

7 October 2017



The Asst. General Manager
Department of Corporate Services – Listing
BSE Limited
P. J. Towers, Dalal Street
Fort
Mumbai 400001

Dear Sir / Madam,

Sub: 26th Annual Report 2016-17
Script Code: 516038
Regulation 34 (1)

We are pleased to enclose herewith the 26th Annual Report for the period ended 31 March 2017.

Please acknowledge receipt and take on record.

Thanking you

Yours faithfully

for SOMA PAPERS & INDUSTRIES LTD.

A handwritten signature in black ink, appearing to read 'Vikram Somani', is written over a faint, light-colored circular stamp or watermark.

Vikram Somani, DIN: 0054310
Director
+91 98200 09466

Administrative Office: 3rd Floor, Indian Mercantile Chambers, 14 Ramjibhai Kamani Marg,
Ballard Estate, Mumbai 400001 | T: (022) 22626262 | E: contactus@somapapers.in

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

CIN: L21093MH1991PLCo64085 | PAN: AAACS6835Q | TAN: NSKS01833G
BSE Script Code: 516038 | ISIN: INE737E01011





26th Annual Report

2016-17

CORPORATE INFORMATION

Board of Directors

- ❖ Smt. Saraswati Somani, Director
- ❖ Shri Krishnagopal Gupta, Independent Director
- ❖ Shri Govindlal Manasawala, Independent Director
- ❖ Shri Bharat Somani, Whole-time Director
- ❖ Shri Vikram Somani, Director

Statutory Auditors

Dharmesh Shah & Co., Chartered Accountants

Bank

ICICI Bank

Registrar & Share Transfer Agents

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

Registered Office

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

Administrative Office

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

Statutory Information

Company Identification Number (CIN): L21093MH1991PLC064085

Income Tax PAN: AAACS6835Q

TDS Account Number (TAN): NSKS01833G

ISIN: INE737E01011

BSE Script Code: 516038

NOTICE TO THE MEMBERS

NOTICE is hereby given that the **Twenty Sixth (26th) Annual General Meeting** of the Members of **SOMA PAPERS AND INDUSTRIES LIMITED** will be held at the Registered Office of the Company at G. D. Somani Marg, Panchak, Nashik Road - 422101 Maharashtra, on Friday, 29 September, 2017 at 11:30 am to transact, with or without modification(s) the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statements of the Company which includes the Audited Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Statutory Auditors thereon; and
 - b. the Audited Consolidated Financial Statements of the Company which includes the Audited Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Report of Statutory Auditors thereon.
2. To appoint a Director in place of Mr. Vikram Somani (DIN: **00054310**), who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other relevant provisions of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the appointment of M/s. Dharmesh Shah & Co., Chartered Accountants, Mumbai (Firm Registration No.: **138794W** with the Institute of Chartered Accountants of India), as Statutory Auditors of the Company, by resolution passed at the 23rd Annual General Meeting (AGM) until the conclusion of the 28th AGM be and is hereby ratified for the balance term and accordingly they continue to hold office from the conclusion of the 26th AGM until the conclusion of the 28th AGM (subject to ratification by the members at every AGM held thereafter) on such remuneration as may be agreed upon by the Audit Committee/Board of Directors in consultation with the auditors.”

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 the provisions of Section 149 of the Companies Act, 2013 and the Rules made there under, Ms. Saraswati Somani (DIN: **00286741**), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 23rd March, 2015 and who holds office until the date of the AGM, in terms of section 161(1) of the Companies Act, 2013, but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 (1) of the Companies Act, 2013, from a member, proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT any Director of the Company be and is hereby authorised to digitally sign the e-forms to be filed with Registrar of Companies.”

**By order of the Board
SOMA PAPERS AND INDUSTRIES LIMITED**

**Bharat Somani
Wholetime Director
(DIN: 00286793)**

**Vikram Somani
Director
(DIN: 00054310)**

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

**Place: Mumbai
Date: 29 May 2017**

NOTES:

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

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

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

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

2. The business set out in the notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 21. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and Password along with a copy of this Notice to the members separately.
3. Corporate members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection

- by the members at the AGM.
6. The Register of Members and the Share Transfer Books of the Company will remain closed from 18 September 2017 to 29 September 2017 (both days inclusive).
 7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.
 8. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
 9. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
 10. The shares of the Company are listed on Bombay Stock Exchange (BSE) Limited.
 11. In view of the Circular issued by the SEBI for appointing common agency for both the modes of transfers i.e. Physical as well as Demat, the Company has already appointed **M/s. Adroit Corporate Services Pvt. Ltd.**, 17-20 Jafferbhoy Industrial Estate, Makwana Road, Marol Naka, Andheri (E), Mumbai 400059 | T: +91 22 42270427 | F: +91 22 28503748 | E: prafuls@adroitcorporate.com as Registrar & Transfer Agent for both the modes of transfer i.e. Physical as well as Demat. Members are therefore requested to send their grievances to them for early disposal.
 12. Members holding Shares in physical form are requested to notify immediately any change in their address to the Registrar and Transfer Agent of the Company at the address given above and in case their shares are held in Demat, this information should be passed on directly to their respective Depository Participants and not to the Company.
 13. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours except public holidays between 11.00 A.M. and 1.00 P.M. upto the date of the AGM.
 14. Members/Proxies holding their Shares in physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
 15. Members who are holding shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.
 16. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in Demat form, they must quote their Client ID and DP ID numbers.
 17. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
 18. Mr. Vikram Somani, the Director who retires by rotation and being eligible, offers himself for re-appointment at the Annual General Meeting. A brief profile of the said Director is given below:

Sr. No.	Nature of Information	Item No. 2 of Notice
1.	Name	Vikram Somani
2.	Date of Birth	23 October 1968
3.	Date of Appointment	19 November 1991
4.	Nature of experience in specific functional area	20+ years of industrial, functional and administrative experience
5.	Directorships in other Companies	<ul style="list-style-type: none"> • Alcon Finance And Investments Limited • S R S Trading And Agencies Pvt Ltd • Trimuriti Glass Containers Limited

		<ul style="list-style-type: none"> • Vibhuti Investments Company Limited • Gazelle Travels Private Limited • DGP Capital Management Limited • Vecron Industries Limited • Electrowater Technologies Private Limited • Paradis Hitech Industries Private Limited
6.	Member of Committee of the Board in other Companies	Audit Committee, Nomination and Remuneration Committee
7.	No. of shares held in the Company	8462

19. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in their address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the depository participant(s) and holdings should be verified.
20. A route map showing directions to reach the venue of the Twenty Sixth (26th) AGM forms part of the Annual Report.
21. Voting through electronic means
- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 26 September 2017 (10:00 am) and ends on 28 September 2017 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22 September 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
- a. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)]:
 - i. Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
NOTE: Shareholders already registered with NSDL for e-voting will not receive the PDF file “remote e-voting.pdf”.
 - ii. Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com/>
 - iii. Click on Shareholder - Login
 - iv. Put your user ID and password. Click Login.

