & Communication expenses	10,714	-
Director's Sitting Fees	85,000	32,500
Rent, Rate & Taxes	180,000	180,000
<b>Remuneration to Auditors</b>		
Audit Fees	11,030	11,030
	<b>10,74,635</b>	<b>567,473</b>

**Notes forming part of the Financial Statements as at and for the year ended 31<sup>st</sup> March 2016**

**1. Significant Accounting Policies**

**(a) Basis of Preparation**

These financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 (the 'Act') shall continue to apply. Consequently, these financial statements are prepared to comply in all material aspects with the Accounting Standards notified under sub-section (3C) of Section 211 of the Act [Companies (Accounting Standards) Rules, 2006] and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

**(b) Investments**

Long-term Investments are stated at cost. Provision is made to recognise a decline, other than temporary, in the value of Long-term Investments. Current Investments are stated at lower of cost and fair value.

**(c) Inventories**

Inventories are valued at lower of cost and net realisable value. Cost is determined on moving weighted average basis. Cost of work-in-progress and finished goods includes labour and manufacturing overheads, where applicable. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**(d) Foreign Currency Transactions**

There was no foreign exchange inflow or Outflow during the year under review.

**(e) Revenue Recognition**

Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the customer and are recognised net of trade discounts, rebates, sales tax and excise duty.

**(f) Taxes on Income**

Current tax is determined as the amount of tax payable in respect of estimated taxable income for the year.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

**(g) Provisions and Contingent Liabilities**

The company recognises a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

**(h) Use of Estimates**

The preparation of financial statements in accordance with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities as at the Balance Sheet date and the results of operations during the reporting period. The actual results could differ from these estimates. Any revision to such accounting estimates is recognised in the accounting period in which such revision takes place.

**(i) Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all period presented is adjusted for events, such as

bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the affects of all dilutive potential equity shares.

**(j) Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

**(k) Related Party Transactions**

During the year, there have been no transactions with any related party.

Signature to the Schedule 1 to 16 forming part of the Balance Sheet & Statement of Profit & Loss.

**For Sudhir M Desai & Co.**

Chartered Accountants

**Firm Registration No. 125516W**

-Sd/-

**Sudhir M Desai**

Proprietor

M. No: 041999

**FOR SAGAR PRODUCTIONS LIMITED**

-Sd/-

(Kalakad Sathi)

Whole-time Director

DIN: 00150876

-Sd/-

(Jitendra Keny)

Director

DIN: 05291023

Place : Mumbai

Date : 27.05.2016

**SAGAR PRODUCTIONS LIMITED**

CIN: L93000MH1980PLC170432

**Regd Office:** 907, Dev Plaza, 9<sup>th</sup> Floor, Opp Andheri Fire Station, Andheri (West), Mumbai- 400059  
Tel No: +91-22-65224150, Email: [splgrive@rediffmail.com](mailto:splgrive@rediffmail.com), Website: [www.sagarproductions.com](http://www.sagarproductions.com).

**ATTENDANCE SLIP**

**To be handed over at the entrance of the Meeting Hall**

Folio No. /Client ID: .....

No. of Shares: .....

I hereby record my presence at the 37<sup>th</sup> Annual General Meeting to be held at 1008/1009, Gold Crest Centre, L T Road, Borivali West, Mumbai – 400 092 on Thursday, September 29, 2016 at 3.00 p.m.

Member's/Proxy's Full Name

Member's/Proxy's Signature

.....TEAR HERE.....

**SAGAR PRODUCTIONS LIMITED**

CIN: L93000MH1980PLC170432

**Regd Office:** 907, Dev Plaza, 9<sup>th</sup> Floor, Opp Andheri Fire Station, Andheri (West), Mumbai- 400059  
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**PROXY FORM**

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

Name of the Member (s):	Folio No./Client Id:
Registered Address:	DP ID:
E-mail Id:	

I/We, being the member (s) of .....Shares of the above named company, hereby appoint:

- Name : ..... Address : .....

E-mail Id : ..... Signature : ..... or failing him
- Name : ..... Address : .....

E-mail Id : ..... Signature : ..... or failing him
- Name : ..... Address : .....

E-mail Id : ..... Signature : ..... or failing him

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as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37<sup>th</sup> Annual General Meeting of the Company, to be held at 1008/1009, Gold Crest Centre, L T Road, Borivali- West, Mumbai - 400 092 on Thursday, September 29, 2016 at 3.00 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business	Special Business
1) Adoption of standalone financial statements for the year ended as at March 31, 3016 and Reports of Directors' and Auditors' thereon. 2) Re-appointment of Mr. Kalakad Sathi (DIN: 00150876), who retires by rotation. 3) Ratification of Appointment of Auditors.	4) Determination of fees to be charged for service of documents in a particular mode.

Signed this ..... day of ....., 2016

.....  
Signature of Shareholder

.....  
Signature of Proxyholder (s)

**Note:**  
This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

***If undelivered please return to :  
Sagar Productions Limited  
907 Dev plaza ,  
S.V.Road, Andheri - west,  
Mumbai - 400058***