

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

**29th ANNUAL REPORT**  
**2022 - 2023**

**AUDITED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED**  
**31ST MARCH 2023**

**SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

**GOBICHETTIPALAYAM - 638 476**

**CIN: U02102TZ1994PTC004935**

**ANNUAL REPORT 2022-23**

**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**

**CIN: U02102TZ1994PTC004935**

**GOBICHETTIPALAYAM - 638 476**

**NOTICE**

NOTICE is hereby given that the Twenty Ninth Annual General Meeting of the Company will be held on Thursday, the 28th September 2023 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 2023, the Balance Sheet as on that date together, Cash Flow statement for the year ended 31st March 2023 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.

**By Order of the Board**

**Gobichettipalayam  
2nd September 2023**

  
**A. Sudha - DIN:0515113**  
**Chairman & Managing Director**

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**

CIN: U02102TZ1994PTC004935

GOBICHETTIPALAYAM - 638 476

**DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2022-2023**

To  
The Members

Your directors have pleasure in presenting their Twenty Ninth Annual Report on the affairs of the company together with the Audited Statement of Accounts for the year ended 31st March, 2023.

**1. Financial Highlights**

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

(Rupees in Lakhs)

Particulars	Year ended	Year ended 31st
	31st March 2023	March 2022
Sales & Other operating income	6086.22	6089.04
Other Income	6.53	5.59
<b>Total Income</b>	<b>6092.74</b>	<b>6094.64</b>
Profit before Financial Cost, Depreciation and Taxation	233.95	484.16
Less: Financial Cost	64.63	36.64
Operating profit before Preliminary exps., Depreciation & Taxation	169.32	447.52
Less: Depreciation & Preliminary expenses written off	33.00	41.59
Operating profit before exceptional items	136.32	405.93
Less: Exceptional items	-	-
Less: Extra-ordinary items	-	-
<b>Profit/(Loss) before Taxation</b>	<b>136.32</b>	<b>405.93</b>
<b>Less:</b>		
i) Tax expense	36.93	106.80
ii) Deferred Tax	0.57	2.10
iii) Prior Period Taxes	0.00	2.31
<b>Profit/(Loss) after tax</b>	<b>98.82</b>	<b>294.72</b>
Less: Transfer to general reserve	100.00	100.00
Add : Balance B/F from previous year	1161.75	967.03
Balance Profit / (Loss) C/F to next year	1160.57	1161.75

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

Your directors report that the topline of the year is maintained at the previous year level despite sluggish market conditions. The bottomline is lower by nearly 67% due to increase in the input cost like power, stores and spares and waste paper. Your directors are confident of maintaining the topline and bottomline in the current year also.

**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**

**CIN: U02102TZ1994PTC004935**

**GOBICHETTIPALAYAM - 638 476**

**DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2022-2023**

**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 2023. 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) hold office till the conclusion of the Thirty Third Annual General meeting. The Company has received a certificate from the Statutory Auditors that their appointment made is within the limits prescribed.

**10. Explanation to Auditor's Remarks:**

1)The Auditors of the Company have pointed out in their Note No.44 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, 2023. 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 2022-23, the Board of Directors met eight times on 11.5.22, 3.8.22, 2.9.22, 5.9.22, 3.10.22, 18.11.22, 3.2.23 and 30.3.23.



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**DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2022-2023**

**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, 2023, 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, 2023 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 2022-23 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 2022-23 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**

**CIN: U02102TZ1994PTC004935**

**GOBICHETTIPALAYAM - 638 476**

**DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2022-2023**

**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,

Gobichettipalayam  
2nd September 2023

  
**A. Sudha - DIN:0515113**  
**Chairman & Managing Director** 2/8



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**ANNEXURE A TO DIRECTORS REPORT CI.(13) FOR THE YEAR 2022-23**

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

Particulars	
<b>a) Conservation of Energy:</b>	
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 2023.
<b>b) Technology Absorption :</b>	
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
<b>c) Foreign Exchange Earnings/ Outgo:</b>	(Rs. In Lakhs)
Earnings	-
Outgo - Import of rawmaterials	Rs.296.96

For and on behalf of the Board of Directors

Gobichettipalayam  
2nd September 2023

  
**A. Sudha - DIN:0515113**  
Chairman & Managing Director

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**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

CIN: U02102TZ1994PTC004935

**ANNEXURE TO DIRECTORS REPORT FOR THE YEAR 2022-23**

**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. 32
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. 32
e)	Date of approval by the Board	11.5.22
f)	Amount paid as advances, if any	Vide details in Note No. 32

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. 32
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. 32
e)	Date of approval by the Board	11.5.22
f)	Amount paid as advances, if any	Vide details in Note No. 32

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. 32
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No. 32
e)	Date of approval by the Board	11.5.22
f)	Amount paid as advances, if any	Vide details in Note No. 32

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. 32
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No. 32
e)	Date of approval by the Board	11.5.22
f)	Amount paid as advances, if any	Vide details in Note No. 32




**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**  
**CIN: U02102TZ1994PTC004935**  
**ANNEXURE TO DIRECTORS REPORT FOR THE YEAR 2022-23**  
**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. 32
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No. 32
e)	Date of approval by the Board	11.5.22
f)	Amount paid as advances, if any	Vide details in Note No. 32
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. 32
c)	Duration of the contracts/arrangements/ transaction	--
d)	Salient terms of the contracts or arrangements or	Vide details in Note No. 32
e)	Date of approval by the Board	11.5.22
f)	Amount paid as advances, if any	Vide details in Note No. 32