- v. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - vii. Select “EVEN” of “Name of the company”.
 - viii. Now you are ready for remote e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - x. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs@gmj.co.in with a copy marked to evoting@nsdl.co.in
- b. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

<u>EVEN (Remote e-voting Event Number)</u>	<u>USER ID</u>	<u>PASSWORD/PIN</u>
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 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
NOTE: Shareholders who forgot the User Details/Password can use “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com.
In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).
In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22 September 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22 September 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.
- XI. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XII. A member may participate in the AGM even after exercising his right to vote through

- remote e-voting but shall not be allowed to vote again at the AGM.
- XIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIV. Mr. Prabhat Maheshwari, Company Secretary (F.C.S. No. 2405) and Partner M/s. GMJ & Associates, Company Secretaries has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XVI. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company <http://somapapers.in> and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

By order of the Board

SOMA PAPERS AND INDUSTRIES LIMITED

Bharat Somani
Wholetime Director
(DIN: 00286793)

Vikram Somani
Director
(DIN: 00054310)

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

Place: Mumbai
Date: 29 May 2017

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

Pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Saraswati Somani (DIN: **00286741**), was appointed as Additional Director of the Company w.e.f. from 23rd March, 2015. In terms of the provisions of Section 161 (1) of the Act, Ms. Saraswati Somani (DIN: **00286741**), would hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director.

Ms. Saraswati Somani is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Ms. Saraswati Somani is deemed to be interested or concerned in the resolution as the same is related to her own appointment. Also Mr. Bharat Somani and Mr. Vikram Somani may be deemed to be interested or concerned in the resolution being related to Ms. Saraswati Somani.

The Board of Directors recommend the resolution set forth in Item No. 4 for the approval of the Members.

SOMA PAPERS AND INDUSTRIES LIMITED

ANNUAL REPORT

(2016-17)

BOARD'S REPORT

Your Directors have great pleasure in presenting the **Twenty Sixth (26th)** Annual Report along with the Audited Statement of Accounts for the year ended 31 March 2017.

1. FINANCIAL HIGHLIGHTS:

(Amount in Rs.)

Particulars	Year ended 31 Mar 2017	<i>Year ended 31 Mar 2016</i>
Revenue from Operations		
Other Income	2,44,597	5,94,522
Total Revenue	2,44,597	5,94,522
Less : Total Expenses	3,75,873	6,70,174
Profit Before Tax	(1,31,276)	(75,652)
Less : Tax Expense	-	(13,82,489)
Current Tax	-	-
Earlier Years Tax	-	-
Deferred Tax	-	-
Profit After Tax	(1,31,276)	(14,58,141)

2. OPERATIONAL REVIEW:

The company had to stop its manufacturing activity w.e.f. 4 August 2004, as the same had become totally unviable. As the company has not carried out any activity during the year, your Company has earned an income of **Rs.2.45 Lakh** during the year as compared to **Rs.5.95 Lakh** earned in the previous year. The company has achieved Profit after Taxes of **(Rs.1.31) Lakh** as compared to Profit after Taxes of **(Rs.14.58) Lakh** in immediately preceding financial year.

3. DIVIDEND:

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

4. TRANSFER TO GENERAL RESERVE:

There was no amount transferred to General Reserve during the year.

5. SHARE CAPITAL OF THE COMPANY:

The Paid up Equity Share Capital as at 31 March 2017 was Rs.1,40,21,500/- divided into 14,02,150 Equity Shares, having face value of Rs.10/- each fully paid up. During the year under review, the Company has not issued any shares with differential voting rights nor granted any stock options neither any sweat equity.

6. SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES:

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

7. PUBLIC DEPOSITS:

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

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

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

9. CORPORATE SOCIAL RESPONSIBILITY:

The Provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, were not applicable to the Company for the financial year ended 31 March 2017.

10. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

The Company has lost against the appeal filed by the alleged purchaser of the movable and immovable assets auctioned by Bank of India, owned by the Company, in the High Court of Mumbai. Therefore, the Company is considering to file an appeal in the Supreme Court.

11. EXTRACT OF ANNUAL RETURN:

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

12. BOARD OF DIRECTORS:

Your Company has Five (5) Directors of which Two (2) are Independent Directors.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vikram Somani (DIN: 00054310) retires by rotation and being eligible offer himself for re-appointment. All the Independent Directors have submitted the declaration of Independence, as required pursuant to Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of Independence provided under Section 149(6) of the Act and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (a) in the preparation of the Annual Accounts for the financial year ended 31 March 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) the Directors had selected such accounting policies and applied them consistently and

made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit/loss of the company for that period;

- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) 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.

14. BOARD EVALUATION:

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

15. MEETING OF BOARD OF DIRECTORS OF THE COMPANY:

During the year under review, (five) 5 Board Meetings were convened and held on 30 May 2016, 29 July 2016, 20 October 2016, 23 December 2016 and 2 February 2017. Details of these are as follows:

Name of the Director	Category of Directorship	No. of meetings during the year	
		Held	Attended
Saraswati Somani	Non-Executive - Non Independent Director	5	5
Bharat Somani	Executive Director	5	5
Vikram Somani	Non-Executive - Non Independent Director	5	5
Krishnagopal Gupta	Non-Executive - Independent Director	5	5
Govind Manasawala	Non-Executive - Independent Director	5	5

16. KEY MANAGERIAL PERSONNEL:

The following are the Key Managerial Personnel of the Company:

Sr. No.	Name	Designation
1.	Bharat Somani	Director

2.	Vikram Somani	Director
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17. AUDIT COMMITTEE:

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

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

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

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Vikram Somani	Director	Non-Executive - Non Independent Director	5	5
Govind Manasawala	Director	Non-Executive - Independent Director	5	5
Krishnagopal Gupta	Director	Non-Executive - Independent Director	5	5

The Audit Committee meetings were held on 30 May 2016, 29 July 2016, 20 October 2016, 23 December 2016 and 2 February 2017 and all the members of the Audit Committee were present.

18. NOMINATION AND REMUNERATION COMMITTEE:

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

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

Section 178 of the Companies Act, 2013.

