

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED
GOBICHETTIPALAYAM - 638 476
CIN: U02102TZ1994PTC004935

^{28TH} ANNUAL REPORT
2021 - 2022

AUDITED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED
31ST MARCH 2022

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

GOBICHETTIPALAYAM - 638 476

CIN: U02102TZ1994PTC004935

ANNUAL REPORT 2021-22

BOARD OF DIRECTORS

T.Balakumar - DIN:00440500

A.Sudha - DIN:0515113

B Madhumitha - DIN:07062948

BANKERS

Tamilnad Mercantile Bank Ltd.

D.No.9 South Car Street

Sankarankovil – 627 756

AUDITORS

M/s. Narayanasamy & Associates

Chartered Accountants

73D Kamaraj Nagar

Rajapalayam – 626 117

REGISTERED OFFICE

D.No.7/5,Sellakumarapalayam,

Polavakalipalayam Post

GOBICHETTIPALAYAM - 638 476

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED
GOBICHETTIPALAYAM - 638 476

NOTICE

NOTICE is hereby given that the Twenty Eighth Annual General Meeting of the Company will be held on Friday, the 30th September 2022 at the Registered Office of the Company at D.No.7/5 Sellakumarapalayam, Polavakalipalayam (Post), Gobichettipalayam - 638 476 at 10 A.M to transact the following business.

AGENDA

- 1 To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st March 2022, the Balance Sheet as on that date together, Cash Flow statement for the year ended 31st March 2022 with the Directors' and Auditors' Report thereon.
- 2 To appoint Managing Director in the place of Smt.A. SUDHA, who retire at this meeting and being eligible offer herself for re-appointment.
- 3 To appoint a Director in the place of Shri T. BALAKUMAR, who retire at this meeting and being eligible offer himself for re-appointment.
- 4 To appoint Director in the place of Smt.B. MADHUMITHA, who retire at this meeting and being eligible offer herself for re-appointment.
- 5 To appoint Statutory Auditors and fix their remuneration and in this regard 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 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof), M/s. Narayanasamy & Associates, Chartered Accountants (FRN No:002401S), be and is hereby re-appointed as the Statutory Auditor of the Company, for a period of five years to hold office from conclusion of this meeting till the conclusion of the Thirty Third Annual General Meeting on a remuneration to be fixed by the Board of Directors of the Company, in addition to taxes and actual out of pocket expenses incurred in connection with the audit of the accounts of the Company.

By Order of the Board



A.Sudha - DIN:0515113

CHAIRMAN & MANAGING DIRECTOR

Gobichettipalayam
2nd September 2022

1. A member of the company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf and such a person acting as proxy need not be a member of the company.
2. The proxy form duly completed should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED
GOBICHETTIPALAYAM - 638 476
DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-2022

To
The Members

Your directors have pleasure in presenting their Twenty Eighth Annual Report on the affairs of the company together with the Audited Statement of Accounts for the year ended 31st March, 2022.

1. Financial Highlights

During the year under review, performance of your company as under:

(Rupees in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Sales & Other operating income	6094.64	3639.10
Other Income	5.59	4.92
Total Income	6100.23	3644.03
Profit before Financial Cost, Depreciation and Taxation	484.16	388.02
Less: Financial Cost	36.64	29.92
Operating profit before Preliminary exps., Depreciation & Taxation	447.52	358.11
Less: Depreciation & Preliminary expenses written off	41.59	50.60
Operating profit before exceptional items	405.93	307.50
Less: Exceptional items	-	22.27
Less: Extra-ordinary items	-	-
Profit/(Loss) before Taxation	405.93	285.24
Less:		
i) Tax expense	109.12	74.29
ii) Deferred Tax	2.10	-3.72
Profit/(Loss) after tax	294.71	214.67
Less: Transfer to general reserve	100.00	100.00
Add : Balance B/F from previous year	967.03	852.36
Balance Profit / (Loss) C/F to next year	1161.74	967.03

2. State of Company's Affairs and Future Outlook:

Your directors report that due to better prices prevailed for Kraft Paper and Board both the sales and profitability has increased considerably from the corresponding previous year level. Value of power generated and captive consumed has increased by about 7% from the previous year level. Your directors expect the trend to continue in the current fiscal too.

3. Amounts Transferred to Reserves:

The company has transferred Rs.1,00,00,000/- to general reserve during the year.

4. Dividend:

The Company has not declared any dividend during the year under audit.

5. Change in nature of business, if any:

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

6. Changes in Share Capital, if any:

There is no change in the share capital of the Company during the year.

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

GOBICHETTIPALAYAM - 638 476

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-2022

7. Material Changes between the date of the Board report and end of financial year.

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

8. Subsidiary Company:

The Company does not have any Subsidiary as on 31st March 2022. The company is an Associate Company of M/s. Subam Papers Private Limited whose shareholding is 28.13% of the Issued, Subscribed and Paid up Equity Share capital of the company

9. Statutory Auditor & Audit Report:

M/s. Narayanasamy & Associates, Chartered Accountants, Statutory Auditors of the Company (FRN No: 002401S) retire at this meeting and offer themselves for reappointment. The Company has received a certificate from the Statutory Auditors that their re-appointment, if made, would be within the limits prescribed.

10. Explanation to Auditor's Remarks:

1)The Auditors of the Company have pointed out in their Note No.27 that confirmation of balances due to/due from the company has not been received which is being obtained.

2) The Auditors of the Company have pointed out that gratuity payable to employees is not provided as per Accounting Standard No: 15-Employee Benefits. In this connection it is stated that there are only very few employees who are eligible to receive gratuity as per the Payment of Gratuity Act 1972, as amended from time to time. Further the rate of attrition is very high and so the liability for gratuity won't be material. In view of this, it is deemed fit to account for the payment of gratuity as and when the liability arises. The company is having adequate liquidity to pay the gratuity liability at the time of its occurrence.

11. Details of Directors or Key Managerial Personnel:

All the directors who retire at this meeting and being eligible offer themselves for re-appointment.

12. Deposits:

The Company has not invited/accepted any deposits from the public during the year ended March 31, 2022. There were no unclaimed or unpaid deposits as on that date.

13. Conservation of energy, technology absorption, foreign exchange earnings outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules,2014, is annexed herewith as "Annexure A".

14. Corporate Social Responsibility:

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

15. Number of meeting of the Board:

During the year 2021-22, the Board of Directors met seven times on 5.4.21, 23.7.21, 14.10.21, 15.11.21, 3.12.21, 6.12.21 and 2.3.22 during the year.

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

GOBICHETTIPALAYAM - 638 476

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-2022

16. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts for the financial year ended 31st March, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) 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 as at March 31, 2022 and of the Profit of the company for that period;

(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors had prepared the annual accounts on a going concern basis; and

v) 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.

17. Particulars of loans, guarantees or investments under section 186:

The company has not given any loan or guarantee to any person/company during the year 2021-22 under section 186 of the Companies Act, 2013.

18. Particulars of Employee:

None of the employee has received remuneration exceeding the limit as stated in rule 5(2) of the Companies(Appointment and Remuneration of Managerial Personnel) Rules,2014.

19. Related Party Transactions:

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act 2013 for the Financial Year 2021-22 in the prescribed format - AOC 2 has been enclosed with the report.

20. Cost Records

The Company is required to maintain records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained.

21. Internal Complaints Committee

Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013] has been formed under the Chairmanship of Mr. D.Kumar, employee of the company and is active.

22. Risk Management Policy:

The Directors of the Company continuously assess the risk the company is exposed to which in their opinion threaten the existence of the company and take suitable preventive steps to mitigate the risk. In the opinion of the directors there are no perceivable risks threatening the existence of the company.