For and on behalf of the Board of Directors

Gobichettipalayam  
2nd September 2023

  
**A. Sudha - DIN:0515113**  
**Chairman & Managing Director** 4/8



**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS TO THE MEMBERS OF  
SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED  
CIN: U02102TZ1994PTC004935**

<b>1</b>	<b>Report on the Financial Statements</b>
	We have audited the accompanying financial statements of <b>M/s. SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED("the Company")</b> , as of 31st March, 2023, which comprise the Balance Sheet as at March 31, 2023, 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.
<b>2</b>	<b>Opinion</b>
	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, 2023, 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..
<b>3</b>	<b>Basis for opinion</b>
	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.
<b>4</b>	<b>Information other than the Financial Statements and Auditor's Report Thereon</b>
	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.
<b>5</b>	<b>Responsibility of Management for Financial Statements</b>
	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  
SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED  
CIN: U02102TZ1994PTC004935**

	<p>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.</p> <p>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.</p> <p>Those Board of Directors are also responsible for overseeing the company's financial reporting process.</p>
<b>6</b>	<p><b>Auditor's responsibilities for the audit of the financial statements</b></p> <p>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.</p> <p>As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:</p> <ul style="list-style-type: none"> <li>&gt;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.</li> <li>&gt; 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.</li> <li>&gt;Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.</li> <li>&gt;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.</li> <li>&gt;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.</li> <li>&gt;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.</li> <li>&gt;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.</li> </ul>





**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS TO THE MEMBERS OF  
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<b>7</b>	<b>Report on Other Legal and Regulatory Requirements</b>
(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)	<b>As required by Section 143(3) of the Act, we report that:</b> (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. (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account. (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act. (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". (g) With respect to the other matters to be included in the 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: i) The company has disclosed the details of pending litigations in Note No:26 of the financial statements. ii) The Company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses. iii) The company is not required to transfer any amount to the Investor Education and protection Fund during the year. (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; (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 (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. 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. j) The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software, which has a feature of recording audit trail (Edit Log) facility, is applicable to the Company with effect from 1st April 2023, and accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) 2014 is not applicable for the Financial Year ended 31st March 2023.





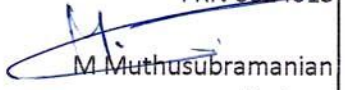
**INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS TO THE MEMBERS OF  
SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED  
CIN: U02102TZ1994PTC004935**

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.



Gobichettipalayam  
2nd September 2023

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

  
M. Muthusubramanian  
Partner  
M.No.022863  
UDIN:23022863BGVFW5347

**SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

**CIN: U02102TZ1994PTC004935**

**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 31.03.2023 for a period of more than six months from the date they became payable.





**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

**CIN: U02102TZ1994PTC004935**

**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

- 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 2023.  
(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**

**CIN: U02102TZ1994PTC004935**

**Annexure A**

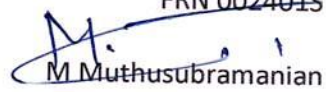
**Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date, we state that:-**

- 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(xxi) of this order is not applicable.



Gobichettipalayam  
2nd September 2023

For M/s Narayanasamy & Associates  
Chartered Accountants  
FRN 0024015

  
M. Muthusubramanian  
Partner

M.No.022863

UDIN:23022863BGVFW5347



**SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

**CIN: U02102TZ1994PTC004935**

**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, 2023 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**

**CIN: U02102TZ1994PTC004935**

**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**

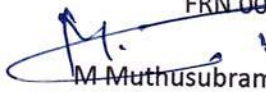
In our opinion, the Company has, in all material respects, an adequate Internal Financial Control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria 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 2023

For M/s Narayanasamy & Associates  
Chartered Accountants

FRN 002401S

  
M. Muthusubramanian  
Partner

M.No.022863

UDIN:23022863BGVFW5347

# SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

(CIN: U02102TZ1994PTC004935)

(Address: D.No.7/5,Sellakumarapalayam,Polavakalipalayam Post,Gobichettipalayam - 638 476)

## Balance Sheet as at 31 March 2023

(Rs in lakhs)

Particulars	Note	31 March 2023	31 March 2022
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' Funds			
(a) Share Capital	2	168.00	168.00
(b) Reserves and Surplus	3	1,647.41	1,548.59
(c) Money Received against Share Warrants		-	-
<b>Total</b>		<b>1,815.41</b>	<b>1,716.59</b>
(2) Share application money pending allotment		-	-
(3) Non-current liabilities			
(a) Long-term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long term Liabilities		-	-
(d) Long-term Provisions		-	-
<b>Total</b>		<b>-</b>	<b>-</b>
(4) Current liabilities			
(a) Short-term Borrowings	4	499.92	574.24
(b) Trade Payables	5		
- Due to Micro and Small Enterprises		-	-
- Due to Others		367.33	395.24
(c) Other Current Liabilities	6	177.14	158.69
(d) Short-term Provisions	7	36.93	106.80
<b>Total</b>		<b>1,081.32</b>	<b>1,234.97</b>
<b>Total Equity and Liabilities</b>		<b>2,896.73</b>	<b>2,951.56</b>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	8	167.43	199.27
(ii) Intangible Assets		-	-
(iii) Capital Work-in-progress		-	-
(iv) Intangible Assets under Development		-	-
(b) Non-current Investments	9	157.77	157.77
(c) Deferred Tax Assets (net)	10	22.21	22.78
(d) Long-term Loans and Advances		-	-
(e) Other Non-current Assets	11	22.74	14.74
<b>Total</b>		<b>370.15</b>	<b>394.56</b>
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	12	228.11	239.55
(c) Trade Receivables	13	2,255.22	2,279.45
(d) Cash and cash equivalents	14	27.02	16.69
(e) Short-term Loans and Advances	15	16.23	21.31
(f) Other Current Assets		-	-
<b>Total</b>		<b>2,526.58</b>	<b>2,557.00</b>
<b>Total Assets</b>		<b>2,896.73</b>	<b>2,951.56</b>