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

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Vikram Somani	Director	Non-Executive - Non Independent Director	5	5
Govind Manasawala	Director	Non-Executive - Independent Director	5	5
Krishnagopal Gupta	Director	Non-Executive - Independent Director	5	5

The Nomination and Remuneration Committee meeting were held on 30 May 2016, 29 July 2016, 20 October 2016, 23 December 2016 and 2 February 2017 and all the members were present in the meeting.

19. STAKEHOLDERS RELATIONSHIP COMMITTEE:

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

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

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Bharat Somani	Director	Executive Director	5	5
Govind Manasawala	Director	Non-Executive - Independent Director	5	5
Krishnagopal Gupta	Director	Non-Executive - Independent Director	5	5

The Stakeholders Relationship Committee Meetings were held on 30 May 2016, 29 July 2016, 20 October 2016, 23 December 2016 and 2 February 2017

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

Sr. No.	Nature of Complaints	Received	Pending	Disposed
1.	Non receipt of Annual Report	-	-	-
2.	Non Receipt of Share Certificates after transfer	-	-	-
3.	Non Receipt of Demat Rejected S/C's	-	-	-
4.	Others	-	-	-
	Total	-	-	-

There were no complaints pending for action as on 31 March 2017.

20. MEETING OF INDEPENDENT DIRECTORS:

During the year under review, pursuant to Regulation 25(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company met on 27 March 2017 inter-alia to discuss:

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

21. RISK MANAGEMENT COMMITTEE:

As per Regulation 21 of the SEBI (Listing Regulations and Disclosure Requirements) Regulation, 2015 is applicable only to top 100 listed entities; hence the company is not required to constitute a Risk Management Committee.

22. REMUNERATION AND SITTING FEES:

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

Name of the Director	Category of Directorship	Remuneration paid to the Director	Sitting fees paid to the Director
Saraswati Somani	Non-Executive - Non Independent Director	Nil	Nil
Bharat Somani	Executive Director	Nil	Nil
Vikram Somani	Non-Executive - Non Independent Director	Nil	Nil

Krishnagopal Gupta	Non-Executive Independent Director	-	Nil	Nil
Govind Manasawala	Non-Executive Independent Director	-	Nil	Nil

23. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

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

24. RELATED PARTY TRANSACTIONS:

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

25. DEPOSITORY SERVICES:

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

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

26. CODE OF CONDUCT:

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

27. STATUTORY AUDITORS:

M/s. Dharmesh Shah & Co., Chartered Accountants, Mumbai, (Firm Registration No. **138794W**) have been appointed as the Statutory Auditors of the Company to hold the office from the conclusion of the 23rd Annual General Meeting (AGM) until the conclusion of the 28th Annual General Meeting. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. Dharmesh Shah & Co. that their appointment, if made, would be in conformity with the limits specified in the said Section.

28. SECRETARIAL AUDIT:

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

29. AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:

There are no adverse observations of the Statutory Auditors and Secretarial Auditors in their Report.

30. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

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

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

31. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

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

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

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

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

33. SEXUAL HARASSMENT:

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

34. SAFETY, ENVIRONMENT CONTROL AND PROTECTION:

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

35. PARTICULARS OF EMPLOYEES:

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

36. LISTING:

The Company's Equity Shares are listed on Bombay Stock Exchange (BSE) Limited.

37. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY:

The company has in place adequate, internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The company has adopted accounting policies, which are in line with the accounting standards and the Companies Act, 2013.

38. REPORTING OF FRAUDS:

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

39. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

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

40. APPRECIATION:

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

For and on behalf of the Board of Directors of
SOMA PAPERS AND INDUSTRIES LIMITED

Mumbai, 29 May 2017

Bharat Somani (DIN 00286793), Vikram Somani (DIN 00054310)

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

{Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
SOMA PAPERS AND INDUSTRIES LIMITED
G .D. Somani Marg,
Panchak, Nasik Road,
Nasik - 422 101.

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2017 according to the provisions of:

- i. The Companies Act, 2013 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. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), viz :
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (*Not complied with*)

[Cont...2]



... 2 ...

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. 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;

We further report that the Company has a compliance system in place and we have examined the relevant documents and records with respect to other Acts as applicable which are as under:

v. Other applicable acts:

- a. The Professional Tax Act, 1975.
- b. The Income Tax Act, 1961.
- c. Other Acts are not applicable as the activities are at stand still.

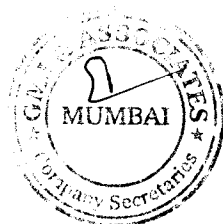
We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with respect to Board and General Meetings (SS-1 and SS-2) specified by The Institute of Company Secretaries of India; *(Not complied with)*
- ii. The Listing Agreement entered into by the Company with Stock Exchange;
- iii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 *(Not complied with)*.

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

- i. The Company has not complied with the following Sections/ provisions of the Companies Act, 2013:
 - a. *Section 203 in respect of appointment of Key Managerial Personnel [KMP] i.e. MD/WTD, CFO & CS;*
 - b. *Section 121 in respect of filing of Form MGT 15 within 30 days of conclusion of AGM;*
 - c. *Section 179(3) in respect of filing of Form MGT 14 for appointment of Secretarial Auditor and Approval of Audited Financial Statement and the Board's Report for the year ending 31st March, 2016;*
 - d. *Section 138 with regards to appointment of Internal Auditors for the financial year 2016-2017;*
 - e. *Section 161 of the Companies Act, 2013 with respect to the regularization of the Additional Director i.e. Ms. Saraswati Somani.*

[Cont...3]



... 3 ...

- ii. *The Company has not provided e-voting facility to its members as required under section 108 of the Companies Act, 2013 and Regulation 44 of the SEBI (LODR) Regulations, 2015.*
- iii. *The Company has not paid Listing Fee to the Stock Exchange for the year ended 31st March, 2017.*
- iv. *We have found that there are some Charges appearing on the website of the Ministry of the Corporate Affairs. However, as per the information available from the Company and its Financial Statement as on 31st March, 2017, there are no borrowing from Banks and Financial Institutions.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board during the period under review.

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 a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, the company has not undertaken any actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standard etc.



For GMJ & ASSOCIATES
COMPANY SECRETARIES

Prabhat Maheshwari

[CS PRABHAT MAHESHWARI]
PARTNER
FCS No: 2405
COP No: 1432

Place: Mumbai

Date : 29th May, 2017

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

'ANNEXURE I' to Secretarial Audit Report

To,
The Members,
SOMA PAPERS AND INDUSTRIES LIMITED
G .D. Somani Marg,
Panchak, Nasik Road,
Nasik - 422 101.