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

GOBICHETTIPALAYAM - 638 476

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-2022

23. Internal Financial Controls

In accordance with Section 134(5)(e) of the Companies Act, 2013, the company has Internal Financial Controls Policy by means of Policies and Procedures commensurate with the size and nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5)(viii) of Companies (Accounts) Rules 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements.

24. IBC 2016 Proceedings

The company has not filed any application or has any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

25. Details of One-Time settlement(OTS)

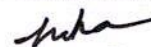
The company has not made any application for OTS before any Bank, Financial Institution or any other lender during the year.

26. Acknowledgement

Your Directors take this opportunity to place on record their sincere thanks to M/s Tamilnadu Mercantile Bank Limited, Sankarankovil, for their valuable support and look forward to their continued co-operation in the years to come.

Your Directors acknowledge the support and co-operation received from the employees and all those who have helped in the day to day management.

For and on behalf of the Board of Directors,



A.Sudha - DIN:0515113

CHAIRMAN & MANAGING DIRECTOR

Gobichettipalayam
2nd September 2022

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED

GOBICHETTIPALAYAM - 638 476

ANNEXURE A TO DIRECTORS REPORT CI.(13) FOR THE YEAR 2021-22

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

Particulars	
a) Conservation of Energy:	
Steps taken for conservation	Power capacitors are provided to ensure saving in energy. All the machinery parts are replaced on regular basis to improve the productivity and to reduce the power consumption.
Steps taken for utilizing alternate sources of energy	As a measure of utilizing alternate source of energy, the company has installed one wind mill with a capacity of 750 KWH.
Capital investment on energy conservation Equipments	Investment in Windmill Rs.335.43 lakhs as on 31st March 2022.
b) Technology Absorption :	
Efforts made for technology absorption Benefits derived	Nil
Expenditure on Research &Development, if any	Nil
Details of technology imported, if any	Nil
Year of import	Nil
Whether imported technology fully absorbed	Nil
Areas where absorption of imported technology has not taken place, if any	Nil
c) Foreign Exchange Earnings/ Outgo:	(Rs. In Lakhs)
Earnings	-
Outgo - Import of rawmaterials	Rs. 167.15

For and on behalf of the Board of Directors



A.Sudha - DIN:0515113

CHAIRMAN & MANAGING DIRECTOR

Gobichettipalayam
2nd September 2022

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED
ANNEXURE TO DIRECTORS REPORT FOR THE YEAR 2021-22
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section(1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

2. Details of contracts or arrangements or transactions at Arm's length basis

1

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mrs.A Sudha, Managing Director
b)	Nature of contracts/arrangements/transaction	Vide details in Note No. 30
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Vide details in Note No. 30
e)	Date of approval by the Board	5.4.21
f)	Amount paid as advances, if any	Vide details in Note No. 30

2

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Mr.T Balakumar, Director
b)	Nature of contracts/arrangements/transaction	Vide details in Note No. 30
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Vide details in Note No. 30
e)	Date of approval by the Board	5.4.21
f)	Amount paid as advances, if any	Vide details in Note No. 30

3

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Unicone - KMPs interested concern
b)	Nature of contracts/arrangements/transaction	Vide details in Note No. 30
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No. 30
e)	Date of approval by the Board	5.4.21
f)	Amount paid as advances, if any	Vide details in Note No. 30

4

S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Subam Papers Private Limited- KMPs interested concern
b)	Nature of contracts/arrangements/transaction	Vide details in Note No. 30
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No. 30
e)	Date of approval by the Board	5.4.21
f)	Amount paid as advances, if any	Vide details in Note No. 30


SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED
ANNEXURE TO DIRECTORS REPORT FOR THE YEAR 2021-22
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

5		
S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Subam Paper and Boards Private
b)	Nature of contracts/arrangements/transaction	Vide details in Note No. 30
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No. 30
e)	Date of approval by the Board	5.4.21
f)	Amount paid as advances, if any	Vide details in Note No. 30
6		
S.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	B.M.M. Paper Board Private Limited - KMPs interested concern
b)	Nature of contracts/arrangements/transaction	Vide details in Note No. 30
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No. 30
e)	Date of approval by the Board	5.4.21
f)	Amount paid as advances, if any	Vide details in Note No. 30

For and on behalf of the Board of Directors

Gobichettipalayam
 2nd September 2022


A.Sudha - DIN:0515113
CHAIRMAN & MANAGING DIRECTOR

**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS
TO THE MEMBERS OF M/s. SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

1 Report on the Financial Statements	We have audited the accompanying financial statements of M/s. SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED("the Company") , as of 31st March, 2022, which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss and Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2 Opinion	In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its Profit and cash flows for the year ended on that date subject to Non Provision of Gratuity as per Accounting Standard No: 15-Employee Benefits, the financial impact of which can not be assessed in the absence of actuarial valuation..
3 Basis for opinion	We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.
4 Information other than the Financial Statements and Auditor's Report Thereon	The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the information obtained at the date of this auditor's report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.
5 Responsibility of Management for Financial Statements	The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS
TO THE MEMBERS OF M/s. SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

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

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

6 Auditor's responsibilities for the audit of the financial statements

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

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

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

> Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

>Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

>Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

>Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS
TO THE MEMBERS OF M/s. SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

7	Report on Other Legal and Regulatory Requirements
(i)	As required by the Companies (Auditor' Report) Order, 2020 ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure A, a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
(ii)	As required by Section 143(3) of the Act, we report that:
	<p>(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.</p> <p>(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books</p> <p>(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.</p> <p>(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.</p> <p>(e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.</p> <p>(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".</p> <p>(g) With respect to the other matters to be included in the Auditors' 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:</p> <p>i) The company has disclosed the details of pending litigations in Note No:30 of the financial statements.</p> <p>ii) The Company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.</p> <p>iii) The company is not required to transfer any amount to the Investor Education and protection Fund during the year.</p> <p>(h)(i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;</p> <p>(h)(ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and</p> <p>(h)(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.</p> <p>i) The Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Companies Act, 2013 is not applicable for the year under consideration.</p>




**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS
TO THE MEMBERS OF M/s. SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

8 With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.



For M/s Narayanasamy & Associates
Chartered Accountants
FRN 002401S


M. Muthusubramanian
Partner
M.No.022863

Gobichettipalayam
2nd September 2022

UDIN: 22022863BBDMQHJ335

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date, we state that:-

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c) The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company.
d) The company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
e) According to information and explanation given to us, the company has not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) a) The physical verification of inventories has been conducted by the management at reasonable intervals. The discrepancies noticed on verification between the physical stock and the book records were not material and the same have been properly dealt with in the accounts.
b) According to the information and explanation given to us, the company has been sanctioned Working Capital Limit in excess of Rupees Five Crores, in aggregate, by M/s.Tamilnadu Mercantile Bank Limited, Sankarankoil Branch on the basis of security of current assets and as per the reconciliation statement provided by the Company, the quarterly returns or statements filed by the company with such bank are in agreement with the books of accounts of the Company.
- iii) According to information and explanation given to us, the Company has not, made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or any other parties during the year and hence other sub-clauses iii a(i), iii a(ii), iii(b) to iii(f) are not applicable.
- iv) According to information and explanation given to us, the company has not given any loan, made any investment, furnished any guarantee or provided any security during the year and hence Clause (iv) Companies (Auditor' Report) Order, 2020 is not applicable and the compliance of Provisions of Section 185 and 186 of the Companies Act, does not apply.
- v) According to information and explanation given to us, the company has not accepted any deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 during the year.
- vi) We have broadly reviewed the books of accounts and records maintained by the company pursuant to the rules prescribed u/s 148(1) of the Act for maintenance of cost records in respect of finished goods and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- vii) a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, VAT, Service Tax, GST, Cess, Tax Deducted at Source and Tax Collected at Source and other statutory dues applicable to it. According to the information and explanation given to us, there are no undisputed amounts payable in respect of Income Tax, GST and Cess were in arrears as at 31.03.2022 for a period of more than six months from the date they became payable.



SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date, we state that:-

b) According to the information and explanations given to us, there is a disputed demand of Income -tax and the details are furnished below. There are no other statutory dues including Sales Tax, GST, Excise Duty which have not been deposited on account of any dispute.

S.No	Nature of	Asst. Yr	Amount	Forum where the Appeal is pending
1	Income-Tax	2016-17	39,11,820/-	National Faceless Appeal Centre, New Delhi
2	Income-Tax	2017-18	7,66,457/-	National Faceless Appeal Centre, New Delhi

- viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
(b) The company is not a declared wilful defaulter by any bank or financial institution or other lender.
(c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not availed any term loan during the year.
(d) According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short term basis have been utilised for long term purposes.
(e) According to the information and explanations given to us and the records of the Company examined by us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and the records of the Company examined by us, the company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) a) The Company has not raised any money by way of initial public offer or further public offers (including debt instruments) during the year and hence reporting on utilization of such money does not arise.
(b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year.
- xi) a) Based upon the audit procedures performed and information and explanation given to us by the management we report that no fraud by the Company or no fraud on the company has been noticed and reported during the year ended 31st March 2022.
(b) According to the information and explanations given to us and the records of the Company examined by us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) According to the information and explanations given to us, the company has not received any whistle-blower complaints received during the year.



SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED


Annexure A

Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date, we state that:-

- xii) The Company is not a Nidhi Company and as such this clause of the Order is not applicable.
- xiii) According to information and explanations given to us and based upon the audit procedures performed, all the transactions with the related parties are in compliance with Section 177 and Section 188 of the Companies Act where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) The company is not required to have an internal audit system under Companies Act 2013 and hence reporting under clause (xiv) of the Order is not applicable.
- xv) According to information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them.
- xvi) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- xvii) The company has not incurred cash loss in the financial year and in the immediately preceding financial year.
- xviii) There has been no resignation of the Statutory Auditors during the year.
- xix) According to the information and explanations given to us and the records of the Company examined by us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) According to the information and explanations given to us and the records of the Company examined by us, the Company does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence Clause(xx) of this order is not applicable.
- xxi) According to the information and explanations given to us and the records of the Company examined by us, the company does not have any Associate or Subsidiary and hence Clause(xxii) of this order is not applicable.



For M/s Narayanasamy & Associates
Chartered Accountants
FRN 002401S


M. Muthusubramanian
Partner
M.No.022863

Gobichettipalayam
2nd September 2022

UDIN: 22022863BBDMQH4335

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Annexure B

Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date

We have audited the Internal Financial controls over financial reporting of **M/s SRI SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED("the Company")**, as of 31st March, 2022 in conjunction with the audit of the financial statements of the Company for the year ended on that date.

1 Managements' Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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.

2 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 issued by the Institute of Chartered Accountants of India. Those Standards and 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 were 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 includes obtaining an understanding of internal financial controls over financial reporting, assessing the risk, whether material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Annexure B

Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date

3 Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

4 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.

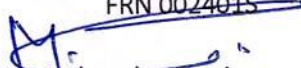
5 Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.



Gobichettipalayam
2nd September 2022

For M/s Narayanasamy & Associates
Chartered Accountants
FRN 0024015


M. Muthusubramanian

Partner

M.No.022863

UDIN: 22022863.BBDMQH2335

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED
Balance Sheet as at 31 March, 2022

Particulars		Note No.	As at 31 March, 2022		As at 31 March, 2021	
(Rs. In Lakhs)						
A	EQUITY AND LIABILITIES					
1	Shareholders' funds					
	(a) Share capital	1	168.00		168.00	
	(b) Reserves and surplus	2	1,548.59		1,253.87	
	(c) Money received against share warrants		-	1,716.59	-	1,421.87
2	Share application money pending allotment			-		-
3	Non-current liabilities					
	(a) Long-term borrowings	3	-		-	
	(b) Deferred tax liabilities (net)	4	-		-	
	(c) Other Non current Liabilities	5	-		-	
	(d) Long Term Provisions	6	-		-	
4	Current liabilities					
	(a) Short-term borrowings	7	574.24		610.42	
	(b) Trade payables	8				
	(i) Total outstanding dues of micro enterprises and small enterprises		-		-	
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises.		395.24		155.31	
	(c) Other current liabilities	9	158.69		174.61	
	(d) Short-term provisions	10	106.81	1,234.98	76.88	1,017.22
	TOTAL			2,951.56		2,439.10
B	ASSETS					
1	Non-current assets					
	<u>(a) Property, Plant, Equipment & Intangible Assets</u>					
	(i) Tangible assets	11	199.27		229.60	
	(ii) Intangible Assets	11.a	-		-	
	(iii) Capital work in progress	--	-		-	
	(b) Non current investments	12	157.77		157.77	
	(c) Long-term loans and advances	13	-		-	
	(d) Deferred tax assets	14	22.78		24.88	
	(e) Other Non-current assets	15	14.74	394.56	50.18	462.43
2	Current assets					
	(a) Inventories	16	239.55		167.72	
	(b) Trade receivables	17	2,279.45		1,773.27	
	(c) Cash and cash equivalents	18	16.69		15.67	
	(d) Short-term loans and advances	19	21.32		20.00	
	(e) Other current assets	20	-	2,557.01	-	1,976.67
	TOTAL			2,951.56		2,439.10
Significant Accounting Policies and Notes on Financial Statements from 1 to 43						-

As per our report of even date annexed hereto

For M/s. Narayanasamy & Associates
Chartered Accountants
FRN 0024015

M. Muthusubramanian
Partner
M.No. 022863

Place Gobichettipalayam
Date 2nd September 2022



For and on behalf of the Board

A. Sudha - DIN: 0515113
Managing Director
T. Balakumar - DIN: 00440500
B. Madhumitha - DIN: 07062948

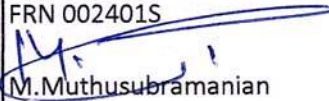
Directors

UDIN: 22022863 BBDMAH2335

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31 March, 2022

Particulars		Note No.	For the year ended	For the year ended
			31 March, 2022	31 March, 2021
(Rs. In Lakhs)				
A	CONTINUING OPERATIONS			
1	Revenue from operations	21	6,089.04	3,634.18
	Other income	22	5.59	4.92
	Total Income		6,094.64	3,639.10
2	Expenses			
	(a) Cost of materials consumed	23.a	4,525.69	1,969.47
	(b) Purchases of stock-in-trade	23.b	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23.c	10.37	-8.81
	(d) Employee benefits expense	24	223.75	195.02
	(e) Finance costs	25	36.64	29.92
	(f) Depreciation and amortisation expense	11	41.59	50.60
	(g) Other expenses	26	850.68	1,095.40
3	Total		5,688.70	3,331.60
4	Earnings before exceptional items and extraordinary items and tax.		405.93	307.50
5	Exceptional items	26 a	-	22.27
6	Profit / (Loss) before extraordinary items and tax		405.93	285.24
7	Extraordinary items		-	-
8	Profit / (Loss) before tax		405.93	285.24
9	Tax expense:			
	(a) Current tax expense for current year		106.81	74.29
	(b) (Less): MAT credit		-	-
			106.81	74.29
	(c) Current tax expense relating to prior years		2.31	-
	(d) Net current tax expense		109.12	74.29
	(e) Deferred tax		2.10	-3.72
			111.22	70.57
10	Profit / (Loss) from continuing operations		294.71	214.67
B	DISCONTINUING OPERATIONS			
11	Profit / (Loss) for the year		294.71	214.67
12	Earnings per share (of Rs.100/- each):			
	(a) Basic			
	(i) Continuing operations		175.42	127.78
	(ii) Total operations		175.42	127.78
Significant Accounting Policies and Notes on Financial Statements from 1 to 43				