See accompanying notes to the financial statements

As per our report of even date  
For Narayanasamy & Associates  
Chartered Accountants  
Firm's Registration No. 002401S

M MUTHUSUBRAMANIAN  
PARTNER  
Membership No. 022863  
UDIN: 23022863BGVFW5347  
Place: RAJAPALAYAM  
Date: 2 September 2023



T. Balakumar  
Director  
DIN:00440500

19

For and on behalf of the Board of  
SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

A. Sudha  
Managing Director  
DIN:0515113

B Madhumitha  
Director  
DIN:07062948

Place: Gobochettipalayam  
Date: 2 September 2023



**SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

(CIN: U02102TZ1994PTC004935)

(Address: D.No.7/5,Sellakumarapalayam,Polavakalipalayam Post,Gobichettipalayam - 638 476)

**Statement of Profit and loss for the year ended 31 March 2023**

(Rs in lakhs)

Particulars	Note	31 March 2023	31 March 2022
Revenue from Operations	16	6,086.22	6,089.04
Other Income	17	6.53	5.59
<b>Total Income</b>		<b>6,092.75</b>	<b>6,094.63</b>
<b>Expenses</b>			
Cost of Material Consumed	18	4,415.94	4,525.69
Purchases of Stock in Trade		-	-
Change in Inventories of work in progress and finished goods	19	-4.00	10.37
Employee Benefit Expenses	20	265.38	223.75
Finance Costs	21	64.63	36.64
Depreciation and Amortization Expenses	22	33.00	41.59
Other Expenses	23	1,181.48	850.67
<b>Total expenses</b>		<b>5,956.43</b>	<b>5,688.71</b>
<b>Profit/(Loss) before Exceptional and Extraordinary Item and Tax</b>		<b>136.32</b>	<b>405.92</b>
Exceptional Item		-	-
<b>Profit/(Loss) before Extraordinary Item and Tax</b>		<b>136.32</b>	<b>405.92</b>
Prior Period Item		-	-
Extraordinary Item		-	-
<b>Profit/(Loss) before Tax</b>		<b>136.32</b>	<b>405.92</b>
Tax Expenses	24		
- Current Tax		36.93	106.80
- Deferred Tax		0.57	2.10
- MAT Credit Entitlement		-	-
- Prior Period Taxes		-	2.31
- Excess/Short Provision Written back/off		-	-
<b>Profit/(Loss) for the Period from Continuing Operations</b>		<b>98.82</b>	<b>294.71</b>
Profit/(loss) from Discontinuing Operation (before tax)		-	-
Tax Expenses of Discountinuing Operation		-	-
Profit/(loss) from Discontinuing Operation (after tax)		-	-
<b>Profit/(Loss) for the period</b>		<b>98.82</b>	<b>294.71</b>
Earnings Per Share (Face Value per Share Rs.100 each)			
-Basic (In Rs)	25	58.82	175.43
-Diluted (In Rs)	25	58.82	175.43

See accompanying notes to the financial statements

As per our report of even date  
For Narayanasamy & Associates  
Chartered Accountants  
Firm's Registration No. 002401S

For and on behalf of the Board of  
SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

M MUTHUSUBRAMANIAN  
PARTNER  
Membership No. 022863  
UDIN: 23022863BGVFW5347  
Place: RAJAPALAYAM  
Date: 2 September 2023



T. Balakumar  
Director  
DIN:00440500

A.Sudha  
Managing Director  
DIN:0515113

B Madhumitha  
Director  
DIN:07062948

Place: Gobochettipalayam  
Date: 2 September 2023

**SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

(CIN: U02102TZ1994PTC004935)

(Address: D.No.7/5,Sellakumarapalayam,Polavakalipalayam Post,Gobichettipalayam - 638 476)

**Cash Flow Statement for the year ended 31 March 2023**

(Rs in lakhs)