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

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

**For GMJ & ASSOCIATES
COMPANY SECRETARIES**



Prabhat Maheshwari

**[CS PRABHAT MAHESHWARI]
PARTNER
FCS No: 2405
COP No: 1432**

Place: Mumbai
Date : 29th May, 2017

Annexure A
FORM NO. MGT 9

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2017

I REGISTRATION & OTHER DETAILS:

i	CIN	L21093MH1991PLC064085
ii	Registration Date	19/11/1991
iii	Name of the Company	Soma Papers & Industries Limited
iv	Category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	
	Address :	G. D. Somani Marg, Panchak, Nasik Road, Nasik - 422101, Maharashtra
	Town / City :	Nashik Road
	State :	Maharashtra
	Country Name :	India
	Telephone (with STD Code) :	022-22626262
	Fax Number :	NA
	Email Address :	contactus@somapapers.in
	Website, if any:	http://somapapers.in
vi	Whether listed company	Yes
vii	Name and Address of Registrar & Transfer Agents (RTA)	
	Name of RTA:	ADROIT CORPORATE SERVICES PVT. LTD. 17-20 Jafferbhoy Industrial Estate, Makwana Marg, Marol Naka, Andheri (E), Mumbai 400059 T: +91 22 42270427 F: +91 22 28503748 E: prafuls@adroitcorporate.com
	Address :	
	Town / City :	
	State :	
	Pin Code:	
	Telephone :	
	Fax Number :	
Email Address :		

II.	PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY	NIL
	All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-	

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1		NA	

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	Vecron Industries Limited	U50101DN1996PLC000109	Subsidiary	100.00	2(87)

i) Individual shareholders holding nominal share capital upto Rs.1 lac	3,15,814	1,07,649	4,23,463	30.201%	3,56,500	1,19,673	4,76,173	33.960%	3.759%
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lac	67,775	12,840	80,615	5.749%	21,970	-	21,970	1.567%	-4.183%
c) Others	4,962	50	5,012	0.357%	9,042	50	9,092	0.648%	0.291%
Sub-total (B)(2):-	4,32,482	1,79,614	6,12,096	43.654%	4,33,298	1,78,798	6,12,096	43.654%	0.000%
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5,26,031	1,81,989	7,08,020	50.495%	5,26,847	1,81,173	7,08,020	50.495%	0.000%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	12,20,161	1,81,989	14,02,150	100.000%	12,20,977	1,81,173	14,02,150	100.000%	0.000%

ii Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding beginning of the year (As on 01/04/2016)			Shareholding at the end of the year (As on 31/03/2017)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Vikram Somani	8,462	0.604	-	8,462	0.604	-	0.000%
2	Vikram Somani HUF	3,000	0.214	-	3,000	0.214	-	0.000%
3	Bharat Somani	27,500	1.961	-	27,500	1.961	-	0.000%
4	Saraswati Somani	27,575	1.967	-	27,575	1.967	-	0.000%
5	Rakhi Somani	7,300	0.521	-	7,300	0.521	-	0.000%
6	Asha Somani	15,070	1.075	-	15,070	1.075	-	0.000%
7	SRS Trading & Agencies Pvt. Ltd.	5,65,736	40.348	-	5,65,736	40.348	-	0.000%
8	Oricon Enterprises Ltd.	39,487	2.816	-	39,487	2.816	-	0.000%
	TOTAL	6,94,130	49.505	-	6,94,130	49.505	-	0.000%

iii Change in Promoters' Shareholding: No Change

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

v Shareholding of Directors and Key Managerial Personnel:

Sl. No.: 1. Mr. Bharat Somani	Shareholding at the beginning of the year (As on 01/04/2016)		Cumulative Shareholding during the year (2016-17)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	27,500	1.9613	27,500	1.9613
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment/transfer/bonus/sweat equity etc.)	No Change			
At the End of the year	27,500	1.9613	27,500	1.9613

Sl. No.: 2. Mr. Vikram Somani	Shareholding at the beginning of the year (As on 01/04/2016)		Cumulative Shareholding during the year (2016-17)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	8,462	0.6035	8,462	0.6035
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment/transfer/bonus/sweat equity etc.)	No Change			
At the End of the year	8,462	0.6035	8,462	0.6035

Sl. No.: 3. Mr. Krishnagopal Badriprasad Gupta	Shareholding at the beginning of the year (As on 01/04/2016)		Cumulative Shareholding during the year (2016-17)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1,150	0.0820	1,150	0.0820
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment/transfer/bonus/sweat equity etc.)	No Change			
At the End of the year	1,150	0.0820	1,150	0.0820

Sl. No.: 4. Saraswati Somani	Shareholding at the beginning of the year (As on 01/04/2016)		Cumulative Shareholding during the year (2016-17)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	27,575	1.9666	27,575	1.9666
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment/transfer/bonus/sweat equity etc.)	No Change			
At the End of the year	27,575	1.9666	27,575	1.9666

Sl. No.: 5. Govindlal Manasawala	Shareholding at the beginning of the year (As on 01/04/2016)		Cumulative Shareholding during the year (2016-17)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. Allotment/transfer/bonus/sweat equity etc.)	No Change			
At the End of the year	-	-	-	-

V **Indebtness**

(In Rs.)

Indebtness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	-		-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
* Addition	-		-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	-		-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(In Rs.)

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager/ other executive Director				Total Amount
		Mr. Bharat Somani	Mr. Vikram Somani	Mrs. Saraswati Somani	NA	
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity Shares Value (in	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

(In Rs.)

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Krishnagopal Gupta	Mr. Govindlal Manasawala	NA	
1	Independent Directors	-	-	-	-
		-	-	-	-
	Commission	-	-	-	-

	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: NA

(In Rs.)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel				Total
		NA				
1	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify...	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	Total	-	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)	
A. COMPANY						
Penalty	-	-	-	-	-	-
Punishment	-	-	-	-	-	-
Compounding	-	-	-	-	-	-
B. DIRECTORS						
Penalty	-	-	-	-	-	-
Punishment	-	-	-	-	-	-
Compounding	-	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT						
Penalty	-	-	-	-	-	-
Punishment	-	-	-	-	-	-
Compounding	-	-	-	-	-	-

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

PLACE: Mumbai
DATE : 29 May 2017

Bharat Somani
(DIN: 00286793)
Wholetime Director

Vikram Somani
(DIN: 00054310)
Director

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

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

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of **SOMA PAPERS & INDUSTRIES LIMITED** ("the Holding Company"), and its subsidiary (collectively referred to as "the Company" or "the Group"), comprising of the consolidated Balance Sheet as at 31 March 2017, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for preparation of consolidated Ind AS financial statements in the terms of requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, along with rules stipulated thereon. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 including including

Ind AS, of the financial position of the Company as at 31st March, 2017, and its financial performance including other comprehensive income, its cash flows,; *subject to following observations:*

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

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

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

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

Report on other Legal and Regulatory Requirements

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

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

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

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

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

e) On the basis of written representations received from the Holding Company's directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.