As per our report of even date annexed hereto

For M/s.Narayanasamy & Associates
Chartered Accountants
FRN 002401S

M. Muthusubramanian
Partner
M.No.022863



For and on behalf of the Board

A.Sudha - DIN:0515113
Managing Director
T.Balakumar - DIN:00440500
B Madhumitha - DIN:07062948

Directors






Place : Gobichettipalayam
Date : 2nd September 2022

UDIN: 22022863 BBDMQH4335


SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

PARTICULARS	31-Mar-22		31-Mar-21	
	(Rs. In Lakhs)			
CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before taxation and extraordinary items		405.93		285.24
Adjustment for :				
Depreciation	41.59		50.60	
Interest income	-		-	
Preliminary Expenses	-		-	
Loss on sale of asset	-	41.59	4.44	55.04
Operating profit before working capital changes		447.52		340.28
(Increase)Decrease in Sundry Debtors	(506.18)		(493.58)	
(Increase) Decrease in Inventories	(71.82)		(74.20)	
Increase(Decrease) in Current Liabilities	217.75		251.68	
Increase(Decrease) in Preliminary Expenses	-		-	
(Increase) Decrease in Loans and advances	(1.31)	(361.56)	45.62	(270.48)
Cash generated from operations		85.96		69.80
Income taxes paid		(109.12)		(74.29)
Cash flow from extraordinary item		(23.17)		(4.49)
Other proceeds		-		-
Net Cash from operating activities		(23.17)		(4.49)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(11.26)		4.44	
Proceeds from sale of fixed assets	-		6.63	
Other Non-current assets	35.44		-	
Investment in Shares	-		-	
Dividends received	-		-	
Net cash from investing activities		24.19		11.07
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from long term borrowings		-		-
Net cash used in financing activities		1.02		6.58
Cash and cash equivalents at beginning of period		15.67		9.09
Cash and cash equivalents at end of period		16.69		15.67

A.Sudha - DIN:0515113 *haha*
 Managing Director
 T.Balakumar - DIN:00440500 *T Balak*
 B Madhumitha - DIN:07062948 *Madhu*
Directors
 Gobichettipalayam
 2nd September 2022



As per our report of even date annexed hereto
 For Narayanasamy & Associates
 Chartered Accountants
 FRN 002401S
M. Muthusubramanian
 M. Muthusubramanian
 Partner
 M.No.022863



SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED
SIGNIFICANT ACCOUNTING POLICIES

1	Company Information
	M/s. SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED is a private Limited Company with registered office at D.No.7/5, Sellakumarapalayam, Polavakalipalayam Post, GOBICHETTIPALAYAM - 638 476. The Company is in the business of manufacture and sale of Kraft Paper and Boards and primarily caters to the Indian Market.
2	Basis of Preparation and Measurement
2.1	Basis of Preparation
	The financial statements have been prepared and presented under the historic cost convention on accrual basis of accounting, in accordance with Generally Accepted Accounting Principles ("GAAP") applicable in India. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') and pronouncements of the Institute of Chartered Accountants of India, the provisions of the Act (to the extent notified).
2.2	Key Accounting Estimates and Judgements
	The preparation of standalone financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively
2.3	Amendments to Schedule III of the Companies Act, 2013
	Ministry of Corporate Affairs (MCA) issued notifications dated 24th March, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021 and applied to the standalone financial statements as required by Schedule III of the Companies Act 2013.
2.4	Significant Accounting Policies
	The significant accounting policies used in preparation of the standalone financial statements are as under.
a)	Property, Plant & Equipment
	Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the standalone statement of profit and loss during the period in which they are incurred. Gains or losses that arise on disposal or retirement of an asset are measured as the difference between net disposal proceeds and the carrying value of property, plant and equipment and are recognized in the statement of profit and loss when the same is derecognized. Depreciation is charged on Written-down Value Method on all the assets as per Part C of Schedule II of the Companies Act, 2013. Freehold land is not depreciated.

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED
SIGNIFICANT ACCOUNTING POLICIES

b) INVENTORY	
Raw materials	At Cost on FIFO method
Finished Goods (Kraft Paper & Boards)	Cost or net realizable value which ever is lower.
Stock in process	At Cost
Stores & Spares	At Cost
Waste cotton and yarn	At market rate
c) Revenue Recognition	
	<p>Revenue is recognized to the extent that it is probable that, the economic benefits will flow to the Company and the revenue can be reliably estimated and collectability is reasonably assured. Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.</p> <p>Revenue is measured on the basis of sale price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.</p> <p>Unbilled revenue represents earnings on ongoing fixed price and time and material contracts over and above the amounts invoiced to customers.</p>
d) Other Revenues	
	Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.
e) Employee Benefits	
	Employee benefits payable wholly within 12 months of leaving employee services are classified as short term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short term employee benefits to be paid in exchange for employee services is recognized as an expense as the related services is rendered by employees.
f) Provident Fund	
	The company contributes Provident Fund to the employees under the Employees Provident Fund Scheme run by the Government. As per the rules and regulations of the company the leave encashment is drawn within the year itself and no amount need to be provided. The Company has no further obligations under the plan beyond its monthly contributions. Contributions to provident fund are charged to the statement of profit and loss on accrual basis.
g) Gratuity	
	The company has not provided for employees' gratuity and the same is accounted under the policy of "Pay as you go" basis. The company does not have any approved super annuation fund to its employees.
h) Foreign currency transactions:	
	Foreign exchange transactions are recorded at the rate prevailing on the date of the respective transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year and on restatement as at the balance sheet date are recognized in the statement of profit and loss for the year.

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED
SIGNIFICANT ACCOUNTING POLICIES

i)	Income Tax
	<p>Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit effects of timing differences between accounting income and taxable income for the period). Income-tax expense is recognised in profit or loss except that tax expense related to items recognised directly in reserves is also recognised in those reserves.</p> <p>Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.</p> <p>The Company has opted for taxation under the provisions of section 115BAA of Income-tax Act 1961 and hence the provisions of section 115JB of the Income tax Act 1961 is not applicable to this company.</p>
j)	Provisions, contingent liabilities and contingent assets
	<p>A provision is recognized when the Company has a present obligation as a result of past event i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.</p> <p>A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs</p>
k)	EARNINGS PER SHARE
	<p>Basic earnings per equity share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.</p> <p>Diluted earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company and weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that decrease profit per share are included.</p>

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED
SIGNIFICANT ACCOUNTING POLICIES

l)	Liability to MSME entities
	The company categorises the amounts payable to MSME entities in respect of supplies effected by the respective entity only on the basis of necessary declaration furnished by the supplier. If no declaration is received before the finalization accounts, the same is disclosed as "Liability payable to others" and the provisions of Micro, Small and Medium Enterprises Development Act, 2006 are not applied in such cases.
m)	BORROWING COST
	The borrowing costs that are directly attributable to the cost of acquisition of fixed assets of the company have been capitalized as part of the cost of these assets as provided under Accounting Standard No.16.
n)	IMPAIRMENT OF ASSETS
	An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.
o)	GOVERNMENT SUBSIDY/GRANT
	All revenue subsidies and grants from the Government are accounted on accrual basis and are credited to miscellaneous income.