Particulars	Note	31 March 2023	31 March 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit after tax		98.82	294.71
Depreciation and Amortisation Expense		33.00	41.59
Interest Income		2.31	1.49
Operating Profit before working capital changes		134.14	337.79
<b>Adjustment for:</b>			
Inventories		11.43	-71.82
Trade Receivables		3.10	-506.18
Loans and Advances		5.08	-1.30
Other Current Assets		-9.86	1.43
Other Non current Assets		-7.99	35.43
Trade Payables		-6.77	239.92
Other Current Liabilities		18.44	-15.92
Short-term Provisions		-69.87	29.92
Cash (Used in)/Generated from Operations		77.71	49.27
Net Cash (Used in)/Generated from Operating Activities		77.71	49.27
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment		-1.17	-11.26
Interest received		-2.31	-1.49
Net Cash (Used in)/Generated from Investing Activities		-3.48	-12.74
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from Short Term Borrowings		-74.32	-36.18
Net Cash (Used in)/Generated from Financing Activities		-74.32	-36.18
Net Increase/(Decrease) in Cash and Cash Equivalents		-0.09	0.34
Opening Balance of Cash and Cash Equivalents		0.88	0.54
Closing Balance of Cash and Cash Equivalents	14	<b>0.79</b>	<b>0.88</b>

**Note:**  
The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements".


**See accompanying notes to the financial statements**


As per our report of even date  
For Narayanasamy & Associates  
Chartered Accountants  
Firm's Registration No. 002401S

For and on behalf of the Board of  
SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

  
M. MUTHUSUBRAMANIAN  
PARTNER  
Membership No. 022863  
UDIN: 23022863BGVFW5347  
Place: RAJAPALAYAM  
Date: 2 September 2023



  
T. Balakumar  
Director  
DIN:00440500

  
A. Sudha  
Managing Director  
DIN:0515113

  
B. Madhumitha  
Director  
DIN:07062948

Place: Gobochettipalayam  
Date: 2 September 2023



**SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

CIN: U02102TZ1994PTC004935

**SIGNIFICANT ACCOUNTING POLICIES**

1	<b>Company Information</b>
	<b>M/s. SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED</b> 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	<b>Basis of Preparation and Measurement</b>
2.1	<b>Basis of Preparation</b>
	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	<b>Key Accounting Estimates and Judgements</b>
	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	<b>Significant Accounting Policies</b>
	The significant accounting policies used in preparation of the standalone financial statements are as under.
a)	<b>Property, Plant &amp; Equipment</b>
	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**

CIN: U02102TZ1994PTC004935

**SIGNIFICANT ACCOUNTING POLICIES**

<b>b) INVENTORY</b>	
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
<b>c) Revenue Recognition</b>	
<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>	
<b>d) Other Revenues</b>	
Income from interest is being accounted for on time proportion basis taking into account the amount outstanding and the applicable rate of interest.	
<b>e) Employee Benefits</b>	
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.	
<b>f) Provident Fund</b>	
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.	
<b>g) Gratuity</b>	
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.	
<b>h) Foreign currency transactions:</b>	
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**

CIN: U02102TZ1994PTC004935

**SIGNIFICANT ACCOUNTING POLICIES**

i)	<b>Income Tax</b>
	<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)	<b>Provisions, contingent liabilities and contingent assets</b>
	<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)	<b>EARNINGS PER SHARE</b>
	<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**

**CIN: U02102TZ1994PTC004935**

**SIGNIFICANT ACCOUNTING POLICIES**

<b>l) Liability to MSME entities</b>	
	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.
<b>m) BORROWING COST</b>	
	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.
<b>n) IMPAIRMENT OF ASSETS</b>	
	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.
<b>o) GOVERNMENT SUBSIDY/GRANT</b>	
	All revenue subsidies and grants from the Government are accounted on accrual basis and are credited to miscellaneous income.
<b>p) Earnings from Non-Conventional Energy Sources</b>	
	The company has installed Windmills for generation of power from Non-Conventional energy sources for captive consumption. The value of power so generated from the Windmills is shown separately under "Operating Income".



**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

(CIN: U02102TZ1994PTC004935)

**Notes forming part of the Financial Statements**
**2 Share Capital**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
<b>Authorised Share Capital</b>		
Equity Shares, Rs. 100 par value, 175000 (Previous Year -175000) Equity Shares	175.00	175.00
<b>Issued, Subscribed and Fully Paid up Share Capital</b>		
Equity Shares, Rs. 100 par value 168000 (Previous Year -168000) Equity Shares paid up	168.00	168.00
<b>Total</b>	<b>168.00</b>	<b>168.00</b>

**(i) Reconciliation of number of shares**

Particulars	31 March 2023		31 March 2022	
	No. of shares	(Rs in lakhs)	No. of shares	(Rs in lakhs)
Opening Balance	1,68,000	168.00	1,68,000	168.00
Issued during the year	-	-	-	-
Deletion	-	-	-	-
<b>Closing balance</b>	<b>1,68,000</b>	<b>168.00</b>	<b>1,68,000</b>	<b>168.00</b>

**(ii) Rights, preferences and restrictions attached to shares**

Equity Shares: The Company has one class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**(iii) Details of Shares held by shareholders holding more than 5% of the aggregate shares in the company**

Equity Shares Name of Shareholder	31 March 2023		31 March 2022	
	No. of shares	In %	No. of shares	In %
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%

**(iv) Shares held by Promoters at the end of the year 31 March 2023**

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
T Balakumar	Equity	74,625	44.42%	0.00%
A.Sudha	Equity	46,000	27.38%	0.00%
Subam Paper Private Limited	Equity	47,250	28.13%	0.00%