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

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 15 to the consolidated Ind AS financial statements;

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

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

For Dharmesh Shah & Co.

Chartered Accountants

Firm Reg. No. 138794W

Dharmesh Shah

Proprietor

Membership No. F-106620

Mumbai, 29 May, 2017

Annexure - A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **SOMA PAPERS & INDUSTRIES LIMITED** ("the Holding Company") and its subsidiary company which is incorporated in India as of 31 March 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of Holding Company and its subsidiary company, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary Company, which is incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Firm Reg. No. 138794W

Dharmesh Shah

Proprietor

Membership No. F-106620

Mumbai: 29th May 2017

SOMA PAPERS & INDUSTRIES LIMITED
Consolidated Balance Sheet as at 31/03/2017

(₹)

	Note No.	As at 31/03/2017	As at 31/03/2016
EQUITY AND LIABILITIES:			
1 Shareholders Fund			
Share capital	1	1,40,21,500	1,40,21,500
Reserves & surplus	2	17,18,537	18,93,915
2 Share Application Money Pending Allotment			
3 Non-Current Liabilities			
Long-term borrowings			
Other Long term liabilities			
Long term provisions			
4 Current Liabilities			
Short-term borrowings			
Trade payables	3	30,64,316	32,27,985
Other current liabilities	4	72,32,492	67,36,728
Short-term provisions			
TOTAL		2,60,36,845	2,58,80,128

ASSETS

5 Non-Current Assets

Fixed Assets

Tangible Assets 5 1,05,35,248 1,05,35,248

Intangible Assets

Capital work-in-progress

Non-Current Investments 6 -

Long Term Loans and Advances 7 20,05,567 19,84,286

-

6 Current Assets

Current Investments

Inventories -

Trade Receivables 8 -

Cash and bank balances 9 1,34,93,122 1,33,57,685

Short Term Loans and advances 2,909 2,909

Other Current Assets

TOTAL 2,60,36,845 2,58,80,128

SIGNIFICANT ACCOUNTING POLICIES

NOTES ON ACCOUNTS

1 to 29

On behalf of the Board of Directors

As per our report of even date attached

For Dharmesh Shah & Co

G.S. Mansawala, Director (DIN 0127114)

Chartered Accountants

K. G. Gupta, Director (DIN 00997067)

F.R.N.138794W

Vikram Somani, Director (DIN 00054310)

Dharmesh Shah, Proprietor

Bharat Somani, Director (DIN 00286793)

M. No.106620

Mumbai, 29 May 2017

Saraswati Somani, Director (DIN 00286741)

SOMA PAPERS & INDUSTRIES LIMITED
Consolidated Profit & Loss for the year ended 31/03/2017

	Note No.	As at 31/03/2017	As at 31/03/2016
(₹)			
INCOME			
Revenue from operations		-	-
Other Income	10	2,44,597	5,94,522
TOTAL		2,44,597	5,94,522
EXPENDITURE			
Cost of materials consumed			
Purchase of finished goods			
(Increase)/Decrease in inventories of finished goods		-	-
Employee benefit expense	11	6,000	15,500
Financial cost		-	-
Depreciation and amortization expense	5	-	4,131
Other Expenses	12	4,13,975	6,84,663
TOTAL		4,19,975	7,04,294
PROFIT			
Net profit/(loss) before Tax		(1,75,378)	(1,09,772)
Provision for income tax			
Current Tax			-
Tax Provisions (Earlier Years)			(13,82,489)
Deferred Tax benefit [Refer note 11 of Schedule 16]			-
Net profit/(loss) after tax		(1,75,378)	(14,92,261)
Basic and diluted earnings/(loss) per share before except		(0.13)	(1.06)

SIGNIFICANT ACCOUNTING POLICIES

NOTES ON ACCOUNTS

1 to 29

For Dharmesh Shah & Co

Chartered Accountants

F.R.N.138794W

On behalf of the Board of Directors
G.S. Mansawala, Director (DIN 0127114)

K. G. Gupta, Director (DIN 00997067)

Vikram Somani, Director (DIN 00054310)

Dharmesh Shah, Proprietor

M. No.106620

Mumbai, 29 May 2017

Bharat Somani, Director (DIN 00286793)

Saraswati Somani, Director (DIN 00286741)

SOMA PAPERS & INDUSTRIES LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31ST MARCH, 2017

	2016-17	2015-16
	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax and extraordinary items	(1,75,378)	(1,09,772)
ADJUSTMENTS FOR :		
Depreciation	-	4,131
Loss / (Profit) on sale of Investment		
Provision for Tax		-
Interest		-
Interest income		-
Dividend income	(39)	(312)
	(39)	3,819
Operating profit before working capital changes	(1,75,417)	(1,05,953)
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
Trade and other receivables	(21,281)	2,98,450
Trade payables and other trade liabilities	3,32,095	-
		2,98,450
Cash generated from operations	1,35,397	1,92,497
Proceeds from borrowings(net of repayment)		80,192
Less: Taxes (paid)/ Refund	-	-
	1,35,397	2,72,689
Net cash from operating activities	1,35,397	2,72,689
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Investment		-
Sale / (Purchase)of fixed assets		-
Dividend received	39	312
Interest received		-
Net cash from investing activities	39	312
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings(net of repayment)		-
Interest paid		-
Net cash used in financing activities	-	-
Net increase in cash and cash equivalents (A+B+C)	1,35,435	2,73,000
Cash and cash equivalents - Opening balance	1,33,57,685	1,30,84,685
Cash and cash equivalents - Closing balance	1,34,93,122	1,33,57,685
Net increase/(decrease) as disclosed above	1,35,435	2,73,000

SIGNIFICANT ACCOUNTING POLICIES
NOTES ON ACCOUNTS

As per our report of even date attached
For Dharmesh Shah & Co
Chartered Accountants
F.R.N.138794W