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED
Notes forming part of the financial statements

		As at 31 March, 2022	As at 31 March, 2021		
		Rs.in lakhs			
1 SHARE CAPITAL					
Particulars	As at 31 March, 2022		As at 31 March, 2021		
	Number of shares	Rs	Number of shares	Rs	
(a) Authorized Equity shares of Rs.100/- each with voting rights	1,75,000	175.00	1,75,000	175.00	
(b) Issued Equity shares of Rs.100/- each with voting rights	1,68,000	168.00	1,68,000	168.00	
(c) Subscribed and fully paid up Equity shares of Rs.100/- each with voting rights	1,68,000	168.00	1,68,000	168.00	
(d) Subscribed but not fully paid up	-	-	-	-	
Total	1,68,000	168.00	1,68,000	168.00	
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting					
Particulars	Opening Balance	Fresh issue	Bonus Issue	Other changes	Closing Balance
	(Rs. in lakhs)				
Equity shares with voting rights Year ended 31 March, 2022					
- Number of shares	1,68,000	-	-	-	1,68,000
- Amount (Rs.100/-Per Share)	168.00	-	-	-	168.00
Year ended 31 March, 2021					
- Number of shares	1,68,000	-	-	-	1,68,000
- Amount (Rs.100/-Per Share)	168.00	-	-	-	168.00
(ii) Equity shares carry equal voting rights in proportion to the holdings. Equity shares do not have any restriction on the quantum of dividend. The company do not have any preference share capital.					
(iii) The company is an Associate Company of M/s. Subam Paper Private Limited whose shareholding is 28.13% of the Issued, Subscribed and Paid up capital of the company					
(iv) Details of shares held by each shareholder holding more than 5% shares:					
Class of shares / Name of shareholder	As at 31 March, 2022		As at 31 March, 2021		
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	
Equity shares with voting rights					
T Balakumar	74,625	44.42%	74,625	44.42%	
A.Sudha	46,000	27.38%	46,000	27.38%	
Subam Paper Private Limited	47,250	28.13%	47,250	28.13%	
(v) Details of shares held by the Promoters:					
Class of shares / Name of the Promoter	Change in %	As at 31 March, 2022		As at 31 March, 2021	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<u>Equity shares with voting rights</u>					
T Balakumar	Nil	74,625	44.42%	74,625	44.42%
A.Sudha	Nil	46,000	27.38%	46,000	27.38%
B Madhumitha	Nil	125	0.07%	125	0.07%
Subam Paper Private Limited	Nil	47,250	28.13%	47,250	28.13%

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED
Notes forming part of the financial statements

	As at 31 March, 2022	As at 31 March, 2021	
(vi) As at 31 March, 2022 no shares were reserved for issue under options.(As at 31 March, 2021 Nil shares)			
(vii) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date: Nil			
(viii) Details of calls unpaid	Nil	Nil	
(ix) Details of forfeited shares	Nil	Nil	
2 RESERVES & SURPLUS			
Particulars			
<u>(a) Capital Investment Subsidy</u>			
Opening balance	26.85	26.85	
Add: Profit / (Loss) for the year	-	-	
Closing balance	26.85	26.85	
Total (a)			
<u>(b) Surplus / (Deficit) in Statement of Profit and Loss</u>			
Opening balance	967.03	852.36	
Add: Profit / (Loss) for the year	294.71	214.67	
Less: Transferred to General Reserve	100.00	100.00	
Closing balance	1,161.74	967.03	
Total (b)			
<u>(c) General Reserve</u>			
Opening balance	260.00	160.00	
Add: Transferred from Profit & Loss account	100.00	100.00	
Closing balance	360.00	260.00	
Total (c)			
Total (a)+(b)+(c)	1,548.59	1,253.87	
3 LONG TERM BORROWINGS	-	-	
4 DEFERRED TAX LIABILITY:	-	-	
Total			
5 OTHER NON CURRENT LIABILITIES	-	-	
6 LONG TERM PROVISIONS	-	-	
7 SHORT TERM BORROWINGS			
(a) Loans repayable on demand			
<u>From Tamilnadu Mercantile Bank Ltd.,Sankarankoil</u>			
Secured - Cash Credit	574.24	610.42	
Unsecured	-	-	
Total	574.24	610.42	
7(i) Details of security for the secured short-term borrowings:			
Particulars	Nature of security	As at 31 March, 2022	As at 31 March, 2021
Loan repayable on demand from Tamilnadu Mercantile Bank Limited, Sankarankovil Branch.	Vide para 7(i)(a) below		
a) Cash Credit		574.24	610.42
		574.24	610.42
7(i)(a) Cash credit limit from M/s Tamilnadu Mercantile Bank Ltd., Sankarankovil, is secured by hypothecation of waste paper, starch, resin, stock-in-process, finished goods namely paper boards, stores & spares, firewood, trade receivables and other current assets of the company. The limit is additionally secured by equitable mortgage of company's land & buildings at New SF No: 1220/1,1221/1 in Kugalur "B" Village, Sellakumarapalayam,Bomminaickenpalayam, Gobichettipalayam and equitable mortgage of Windmill land at SF No116/5, Thalavaipuram Village, Dharapuram. Interest is payable at 1.28% over the MCLR (9.25%) at monthly rests.			

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Notes forming part of the financial statements

	As at 31 March, 2022	As at 31 March, 2021
7.(i)(b) The directors of the company have personally guaranteed the above working capital loans.		
7.(i)(c) The Company has not defaulted in the repayment of loans and interest.		
7.(i)(d) The Company has used the borrowings from banks for the specific purpose for which it was taken as at the reporting date.		
7.(i)(e) Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the Registrar of Companies, within the prescribed time.		
8 TRADE PAYABLES:		
Trade payables:		
<u>a) For Purchase of Raw material and stores</u>		
i) Due to Micro and Small Enterprises (Pl refer Note No.33)	-	-
ii) Others parties	395.24	155.31
<u>b) Others</u>	-	-
Total	395.24	155.31
Note: Please refer Note No.29.2 for ageing of Trade Payables.		
9 OTHER CURRENT LIABILITIES:		
(i) Payables for statutory liabilities	45.17	43.84
(ii) Expenses	113.52	112.75
(iii) Liability for other finance	-	18.02
Total	158.69	174.61
10 SHORT TERM PROVISIONS:		
<u>(a) Provision</u>		
(i) Provision for tax	106.81	76.88
Total	106.81	76.88

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Notes forming part of the financial statements