**Shares held by Promoters at the end of the year 31 March 2022**

Name of Promoter	Class of Shares	No. of Shares	% of total shares	% Change during the year
T Balakumar	Equity	74,625	44.42%	0.00%
A.Sudha	Equity	46,000	27.38%	0.00%
Subam Paper Private Limited	Equity	47,250	28.13%	0.00%



**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

(CIN: U02102TZ1994PTC004935)

Notes forming part of the Financial Statements

(v) Equity shares movement during 5 years preceding 31 March 2023

Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
Equity shares issued as bonus					
Equity shares extinguished on buy-back					

3 Reserves and Surplus

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
<b>General Reserve</b>		
Opening Balance	360.00	260.00
Add: Transfer from P&L	100.00	100.00
Closing Balance	460.00	360.00
<b>Other Reserves</b>		
Opening Balance	26.85	26.85
Closing Balance	26.85	26.85
<b>Statement of Profit and loss</b>		
Balance at the beginning of the year	1,161.74	967.03
Add: Profit/(loss) during the year	98.82	294.71
Less: Appropriation		
Transfer to General Reserve	100.00	100.00
<b>Balance at the end of the year</b>	<b>1,160.57</b>	<b>1,161.74</b>
<b>Total</b>	<b>1,647.41</b>	<b>1,548.59</b>

4 Short term borrowings

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Secured Loans repayable on demand from banks	499.92	574.24
<b>Total</b>	<b>499.92</b>	<b>574.24</b>

Particulars of Short term Borrowings

Name of Lender/Type of Loan	Rate of Interest	Nature of Security
Cash Credit from Tamilnadu Mercantile Bank Limited, Sankarankovil	MCLR+1.25%	Vide details below

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.

The directors of the company have personally guaranteed the above working capital loans.

The Company has not defaulted in the repayment of loans and interest.

The Company has used the borrowings from banks for the specific purpose for which it was taken as at the reporting date.

Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the Registrar of Companies, within the prescribed time.



**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

(CIN: U02102TZ1994PTC004935)

Notes forming part of the Financial Statements

**5 Trade payables**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Due to Micro and Small Enterprises	-	-
Due to others	367.33	395.24
<b>Total</b>	<b>367.33</b>	<b>395.24</b>

**5.1 Trade Payable ageing schedule as at 31 March 2023**

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME					-
Others	335.11	2.06	1.13	29.03	367.33
Disputed dues- MSME					-
Disputed dues- Others					-
<b>Sub total</b>					<b>367.33</b>
MSME - Undue					
Others - Undue					
<b>Total</b>					<b>367.33</b>

**5.2 Trade Payable ageing schedule as at 31 March 2022**

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME					-
Others	376.56	3.65		15.03	395.24
Disputed dues- MSME					-
Disputed dues- Others					-
<b>Sub total</b>					<b>395.24</b>
MSME - Undue					
Others - Undue					
<b>Total</b>					<b>395.24</b>

**6 Other current liabilities**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Statutory dues	11.85	45.17
Other payables -Liability for expenses	165.29	113.52
<b>Total</b>	<b>177.14</b>	<b>158.69</b>

**7 Short term provisions**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Provision for income tax	36.93	106.80
<b>Total</b>	<b>36.93</b>	<b>106.80</b>

**SARADHAMBKA PAPER AND BOARD MILLS PRIVATE LIMITED**  
(CIN: U02102TZ1994PTC004935)

**Notes forming part of the Financial Statements**

**8 Property, Plant and Equipment**

Name of Assets	Gross Block			Depreciation and Amortization			Net Block		
	As on 01-Apr-22	Addition	Deduction	As on 31-Mar-23	As on 01-Apr-22	for the year	Deduction	As on 31-Mar-23	As on 31-Mar-23
(i) Property, Plant and Equipment									
Freehold land	20.49			20.49					20.49
Building	225.60			225.60	165.51	10.37		175.88	49.72
Plant and machinery	568.08	1.17		569.25	482.34	22.13		504.47	64.78
Office equipments	69.03			69.03	47.86	0.51		48.37	20.67
Windmill	335.43			335.43	323.69	-		323.69	11.74
Vehicles	26.91			26.91	26.88	-		26.88	0.03
<b>Total</b>	<b>1,245.55</b>	<b>1.17</b>	<b>-</b>	<b>1,246.72</b>	<b>1,046.28</b>	<b>33.00</b>	<b>-</b>	<b>1,079.29</b>	<b>167.43</b>
Name of Assets	Gross Block			Depreciation and Amortization			Net Block		
	As on 01-Apr-21	Addition	Deduction	As on 31-Mar-22	As on 01-Apr-21	for the year	Deduction	As on 31-Mar-22	As on 31-Mar-22
(i) Property, Plant and Equipment									
Freehold land	20.49			20.49					20.49
Building	225.60			225.60	150.80	14.71		165.51	60.09
Plant and machinery	556.82	11.26		568.08	455.76	26.57		482.34	85.75
Office equipments	69.03			69.03	47.55	0.31		47.86	21.18
Windmill	335.43			335.43	323.69	-		323.69	11.74
Vehicles	26.91			26.91	26.88	-		26.88	0.03
<b>Total</b>	<b>1,234.29</b>	<b>11.26</b>	<b>-</b>	<b>1,245.55</b>	<b>1,004.69</b>	<b>41.59</b>	<b>-</b>	<b>1,046.28</b>	<b>199.27</b>

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. The Company has no intangible assets as at the balance sheet date.