Dharmesh Shah, Proprietor
M. No.106620
Mumbai, 29 May 2017

On behalf of the Board of Directors

G.S. Mansawala, Director (DIN 0127114)

K. G. Gupta, Director (DIN 00997067)

Vikram Somani, Director (DIN 00054310)

Bharat Somani, Director (DIN 00286793)

Saraswati Somani, Director (DIN 00286741)

SOMA PAPERS & INDUSTRIES LIMITED
Notes on Financial Statements for the year ended 31/03/2017

	As at 31/03/2017	(₹) As at 31/03/2016
1 SHARE CAPITAL		
Authorised		
50,00,000 Equity shares of Rs. 10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued, subscribed & paid-up		
14,02,150 Equity shares of Rs. 10/- each fully paid-up (includes 14,01,800 equity shares of Rs.10/- each fully paid up issued for consideration other than cash)	<u>1,40,21,500</u> <u>1,40,21,500</u>	<u>1,40,21,500</u> <u>1,40,21,500</u>
Details of Equity Shares held by each shareholder holding more than 5% shares:		
Particulars		
SRS Trading and Agencies P Ltd	40.35%	40.35%
There are no new shares issued during the year under review.		
2 RESERVES & SURPLUS		
Share premium account	1,17,34,600	1,17,34,600
Capital Reserve	32,00,000	32,00,000
Revaluation Reserve	7,24,29,824	7,24,29,824
Profit and Loss Account		
Opening Balance	(8,54,70,509)	(8,39,78,248)
Add: Profit / (Loss) for the year	<u>(1,75,378)</u> <u>(8,56,45,887)</u>	<u>(14,92,261)</u> <u>(8,54,70,509)</u>
TOTAL	<u>17,18,537</u>	<u>18,93,915</u>
3 TRADE PAYABLE	<u>30,64,316</u>	<u>32,27,985</u>
4 OTHER CURRENT LIABILITIES		
Security deposits from dealers - Matured	10,42,160	10,42,160
Interest free sales-tax incentive loan	2,30,323	2,30,323
Interest accrued and due on loan and deposits	-	-
Interest accrued and due on sales tax loan	25,56,556	25,56,556
Advance from customers	4,38,332	5,19,221
Other payable	22,50,121	23,88,468
(includes liability for expenses and deposits)		
Loan from Director	7,15,000	
TOTAL	<u>72,32,492</u>	<u>67,36,728</u>

SOMA PAPERS & INDUSTRIES LIMITED
Notes on Financial Statements for the year ended 31/03/2017

	<u>As at 31/03/2017 Rs.</u>	<u>As at 31/03/2016 Rs.</u>
6 NON-CURRENT INVESTMENTS (Long-term, at cost)		
<u>Investments in subsidiary company (Unquoted)</u>		
In Vecron Industries Ltd. - equity shares of Rs.10/- each, fully paid-up	2,70,00,000	2,70,00,000
Other than trade		
<u>Equity shares of Rs.10/- each fully paid up (Quoted)</u>		
Adhunik Synthetics Limited	25,000	25,000
Aluminium Industries Limited	18,75,000	18,75,000
Conway Printers Limited	2,50,000	2,50,000
Gujarat Composite Limited	-	-
Titaghur Paper Mills Company Limited	850	850
	<u>2,91,50,850</u>	<u>2,91,50,850</u>
Less: Provision for permanent diminution in the value of long term investments.	(2,91,50,850)	(2,91,50,850)
TOTAL	<u>-</u>	<u>-</u>
Note :		
Aggregate Book Value (net of provisions) Quoted		-
Aggregate Market Value of quoted investments		-
7 LONG TERM LOANS AND ADVANCES		
(Unsecured - considered good, unless otherwise stated)		
Loans to subsidiary company (considered doubtful)	4,31,88,386	4,31,88,386
Advances recoverable in cash or in kind or for value to be receive	72,139	6,597
Other Advances	7,67,506	8,06,967
Deposits	11,65,922	11,70,722
Advance income tax and tax deducted at source	-	-
TOTAL	<u>4,51,93,953</u>	<u>4,51,72,672</u>
Less: Provision for doubtful loan to subsidiary company C/F	(4,31,88,386)	(4,31,88,386)
	<u>20,05,567</u>	<u>19,84,286</u>
8 TRADE RECEIVABLES		
Secured / Unsecured	-	-
TOTAL	<u>-</u>	<u>-</u>
9 CASH AND BANK BALANCES		
Cash-in-hand	2,857	3,857
(including cheques in hand Rs. Nil, previous year Rs.Nil)		
Balances with Scheduled Banks		
- In current accounts	1,34,90,265	1,33,53,828
- In Unclaimed dividend account		
- In fixed deposit account		-
(Refer Note 17)		
TOTAL	<u>1,34,93,122</u>	<u>1,33,57,685</u>

SOMA PAPERS & INDUSTRIES LIMITED
Notes on Financial Statements for the year ended 31/03/2017

	<u>Current Year Rs.</u>	<u>Previous Year Rs.</u>
10 OTHER INCOME		
<u>Interest & Other Income from:</u>		
Dividend Income	39	312
Miscellaneous Income	<u>2,44,558</u>	<u>5,94,210</u>
TOTAL	<u><u>2,44,597</u></u>	<u><u>5,94,522</u></u>
 11 EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	<u>6,000</u>	<u>15,500</u>
	<u><u>6,000</u></u>	<u><u>15,500</u></u>
 12 OTHER EXPENSES		
Conveyance	767	250
Repairs & Maintenance to Others	3,850	-
<u>Payment to auditors</u>		
- Audit Fees	30,000	26,000
Advertisement & Publicity	3,888	
Filing Fees	36,000	
Printing & Stationary	1,248	-
Postage & telegram	-	2,200
Selling expenses	-	-
Storage Charges	29,127	2,40,000
Telephone expenses	-	2,064
Legal and Professional Charges	1,80,544	90,774
Registration & Transfer Fees	33,205	
Bank Charges	-	57
Miscellaneous expenses	53,035	89,488
Travelling Expenses	14,831	-
Listing Fees	<u>27,480</u>	<u>2,33,830</u>
TOTAL	<u><u>4,13,975</u></u>	<u><u>6,84,663</u></u>