11 Property, Plant, Equipments & Intangible Assets

A.	Tangible assets	YEAR	Gross block			Accumulated depreciation and impairment			Net Block		
			Balance as at 1 April, 2021	Additions	Disposals	Balance as at 31 March, 2022	Balance as at 1 April, 2021	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2022	Balance as at 31 March, 2021
			(Rs. in Lakhs)								
	(a) Freehold Land	2021-2022	20.49	-	-	20.49	-	-	-	20.49	20.49
		2020-2021	20.49	-	-	20.49	-	-	-	20.49	20.49
	(b) Buildings	2021-2022	225.60	-	-	225.60	150.80	165.51	60.09	74.80	74.80
		2020-2021	225.60	-	-	225.60	131.79	150.80	74.80	93.82	93.82
	(c) Plant and Equipment	2021-2022	556.82	11.26	-	568.08	455.76	482.34	85.75	101.06	101.06
		2020-2021	603.45	-	46.63	556.82	462.44	455.76	101.06	141.01	141.01
	(d) Office Equipments and Furniture & Fixtures	2021-2022	69.03	-	-	69.03	47.55	47.86	21.18	21.48	21.48
		2020-2021	69.03	-	-	69.03	47.17	47.55	21.48	21.86	21.86
	(e) Windmill	2021-2022	335.43	-	-	335.43	323.69	323.69	11.74	11.74	11.74
		2020-2021	335.43	-	-	335.43	323.69	323.69	11.74	11.74	11.74
	(f) Vehicles	2021-2022	26.91	-	-	26.91	26.88	26.88	0.03	0.03	0.03
		2020-2021	26.91	-	-	26.91	26.74	26.88	0.03	0.17	0.17
	Total	2021-2022	1,234.29	11.26	-	1,245.55	1,004.69	1,046.28	199.27	229.60	229.60
		2020-2021	1,280.92	-	46.63	1,234.29	991.83	1,004.69	229.60	289.08	289.08

Depreciation and amortisation relating to continuing operations:

Particulars	As at 31 March, 2022	As at 31 March, 2021
Depreciation and amortisation for the year on tangible assets	41.59	50.60
Depreciation and amortisation for the year on intangible assets	-	-
Less: Utilised from revaluation reserve	-	-
Depreciation and amortisation relating to continuing operations	41.59	50.60

- The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Asset) since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with the applicable accounting standards.
- The Company has no intangible assets as at the balance sheet date.

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED
Notes forming part of the financial statements

	As at 31 March, 2022	As at 31 March, 2021
Particulars	Rs.in lakhs	
12 NON CURRENT INVESTMENT:		
<u>Investment in equity instruments(Unquoted)</u>		
a) 10,000 Equity shares of Rs.10 each in M/s. Echanda Urja Private Limited at Cost.	1.00	1.00
b) 27,503 Equity shares of Rs.10 each at a premium of Rs.560/- per share in M/s. Subam Paper Boards Private Limited at Cost.	156.77	156.77
Total	157.77	157.77
13 LONG TERM LOANS & ADVANCES:		
(a) Capital advances - Unsecured, considered good	-	-
Total	-	-
14 DEFERRED TAX ASSET		
Depreciation & Related items	22.78	24.88
Less: Unsabsorbed depreciaiton losses	-	-
Net Deferred tax Asset	22.78	24.88
(Decrease)/Accretion in Deferred Tax Assets	-2.10	3.72
Deferred Tax Assets provided during the year	-2.10	3.72
15 OTHER NON CURRENT ASSETS		
(a) Security deposits - Tamilnadu Generation and Distribution Corporation Ltd. (TANGEDCO) and other Government Departments Secured and Cosidered Good	14.74	50.18
Total	14.74	50.18
16 INVENTORIES:		
(a) Raw materials	33.82	1.98
(b) Finished goods	52.65	63.01
(c) Stores and spares	153.08	102.73
Total	239.55	167.72
Note: Details of inventory of Finished Goods		
Paper Board	52.65	63.01
Total	52.65	63.01
Note:(i) For mode of valuation, refer note no (c) of Significant accounting policies.		
Note (ii) The Company has physically verified the inventories at reasonable intervals and there are no discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verification.		
17 TRADE RECEIVABLES:		
a)Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good- Third Parties	287.97	218.76
Unsecured, considered good-Associate concerns	-	-
Doubtful	-	-
	287.97	218.76
Less: Provision for doubtful trade receivables	-	-
Total(a)	287.97	218.76
b)Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good- Third Parties	883.39	788.68
Unsecured, considered good-Associate concerns	1,108.09	765.84
Doubtful	-	-
	1,991.48	1,554.52
Less: Provision for doubtful trade receivables	-	-
Total(b)	1,991.48	1,554.52
Total (a+b)	2,279.45	1,773.27

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Notes forming part of the financial statements

	As at 31 March, 2022	As at 31 March, 2021
Particulars	Rs.in lakhs	
Note:(i) Trade receivables due from due from sole proprietary concern of the director(s), firms or private companies respectively in which any director is a partner, a director or a member. Please refer for details Note No.:30 "Related Party Transactions".		
(ii) Refer Note No. 29.1 for the ageing schedule of Trade Receivables		
18 CASH AND CASH EQUIVALENTS:		
(a) Cash on hand	0.88	0.54
(b) Cheques, drafts on hand	-	-
<u>(c) Balances with banks</u>		
(i) In current accounts	-	0.11
(ii) In deposit accounts	15.81	15.02
Total	16.69	15.67
Notes: Balances with banks include margin monies amounting to Rs.15.81 lakhs (As at 31 March, 2021 Rs.15.02 lakhs) which have an original maturity of more than 12 months.		
19 SHORT TERM LOANS & ADVANCES:		
(a) Prepaid Expenses	3.42	4.02
<u>(b) Balances with government authorities</u>		
Unsecured, considered good		
(i) TDS and Advance Tax	11.08	10.24
(ii) GST credit available	2.40	3.97
<u>(c) Advance for Raw materials, Stores & others</u>		
Unsecured, considered good	4.42	1.78
Total	21.32	20.00
Note: (i) The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties.		
20 OTHER CURRENT ASSETS:	-	-

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED
Notes forming part of the financial statements

		For the year ended 31 March, 2022	For the year ended 31 March, 2021
	Particulars	Rs.in lakhs	
21 REVENUE FROM OPERATIONS:			
(a)	Sale of products (Refer Note (i) below)	6,031.86	3,580.77
	Other Operating Income		
	i)Value of Power generated from Wind Mill	57.18	53.41
	Total	6,089.04	3,634.18
(i)	Sale of products comprises		
	Manufactured goods		
	Kraft Board	6,031.86	3,580.77
	Total - Sale of manufactured goods	6,031.86	3,580.77
22 OTHER INCOME:			
(a)	Interest income (Refer Note (i) below)	1.49	2.46
(b)	Other non-operating income (Refer Note (ii) below)	4.11	2.46
	Total	5.59	4.92
(i)	Interest income comprises:		
	a)Interest from Tamilnadu Generation and Distribution Corporation Ltd. (TANGEDCO) (TDS Rs.15.612/-)	0.87	2.08
	b)Interest from M/s.Tamilnad Mercantile Bank Limited	0.62	0.38
	Total - Interest income (a)	1.49	2.46
(ii)	Other non-operating income comprises:		
	a)Insurance premium received	4.09	2.46
	b)Discount received	0.01	-
	Total - Other non-operating income(b)	4.11	2.46
	Total (a)+(b)	5.59	4.92
23.a COST OF MATERIALS CONSUMED:			
	Opening stock	1.98	37.62
	Add: Purchases	4,557.53	1,933.83
		4,559.51	1,971.44
	Less: Closing stock	33.82	1.98
	Cost of material consumed	4,525.69	1,969.47
23.b PURCHASE OF TRADED GOODS:			
		-	-
23.c CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN TRADE:			
	Inventories at the end of the year:		
	Finished goods	52.65	63.01
		52.65	63.01
	Inventories at the beginning of the year:		
	Finished goods	63.01	54.21
		63.01	54.21
	Net (increase) / decrease	10.37	-8.81
24 EMPLOYEE BENEFIT EXPENSES:			
	a)Salaries and wages	212.71	185.75
	b)Contributions to provident and other funds	3.11	3.24
	c)Staff & Labour welfare expenses	6.04	6.03
	d)Gravuity paid	1.88	-
	Total	223.75	195.02

SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED
Notes forming part of the financial statements

		For the year ended 31 March, 2022	For the year ended 31 March, 2021
	Particulars	Rs.in lakhs	
25	FINANCE COSTS:		
	(a) Interest expense on:		
	(i) On Working Capital Borrowings	16.17	7.00
	(ii) Others		
	- Interest on income tax	17.35	19.49
	- Bank commission & Charges	3.12	3.43
	Total	36.64	29.92
26	OTHER EXPENSES:		
	a)Consumption of stores and spare parts	402.43	647.05
	b)Power and fuel	245.14	237.13
	c)Repairs and maintenance - Machinery	57.90	35.95
	d)Repairs and maintenance - Others	18.73	14.17
	e)Insurance	5.21	5.41
	f)Rates and taxes	3.23	5.05
	g) Freight and forwarding charges (Net)	43.00	101.73
	h)Other expenses(Refer Note (i) below)	75.04	48.91
	Total	850.68	1,095.40
	Note (i)Other Expenses		
	a)Postage & Telephone	0.83	0.73
	b)Travelling and conveyance	1.33	1.19
	c)Printing and stationery	1.15	1.26
	d)Commission	1.40	36.29
	e)Payments to auditors (Refer Note (ii) below)	2.50	2.50
	f)Miscellaneous expenses	0.71	0.64
	g)Rebate & discount	0.00	0.00
	h)Professional charges	65.62	6.30
	i) Legal expenses	1.50	-
	Total	75.04	48.91
	Note (ii) Payment to auditors		
	<u>(ii) Payments to the auditors comprises:</u>		
	As auditors - statutory audit	1.50	1.50
	For taxation matters	0.75	0.75
	For reimbursement of expenses	0.25	0.25
	Total	2.50	2.50
26 a	Exceptional Items		
	a) Bad debts written off	-	17.83
	b) Loss on sale of assets	-	4.44
	Total	-	22.27

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Notes forming part of the financial statements

27	Confirmation of balances from certain parties due to and due from the company has not been received by the Company.					
28	Rupees have been rounded off to the nearest lakhs.					
29	Additional regulatory and other information as required by the Schedule III to the Companies Act 2013					
29.1	Trade Receivables ageing Schedule					
	As at March 31, 2022					
	Particulars	Outstanding for following periods from the date of transaction				Total
		Less than Six Months	6 Months to - 1Year	1-2 Years	2-3 Years	
	Undisputed Trade Receivables -Considered good	1,991.48	287.97	-	-	2,279.45
	Undisputed Trade Receivables -Considered doubtful	-	-	-	-	-
	Disputed Trade Receivables - Considered good	-	-	-	-	-
	Disputed Trade Receivables - Considered doubtful	-	-	-	-	-
	Total	1,991.48	287.97	-	-	2,279.45
	As at March 31, 2021					
	Particulars	Outstanding for following periods from the date of transaction				Total
		Less than Six Months	6 Months to - 1Year	1-2 Years	2-3 Years	
	Undisputed Trade Receivables -Considered good	1,554.52	218.76	-	-	1,773.27
	Undisputed Trade Receivables -Considered doubtful	-	-	-	-	-
	Disputed Trade Receivables - Considered good	-	-	-	-	-
	Disputed Trade Receivables - Considered doubtful	-	-	-	-	-
	Total	1,554.52	218.76	-	-	1,773.27
29.2	Trade Payables ageing Schedule					
	Particulars	Outstanding for following periods from the date of				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
	As at March 31, 2022					
	MSME	-	-	-	-	-
	Others	376.56	3.65	-	15.03	395.24
	(i) Disputed dues – MSME	-	-	-	-	-
	(ii) Disputed dues – Others	-	-	-	-	-
	Total	376.56	3.65	-	15.03	395.24
	As at March 31, 2021					
	MSME	-	-	-	-	-
	Others	140.09	-	-	15.22	155.31
	(i) Disputed dues – MSME	-	-	-	-	-
	(ii) Disputed dues – Others	-	-	-	-	-
	Total	140.09	-	-	15.22	155.31

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Notes forming part of the financial statements

29.3	Borrowings from banks				
	The company has been sanctioned working capital limits of Rs.6.00 crores, in aggregate, by M/s.Tamilnadu Mercantile Bank Limited, Sankarankoil Branch on the basis of security of current assets and the quarterly returns or statements filed by the company with such bank are in agreement with the books of account of the Company.				
	Quarter ended	As per financials (Rs. Lakhs)	As per returns filed with banks	Difference (Rs. Lakhs)	Reason
	June 30, 2021				
	Inventories	446.89	446.89	-0.00	Nil
	Trade Receivables				Debtors more than the cover period are excluded in the returns filed with bank
		1,409.33	967.45	441.88	
	September 30, 2021				
	Inventories	485.11	485.11	0.00	Nil
	Trade Receivables				Debtors more than the cover period are excluded in the returns filed with bank
		1,293.60	1,083.92	209.68	
	December 31, 2021				
	Inventories	335.28	335.28	-0.00	Nil
	Trade Receivables				Debtors more than the cover period are excluded in the returns filed with
		1,608.53	1,065.33	543.20	
	March 31, 2022				
	Inventories	239.55	239.55	-0.00	Nil
	Trade Receivables				Debtors more than the cover period are excluded in the returns filed with
		2,279.45	1,302.58	976.87	
29.4	FINANCIAL RATIOS	Unit of measurement	2021-2022	2020-2021	Variance in %
a)	Current Ratio	In multiple	2.07	1.94	6.55
b)	Debt-Equity Ratio	In multiple	NA	NA	-
c)	Debt Service Coverage Ratio,	In multiple	NA	NA	-
d)	Return on Equity Ratio	In %	18.78	16.33	15.01
e)	Inventory turnover ratio	In Days	12.20	13.10	-6.92
f)	Trade Receivables turnover ratio,	In Days	121.36	153.11	20.74
g)	Trade payables turnover ratio	In Days	16.49	17.30	4.69
h)	Net capital turnover ratio	In Days	23.90	82.34	70.98
i)	Net profit ratio	In %	4.84	5.91	-18.06
j)	Return on Capital employed	In %	18.78	18.61	0.94
k)	Return on investment	In %	10.93	9.73	12.36

SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED

Notes forming part of the financial statements

29.4 (a)	Formula adopted for the calculation of the above ratios	
a)	Current Ratio = Current Assets / Current Liabilities	
b)	Debt-Equity Ratio = Total Debt / Total Equity	
c)	Debt Service Coverage Ratio = (EBITDA – Current Tax) / (Principal Repayment + Gross Interest on term loans)	
d)	Return on Equity Ratio = Total Comprehensive Income / Average Total Equity	
e)	Inventory Turnover Ratio (Average Inventory days) = 365 / (Net Revenue / Average Inventories)	
f)	Trade receivables Turnover Ratio (Average Receivables days) = 365 / (Net Revenue / Average Trade receivables)	
g)	Trade Payables Turnover Ratio (Average Payable days) = 365 / (Net Revenue / Average Trade payables)	
h)	Net Capital Turnover Ratio = 365/Net Sales/Average Working Capital	
i)	Net Profit Ratio = Net Profit / Net Revenue	
j)	Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))	
k)	Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets	
29.4(b)	Reasons for variation over 25%	
	Net Capital turnover ratio has increased by 70.98% from the previous year level due to increase in sales and profits as compared to the corresponding previous year.	
29.5	There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder	
29.6	The Company is not declared as a "Wilful Defaulter" by any bank or financial institution or other lenders in accordance with the guidelines on Wilful Defaulters by the Reserve Bank of India.	
29.7	The Company has not entered into any transactions with Companies struck off under section 248 of the Companies Act 2013 or section 560 of the Companies Act 1956.	
29.8	The Company is neither a holding nor a subsidiary of any Company and therefore it has nothing to disclose on compliance with the number of layers of companies.	
29.9	The Company has not advanced or loaned or invested funds from borrowing or share premium or from any other source or kind of funds during the year.	
29.10	The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.	
29.11	The Company did not trade or invest in Crypto Currency or virtual currency during the financial year. Hence, disclosures relating to it are not applicable.	
29.12	There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.	
30	RELATED PARTY TRANSACTIONS	
	As per Accounting Standard No – 18 issued by the Companies (Accounting Standard) Rules, 2006, and the Institute of Chartered Accountants of India, the company's related parties are given below.	
	i) List of Related parties with whom transactions have taken place and relationships:	
S.No	Name of the Related Party	Relationship
1	Subam Papers Private Limited	KMPs Interested Concern
2	B M M Paper Boards Private Limited	KMP Interested Concern
3	Subam Paper and Boards Private Limited	KMP Interested Concern
4	Unicone	KMP Interested Concern

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Notes forming part of the financial statements

ii) Transaction during the year with related parties:			
1	Name of Related Party	Relationship	
	Subam Papers Private Limited	KMPs Interested Concern	
	Nature of Transaction	(Rs. In Lakhs)	
		2021-2022	2020-2021
	Purchase of rawmaterial and stores	190.12	154.95
	Sale of goods	165.35	127.49
	Share Subscribed (cost)	156.77	156.77
	Shares Issued (Nos.)	0.47	0.47
	Trade Receivables	443.37	1.40
Consulting charges paid	60.00	-	
2	Name of Related Party	Relationship	
	Unicone	KMP Interested Concern	
	Nature of Transaction	(Rs. In Lakhs)	
		2021-2022	2020-2021
	Sale of goods	298.30	446.14
	Purchase of machinery & rawmaterials	-	14.79
Trade Receivables	226.61	765.84	
3	Name of Related Party	Relationship	
	B M M Paper Boards Private Limited	KMP Interested Concern	
	Nature of Transaction	(Rs. In Lakhs)	
		2021-2022	2020-2021
Liability for capital goods	0.15	-	
4	Name of Related Party	Relationship	
	Subam Paper and Boards Private Limited	KMP Interested Concern	
	Nature of Transaction	(Rs. In Lakhs)	
		2021-2022	2020-2021
	Sale of goods	375.93	-
Trade Receivables	384.15	-	
31	Contingent Liabilities & Commitments	-	-
32	The company's income-tax assessment is completed up to the assessment year 2021-2022 and there is a disputed demand of Rs.39,11,820/- for the assessment year 2016-17, Rs.7,66,457/- for the assessment year 2017-18 and Rs.1,85,549/- for the assessment year 2018-19. The company has paid Rs.6,00,000/- and Rs.1,54,000/- against the disputed demand under protest for the assessment year 2016-17 and 2017-18 respectively. The Company had preferred appeals for all these years and the same is pending with National Faceless Appeal Centre (NFAC) and the same is pending.		

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Notes forming part of the financial statements

33	Earnings Per Share (In Rupee)			
S.No.	Particulars	Unit	2021-2022	2020-21
1	Net Profit after Tax (A)	Rs. In Lakhs	294.71	214.67
2	Weighted Average Number of Shares	Nos	1,68,000	1,68,000
3	Basic earnings per share for Rs.100/- each (A/B)	In Rs.	175.42	127.78
34	i)The management of the Company segregates the amounts due to Micro and Small Enterprises and others in respect of goods supplied or service rendered on the basis of the declarations received from the concerned supplier/service provider and the provisions of Micro, Small and Medium Enterprises Development Act, 2006 are applied accordingly.			
	ii) The company has not received any Memorandum as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006, claiming their status as Micro, Small and Medium enterprises. In view of this the amount paid/payable to these parties during the year 2021-22 is Rs. Nil.			
35	As required by Accounting Standard -28 (Impairment of Asset), the management reviewed the potential generation of economic benefits from the fixed assets and in the opinion of the management, the carrying amount of the fixed assets of the company is less than its recoverable amount and no provision need to be made towards impairment loss.			
36	Value of Raw material, Yarn & Stores & Spares consumption			
	PARTICULARS	Unit	As at 31st March 2022	As at 31st March 2021
	Raw Material:		Rs. In Lakhs	
	Opening stock		1.98	37.62
	Purchases		4,557.53	1,933.83
	Closing stock		33.82	1.98
	Consumption		4,525.69	1,969.47
	Finished Goods :			
	Opening stock		63.01	54.21
	Sales		6,031.86	3,580.77
	Closing stock		52.65	63.01
37	Expenditure in Foreign Exchange - Import of Rawmaterials		167.15	225.85
38	CONSUMPTION OF RAW MATERIALS			
	Indigenous	96%	4,358.54	1,743.61
	Imported	4%	167.15	225.85
39	CONSUMPTION OF STORES & SPARES			
	Indigenous	100%	402.43	647.05
	Imported	-	-	-
40	Amount remitted during the year on account of dividends in foreign currency			
41	Earnings in Foreign Exchange			-

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Notes forming part of the financial statements

42	Reclassification of previous year figures upon complying with Schedule III Amendments			
	The Company is required to comply with the amendments in Schedule III of Companies Act, 2013 notified on 24-03-2021, with effect from 01-04-2021. Accordingly the Company has complied with the disclosure and presentation requirements as per the aforesaid amendments and reclassified the following items in the previous years, to conform to current year classification.			
	Nature of reclassification	Amount of each item		Reason for the reclassification
As at March 31, 2022		As at March 31, 2021		
	Hitherto, Security deposits with TANGEDCO was included in Long Term Loans and Advances. As per the requirement under amendments to Schedule III, the same has been classified under 'Other Non-Current Assets' as a separate line item and previous year figure has been reclassified accordingly.	14.74	50.18	As required by Amendments to Schedule III to the Companies Act 2013

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Notes forming part of the financial statements

43	As stipulated by the Accounting Standard-17 (AS 17) (Segment Reporting) the company has got two reportable segments: 1. Textiles and 2. Wind Power					
	Segment Allocation	Paper Board		Wind-Mills		Total
	Particulars	31-Mar-2022	31-Mar-2021	31-Mar-2022	31-Mar-2021	31-Mar-2022 31-Mar-2021
		(Rupees in Lakhs)				
	External Sales	6,031.86	3,580.77	57.18	53.41	6,089.04 3,634.18
	Total	6,031.86	3,580.77	57.18	53.41	6,089.04 3,634.18
	Results					
	Segment Results	403.36	275.55	43.23	40.00	446.59 315.55
	Less: Unallocated Expenses	-	-	-	-	4.02 3.82
	Profit from Operations	403.36	275.55	43.23	40.00	442.57 311.73
	Interest Expenses	36.64	26.49	-	-	36.64 26.49
	Profit Before Tax	366.72	249.06	43.23	40.00	405.93 285.24
	Tax					108.91 70.57
	Profit after tax					297.03 214.67
	Segment Assets	2,908.38	2,399.10	43.19	39.99	2,951.56 2,439.10
	Segment Liabilities	1,234.98	1,017.22	-	-	1,234.98 1,017.22
	Total Capital Employed	1,673.40	1,381.88	43.19	39.99	1,716.59 1,421.87