**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

(CIN: U02102TZ1994PTC004935)

Notes forming part of the Financial Statements

**9 Non current investments**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Unquoted Trade Investments in Equity Instruments	157.77	157.77
<b>Total</b>	<b>157.77</b>	<b>157.77</b>

**9.1 Details of Investments**

(Rs in lakhs)

Name of Entity	No of Shares	31 March 2023	No of Shares	31 March 2022
Echanda Urja Private Limited Unquoted Equity Shares of Rs.10 each fully paid up	10,000	1.00	10,000	1.00
Subam Paper Private Limited Unquoted Equity Shares of Rs.10 each fully paid up at a premium of Rs.560/- per share	27,503	156.77	27,503	156.77

**10 Deferred tax assets net**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Deferred Tax Asset	22.21	22.78
<b>Total</b>	<b>22.21</b>	<b>22.78</b>

**10.1 Significant Components of Deferred Tax**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
<b>Deferred Tax Asset</b>		
Difference between book depreciation and tax depreciation	22.21	22.78
<b>Gross Deferred Tax Asset (A)</b>	<b>22.21</b>	<b>22.78</b>
<b>Deferred Tax Liability</b>		
Gross Deferred Tax Liability (B)	-	-
<b>Net Deferred Tax Asset (A)-(B)</b>	<b>22.21</b>	<b>22.78</b>

**10.2 Significant components of Deferred Tax charged during the year**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Difference between book depreciation and tax depreciation	0.57	2.10
<b>Total</b>	<b>0.57</b>	<b>2.10</b>

**11 Other non current assets**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Security Deposits	22.74	14.74
<b>Total</b>	<b>22.74</b>	<b>14.74</b>

**12 Inventories**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Raw materials	30.90	33.82
Finished goods	56.64	52.65
Stores and spare parts	140.57	153.08
<b>Total</b>	<b>228.11</b>	<b>239.55</b>

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.

**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

(CIN: U02102TZ1994PTC004935)

Notes forming part of the Financial Statements

**13 Trade receivables**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Unsecured considered good	2,255.22	2,279.45
<b>Total</b>	<b>2,255.22</b>	<b>2,279.45</b>

**13.1 Trade Receivables ageing schedule as at 31 March 2023**

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	1,071.56	581.28	561.71	40.67	-	2,255.22
Undisputed Trade Receivables-considered doubtful						-
Disputed Trade Receivables considered good						-
Disputed Trade Receivables considered doubtful						-
Sub total						<b>2,255.22</b>
Undue - considered good						
<b>Total</b>						<b>2,255.22</b>

**13.2 Trade Receivables ageing schedule as at 31 March 2022**

(Rs in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables-considered good	1,991.48	230.56	24.07	33.34		2,279.45
Undisputed Trade Receivables-considered doubtful						-
Disputed Trade Receivables considered good						-
Disputed Trade Receivables considered doubtful						-
Sub total						<b>2,279.45</b>
Undue - considered good						
<b>Total</b>						<b>2,279.45</b>

**14 Cash and cash equivalents**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Cash on hand	0.79	0.88
<b>Cash and cash equivalents - total</b>	<b>0.79</b>	<b>0.88</b>
Other Bank Balances		
Deposits with original maturity for more than 3 months but less than 12 months	26.23	15.81
<b>Total</b>	<b>27.02</b>	<b>16.69</b>



**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

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Notes forming part of the Financial Statements

**15 Short term loans and advances**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Advances to suppliers	1.08	4.42
Balances with Government Authorities	11.52	16.89
Others		
-Prepaid Insurance	3.63	-
<b>Total</b>	<b>16.23</b>	<b>21.31</b>

**16 Revenue from operations**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Sale of products	6,036.25	6,031.86
Other operating revenues		
-Value of power generated from Windmills	49.97	57.18
<b>Total</b>	<b>6,086.22</b>	<b>6,089.04</b>

**17 Other Income**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Interest Income	2.31	1.49
Others		
-Discount Received	0.29	0.01
-Insurance	3.93	4.09
<b>Total</b>	<b>6.53</b>	<b>5.59</b>

**18 Cost of Material Consumed**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
<b>Raw Material Consumed</b>		
Opening stock	33.82	1.98
Purchases	4,413.01	4,557.53
Less: Closing stock	30.90	33.82
<b>Total</b>	<b>4,415.93</b>	<b>4,525.69</b>
<b>Total</b>	<b>4,415.93</b>	<b>4,525.69</b>

**19 Change in Inventories of work in progress and finished goods**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
<b>Opening Inventories</b>		
Finished Goods	52.65	63.01
<b>Less: Closing Inventories</b>		
Finished Goods	56.64	52.65
<b>Total</b>	<b>-4.00</b>	<b>10.37</b>

**20 Employee benefit expenses**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Salaries and wages	253.00	212.71
Contribution to provident and other funds	3.24	4.99
Staff welfare expenses	9.14	6.05
<b>Total</b>	<b>265.38</b>	<b>223.75</b>

**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

(CIN: U02102TZ1994PTC004935)

**Notes forming part of the Financial Statements**

**21 Finance costs**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Interest expense	60.41	33.52
Other borrowing costs	4.22	3.12
<b>Total</b>	<b>64.63</b>	<b>36.64</b>