SOMA PAPERS & INDUSTRIES LIMITED

5 FIXED ASSETS

SR. No.	DESCRIPTION	GROSS BLOCK (AT COST/ BOOK VALUE)				DEPRECIATION				NET BLOCK	
		As at 01/04/2016 Rs.	Additions Rs.	Deduction s Rs.	As at 31/03/2017 Rs.	Up to 31/03/2016 Rs.	For the year Rs.	Deduction s Rs.	Up to 31/03/2017 Rs.	As at 31/03/2017 Rs.	As at 31/03/2016 Rs.
1	Land (Freehold)	1,05,35,247	-		1,05,35,247	-	-	-	-	1,05,35,247	1,05,35,247
2	Air Conditioner	42,368			42,368	42,368	-		42,368	-	-
3	Office and Other Equipments	2,92,847			2,92,847	2,92,847	-	-	2,92,847	0	0
4	Furniture and Fixtures	7,23,110			7,23,110	7,23,110		-	7,23,110	0	0
	TOTAL	1,15,93,573	-	-	1,15,93,573	10,58,325	-	-	10,58,325	1,05,35,248	1,05,35,248
	Previous year	1,15,93,573	-	-	1,15,93,573	10,54,194	4,131	-	10,58,325	1,05,35,248	1,06,14,509

SOMA PAPERS & INDUSTRIES LIMITED

SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

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

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

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

Other significant accounting policies:



A. System of accounting

The financial statements are prepared under historical cost convention, in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 2013.

B. Use of Estimates

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

C. Fixed assets

Fixed assets are stated at cost net of recoverable taxes and includes amount added on revaluation, less accumulated depreciation and impairment loss, if any.

D. Depreciation

- a) Depreciation on fixed assets is provided on straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act 2013. Due the change in depreciation rates short depreciation provided transferred to Profit and Loss Account.
- b) Depreciation on assets added/disposed off during the year has been provided for on pro-rata basis with reference to the month of addition/disposal.
- c) Continuous process plants as defined in Schedule XIV to the Companies Act, 1956 have been considered.

E. Investments

Long term Investments of the long-term nature are stated at cost less diminution in value wherever the decline is other than a temporary decline. Current Investments are carried at lower of cost or fair value.

F. Inventories

Inventories if any, are valued at lower of the cost and estimated net realisable value. Cost of inventories is computed on weighted average basis. Finished goods and work-in-progress if any, include costs of conversion and other cost incurred in bringing the inventories to their present location and condition.



G. Revenue recognition

Revenue is recognized when it can be reliably measured and it is reasonable to expect ultimate collection. Income and expenditure are recognised and accounted on accrual basis, except in case of significant uncertainties.

H. Employee benefits

Short term employee benefits are recognized as an expense in the Profit and Loss Account. Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques.

I. Foreign currency transactions

Transaction denominated in foreign currency if any, are recorded using the exchange rate prevailing at the date of transaction. Assets and liabilities denominated in foreign currency as at balance sheet date are converted at the exchange rates prevailing at that date. Exchange differences other than those relating to acquisition of fixed assets are recognised in the profit and loss account. Exchange differences relating to purchase of fixed assets are adjusted to carrying cost of fixed assets.

J. Expenditure during construction period

Expenditure during construction period if any, are included under capital work in progress. The same is allocated to the respective fixed assets on the completion of construction.

K. Research and development

Revenue expenses in respect of research and development are charged to profit and loss account and capital expenditure of such nature are added to the cost of fixed assets in the year in which they are incurred.

L. Taxation

Provision for current tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961. In view of the previous years carry forward losses management is of the view that not to make any provision for tax as well as fringe benefit tax.

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

M. Provision and contingent liabilities

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

N. Impairment of assets

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



O. Borrowing Costs

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

13. The net worth of the both the Company is fully eroded and the Company is a sick industrial company within the meaning of clause (o) of sub-section (1) of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), for which a reference has been made to the Board of Industrial and Financial Reconstruction (BIFR) under Section 15 of SICA.
14. As per scheme of arrangement sanctioned by the Bombay High Court under Section 391 and 394 of Companies Act, 1956 made between Shree Vindhya Paper Mills Ltd and the Company, the coating division of Shree Vindhya Paper Mills Ltd. with its assets, investments, liabilities and reserves as at 31st December, 1991 has been transferred to and vested with the Company with effect from 1st January, 1992. However, certain assets and liabilities of the said division before its transfer though reflected in the accounts are yet to be transferred in the name of the Company.

13. Contingent liability not provided for in respect of:

(₹)

	As at 31/03/2017	As at 31/03/2016
a) Claims against Company not acknowledged as debts	4,37,567	4,37,567
b) Guarantee given to financial institution for loans taken by its employees	48,454	48,454
c) Bank guarantee to constituents and others	13,60,000	13,60,000
d) Corporate Guarantee given to financial institutions and banks on behalf of Vecron Industries Limited (a wholly owned subsidiary Company)	2,50,00,000	2,50,00,000
e) Liability as may arise for non-payment of wages, PF, Gratuity and other labour dues since the date of closure of factory, as the case filed by the worker's union in Nashik Labour Court	Amount not ascertained	Amount not ascertained
f) Liability as may arise due to non-compliance of certain fiscal statute	Amount not ascertained	Amount not ascertained
g) Income Tax Penalty Demand	19,38,082	19,38,082
h) Liability for Interest on deferred sales tax liability	Amount not ascertained	Amount not ascertained
i) Sales Tax liability 1996-97	51,606	51,606
j) Bank Liability - Subsidiary Company	4,91,14,993	4,91,14,993

15. The bank has auctioned the Land, Factory Premises, Plant and Machinery, Inventory and other assets lying at Nasik in Financial Year 2007-08 which was approved by the Debt Recovery Tribunal. On the basis of correspondence received from the bank, auction proceeds received bank has been utilised directly by bank to repaid Bank Cash Credit Liabilities, Debentures with interest, Electricity Charges, deposit given to Labour Court for Labour Settlement and other related expenses. The documentary evidences for such payments made not available with the Company. The accounting of the above transaction has been done on the basis of correspondence taken place with bank. No confirmations from banks, debenture holders, electricity department or labour court have been received against the proceeds received.



16. The auction proceed which were not utilised by bank for payment of any liabilities of the company has been kept by bank. The bank is not providing interest on such amount held.
17. Security deposit received from the dealers shown under the head "Current Liability" The management is of the view that Interest on deposit will not be paid hence not provided.

18. There were no amounts due to Small Scale and / or Ancillary Industrial suppliers on account of principal and / or interest as at the end of year. This disclosure is based on the information available with the Company regarding the status of the suppliers as defined under the Interest on Delayed Payments of Small Scale and Ancillary Industrial undertaking Act, 1993.