**22 Depreciation and amortization expenses**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Depreciation on property, plant and equipment	33.00	41.59
<b>Total</b>	<b>33.00</b>	<b>41.59</b>

**23 Other expenses**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Auditors' Remuneration	2.50	2.50
Commission	-	1.40
Consumption of stores and spare parts	614.21	402.42
Freight outward	48.21	43.00
Insurance	4.61	5.21
Power and fuel	288.83	245.14
Professional fees	128.98	65.62
Repairs to machinery	61.43	57.90
Repairs others	20.49	18.73
Rates and taxes	3.38	3.23
Telephone expenses	0.46	0.40
Travelling Expenses	4.96	1.33
Miscellaneous expenses	0.99	0.71
Other Expenses		
-Legal fees	0.15	1.50
-Postage and courier charges	0.57	0.43
-Printing and stationery	1.71	1.15
<b>Total</b>	<b>1,181.48</b>	<b>850.67</b>

**Consumption of stores and spare parts debited to Other Expenses**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
<b>Consumption of stores and spare</b>		
Opening stock	153.08	102.73
Purchases	601.70	452.77
Less: Closing stock	140.57	153.08
<b>Total</b>	<b>614.21</b>	<b>402.43</b>
<b>Total</b>	<b>614.21</b>	<b>402.43</b>

**24 Tax Expenses**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Current Tax	36.93	106.80
Deferred Tax		
-Deferred Tax	0.57	2.10
Prior Period Taxes	-	2.31
<b>Total</b>	<b>37.50</b>	<b>111.21</b>



**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

(CIN: U02102TZ1994PTC004935)

Notes forming part of the Financial Statements

**25 Earning per share**

Particulars	31 March 2023	31 March 2022
Profit attributable to equity shareholders (Rs in lakhs)	98.82	294.71
Weighted average number of Equity Shares	1,68,000	1,68,000
Earnings per share basic (Rs)	58.82	175.43
Earnings per share diluted (Rs)	58.82	175.43
Face value per equity share (Rs)	100	100

**26 Contingent Liabilities and Commitments**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Claims against the Company not acknowledged as debt		
- Income tax demands	39.12	48.64
- Indirect tax demands		
<b>Total</b>	<b>39.12</b>	<b>48.64</b>

The company's income-tax assessment is completed up to the assessment year 2022-2023 and there is a disputed demand of Rs.39,11,820/- for the assessment year 2016-17. The company has paid Rs.6,00,000/- against the disputed demand under protest for the assessment year 2016-17. The Company had preferred appeal and the same is pending with National Faceless Appeal Centre (NFAC) and the same is pending.

**27 Earnings in Foreign Currencies**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Export of Goods calculated on FOB basis	-	-
Royalty, know-how, professional and consultation fees	-	-
Interest and dividend	-	-
Other income, indicating the nature thereof	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**28 Expenditure made in Foreign Currencies**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Royalty	-	-
Know-how	-	-
Professional and Consultation Fees	-	-
Interest	-	-
Other Matters	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**29 Value of Import on CIF basis**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Raw Materials	296.96	167.15
Components and Spare Parts	-	-
Capital goods	-	-
<b>Total</b>	<b>296.96</b>	<b>167.15</b>



**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

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Notes forming part of the Financial Statements

**30 Value of imported and indigenous raw materials, spare parts and components consumed**

(Rs in lakhs)

Particulars	31 March 2023	31 March 2022
Raw Materials		
- Imported	296.96	167.15
- Indigenous	4,118.97	4,525.69
Spare parts and components		
- Imported	-	-
- Indigenous	614.21	402.43
<b>Total</b>	<b>5,030.14</b>	<b>5,095.26</b>

**31 Segment Reporting**
**Business Segment**

As stipulated by the Accounting Standard-17 (AS 17) (Segment Reporting) the company has got two reportable segments: 1. Paper Board and 2. Wind Power

(Rs in lakhs)

Particulars	31 March 2023			31 March 2022		
	External	Intersegment	Total	External	Intersegment	Total
<b>Revenue</b>						
Paper Board	6,036.25		6,036.25	6,031.86		6,031.86
Windmill	49.96		49.96	57.18		57.18
<b>Total Revenue</b>	<b>6,086.22</b>	<b>-</b>	<b>6,086.22</b>	<b>6,089.04</b>	<b>-</b>	<b>6,089.04</b>
<b>Result</b>						
Paper Board	176.19		176.19	403.36		403.36
Windmill	33.44		33.44	43.23		43.23
<b>Total Segment Result</b>	<b>209.63</b>	<b>-</b>	<b>209.63</b>	<b>446.59</b>	<b>-</b>	<b>446.59</b>
Unallocated corporate expenses			8.68			4.02
<b>Operating Profit</b>			200.95			442.57
Finance Costs			64.63			36.64
<b>Profit before tax</b>			<b>136.32</b>			<b>405.93</b>
Provision for current tax			37.49			108.90
Prior period taxes			-			2.31
<b>Profit for the period</b>			<b>98.82</b>			<b>294.71</b>

**Segment Assets & Liabilities**

(Rs in lakhs)