19. Payments to and provisions for employees includes remuneration paid to executive directors:

	As at 31/03/2017	As at 31/03/2016
Directors' remuneration	Nil	Nil

22. The Company has closed the business, hence segment reporting is not applicable.

23. The secondary segment, i.e. 'geographical segments by location of customers' is not applicable.

24. Related party disclosures:

Related party relationships

a)	Subsidiary Company (Enterprises where control exists)	Vecron Industries Limited
b)	Key management personnel	Bharat Somani Vikram Somani
c)	Enterprise in which Key management personnel have significant influence	SRS Trading & Agencies Private Limited



Notes:

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

Transactions with related parties:

(₹)

Particulars	Related parties			Total
	Subsidiary	Enterprise in which key management personnel have significant influence	Key management personnel	
Managerial remuneration	- (-)	- (-)	- (-)	- (-)
Loan taken	- (-)	- (-)	- (-)	- (-)
Loan given	- (-)	- (-)	- (-)	- (-)
Loan repaid	- (-)	- (-)	- (-)	- (-)
Balance receivable as at year end	4,31,88,386 (4,31,88,386)	10,87,068 (10,82,428)	- (-)	4,42,75,454 (4,42,70,814)
Balance payable as at year end	- (-)	- (-)	- (-)	- (-)
Provision for doubtful loan	4,31,88,386 (4,31,88,386)	- (-)	- (-)	4,31,88,386 (4,31,88,386)



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

25. Earnings per share as per Consolidated Financial Statement:

Earnings / (loss) before exceptional item

	Current Year Rs.	Previous Year Rs.
(i) Net profit / (loss) after tax available for equity shareholders	(1,75,378)	(14,92,261)
(ii) Weighted average number of equity shares outstanding during the year	1,402,150	1,402,150
(iii) Basic and diluted earnings / (loss) per share	(0.13)	(1.06)
(iv) Nominal value of share	10.00	10.00
Earnings / (loss) per share after exceptional item		
(i) Net profit / (loss) after tax available for equity shareholders	(1,75,378)	(14,92,261)
(ii) Weighted average number of equity shares outstanding during the year	1,402,150	1,402,150
(iii) Basic and diluted earnings / (loss) per share	(0.13)	(1.06)
(iv) Nominal value of share	10.00	10.00

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

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

28. Payment to Auditor as:

(a) Statutory Audit Fees	Rs.22,500
(b) Tax Audit Fees	
(c) Certification and Consultation Fees	Rs. 7,500



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

For Dharmesh Shah & Co.
Chartered Accountants
FRN 138794W

D. A. & Co.

Dharmesh Shah
Proprietor
M. No.106620



On behalf of the Board of directors

G. S. Manasawala(DIN 0126114) - Director *G. S. Manasawala*

K. G. Gupta (DIN 00997067) - Director

Vikram Somani (DIN 00054310) - Director *Vikram Somani*

Bharat Somani (DIN 00286793) - Director *Bharat Somani*

Saraswati Somani (DIN 00286741) - Director *Saraswati Somani*

Mumbai, Dated: 29th May, 2017

Mumbai, Dated:29th May, 2017

SOMA PAPERS AND INDUSTRIES LIMITED

Form No. MGT-11 PROXY FORM

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

Corporate Identification No: (CIN) - L21093MH1991PLC064085
Regd. Office: G .D. Somani Marg, Panchak, Nasik Road, Nasik - 422 101
Phone: 022-226262626
E- mail: bharatsomani@rediffmail.com, **Website:** http://www.somapapers.in/

Name of the Member(s): _____
Registered address : _____
E-mail ID: _____ Folio No./D. P. ID.and Client ID No.* _____

*Applicable for members holding shares in electronic form.

I/We being a member(s) of _____ shares of Soma Papers and Industries Limited, hereby appoint:

1. Name: _____ E-mail Id: _____
 Address: _____
 Signature: or failing him
2. Name: _____ E-mail Id: _____
 Address: _____
 Signature: or failing him
3. Name: _____ E-mail Id: _____
 Address: _____
 Signature:

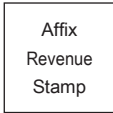
As my /our Proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 26th Annual General Meeting of the Company to be held on Friday, the 29th September, 2017 at 11:30 A.M. at G .D. Somani Marg, Panchak, Nasik Road, Nasik - 422 101 and at any adjournment thereof in respect of such resolutions and in such manner as is indicated below:

Reso.No. Description	For	Against
ORDINARY BUSINESS:		
1) To receive, consider and adopt a. the Standalone Audited Financial Statements of the Company which includes the Audited Balance Sheet as at 31 st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon. b. the Consolidated Audited Financial Statements of the Company which includes the Audited Balance Sheet as at 31 st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date and the Report of the Statutory Auditors thereon.	<input type="checkbox"/>	<input type="checkbox"/>
2) To appoint a Director in place of Mr. Vikram Somani(DIN No: 00054310), who retires by rotation and being eligible offers himself for re-appointment.	<input type="checkbox"/>	<input type="checkbox"/>
3) To ratify the appointment of M/s. Dharmesh Shah & Co., Chartered Accountants, as Auditors of the Company and to fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
SPECIAL BUSINESS:		
4) To regularize the appointment of Mrs. Saraswati Somani who was appointed as an Additional Director.	<input type="checkbox"/>	<input type="checkbox"/>

Signed this _____ day of _____ 2017

Note:

Proxy need not be a member, Proxy form, complete in all respects, should reach the Company's Registered Office at G .D. Somani Marg, Panchak, Nasik Road, Nasik - 422 101, not less than 48 hours before the scheduled time of the meeting.



Signature of Shareholder/ Proxy holder

SOMA PAPERS AND INDUSTRIES LIMITED

ATTENDANCE SLIP

REGISTERED OFFICE: G .D. Somani Marg, Panchak, Nasik Road Nasik – 422 101

CIN: L21093MH1991PLC064085 **Phone:** 022 - 22626262

E- mail: bharatsomani@rediffmail.com, **Website:** <http://www.somapapers.in/>.

26TH ANNUAL GENERAL MEETING ON FRIDAY, 29TH SEPTEMBER, 2017

Please complete this Attendance Slip and hand over at the entrance of the Meeting Hall

Registered Folio / DP & CLIENT ID*	No. of Shares	
Name and Address of the Shareholder(s)/Proxy		
Joint Holder 1		
Joint Holder 2		

*Applicable for Members holding shares in an electronic form.

I hereby record my presence at the 26th Annual General Meeting held on Friday, 29th September, 2017 at 11:30 A.M at G .D. Somani Marg,Panchak, Nasik Road Nasik – 422 101.

SIGNATURE OF THE SHARE HOLDER/PROXY