Particulars	Segment Assets		Segment Liabilities	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Paper Board	2,853.54	2,911.56	1,081.31	1,234.97
Windmill	43.19	39.99	-	-
<b>Total</b>	<b>2,896.73</b>	<b>2,951.56</b>	<b>1,081.31</b>	<b>1,234.97</b>
<b>Total assets/liabilities</b>	<b>2,896.73</b>	<b>2,951.56</b>	<b>1,081.31</b>	<b>1,234.97</b>

**Other Information**

(Rs in lakhs)

Particulars	Capital Expenditure		Depreciation		Non-cash expenses other than depreciation	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Paper Board	1.17	11.26	41.59	50.60	-	-
Windmill	-	-	-	-	-	-
<b>Total</b>	<b>1.17</b>	<b>11.26</b>	<b>41.59</b>	<b>50.60</b>	<b>-</b>	<b>-</b>



**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

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Notes forming part of the Financial Statements

**32 Related Party Disclosure**

**(i) List of Related Parties**

	Relationship
Subam Papers Private Limited	KMPs Interested Concern
B M M Paper Boards Private Limited	KMPs Interested Concern
Subam Paper and Boards Private Limited	KMPs Interested Concern
Unicone	KMPs Interested Concern

**(ii) Related Party Transactions**

Particulars	Relationship	(Rs in lakhs)	
		31 March 2023	31 March 2022
Purchase of rawmaterial and stores			
- Subam Papers Private Limited	KMPs Interested Concern	83.02	262.96
- Subam Paper and Boards Private Limited	KMPs Interested Concern	7.57	-
Sale of goods			
- Subam Papers Private Limited	KMPs Interested Concern	432.36	195.82
- Subam Paper and Boards Private Limited	KMPs Interested Concern	589.46	432.35
Share Subscribed (cost)			
- Subam Papers Private Limited	KMPs Interested Concern	156.77	156.77
Shares Issued (Nos.)			
- Subam Papers Private Limited	KMPs Interested Concern	0.47	0.47
Professional Charges			
- Subam Papers Private Limited	KMPs Interested Concern	120.00	60.00

**(iii) Related Party Balances**

Particulars	Relationship	(Rs in lakhs)	
		31 March 2023	31 March 2022
Trade Payables			
- Subam Papers Private Limited	KMPs Interested Concern	44.49	443.37
Trade receivables			
- Subam Paper and Boards Private Limited	KMPs Interested Concern	892.53	584.15
- Unicone	KMPs Interested Concern	196.22	226.61

**33 Security of Current Assets Against Borrowings**

The company has been sanctioned working capital limits of Rs.600.00 lakhs, 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 as per the following reconciliation.

**Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Book** (Rs in lakhs)

Particulars	(Rs in lakhs)			
	Jun, 2022	Sept, 2022	Dec, 2022	Mar, 2023
Inventories as per Quarterly Return filed with Bank	401.28	292.27	292.98	228.11
<b>Current Assets as per Books of Account</b>	<b>401.28</b>	<b>292.27</b>	<b>292.98</b>	<b>228.11</b>

**Reconciliation between Current Assets as per Quarterly statement filed with Bank and Current Asset as per Book** (Rs in lakhs)

Particulars	(Rs in lakhs)			
	Jun, 2022	Sept, 2022	Dec, 2022	Mar, 2023
Book Debts as per Quarterly Return filed with Bank	1,294.41	1,038.35	1,119.35	890.79
<b>Add:</b>				
Book debts beyond the cover period	1,200.07	1,484.50	1,512.73	1,364.43
<b>Current Assets as per Books of Account</b>	<b>2,494.48</b>	<b>2,522.85</b>	<b>2,632.08</b>	<b>2,255.22</b>



**SARADHAMIKA PAPER AND BOARD MILLS PRIVATE LIMITED**

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Notes forming part of the Financial Statements

**34 Registration of Charge**

Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the Registrar of Companies, within the prescribed time.

**35 Ratio Analysis**

Particulars	Numerator/Denominator	31 March 2023	31 March 2022	Change in %
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	2.34	2.07	12.85%
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Shareholder's Equity}}$	0.28	0.33	-17.68%
(c) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	5.60%	18.78%	-70.20%
(d) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	26.03	29.90	-12.95%
(e) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	2.68	3.00	-10.67%
(f) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	11.57	16.56	-30.09%
(g) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	4.21	4.61	-8.57%
(h) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	1.62%	4.84%	-66.45%
(i) Return on Capital employed	$\frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$	8.68%	19.32%	-55.08%
(j) Return on investment	$\frac{\text{Return on Investment}}{\text{Total Investment}}$	3.38%	10.93%	-69.09%

Deu increase in the cost of inputs and stores and spares, the profit for the year declined by 66.42% from the previous year level. This has impacted the ratios which have bearing on the profitability of the company.

**36 Disclosure where company has given loan or invested to other person or entity to lend or invest in another person or entity**

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.

**37 Disclosure where company has received fund from other person or entity to lend or invest in other person or entity**

The Company has not received any fund from other person or entity to lend or invest in other person or entity.

**38 Undisclosed Income**

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.

**39 Details of Crypto Currency**

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.



# SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

(CIN: U02102TZ1994PTC004935)

Notes forming part of the Financial Statements

## 40 Subsequent Events

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.

## 41 Regrouping

Previous year's figures are grouped or regrouped to conform with the classifications of the year.

## 42 MSME Entities

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.

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 2022-23 is Rs. Nil.

## 43 Impairment of Assets

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.

## 44 Confirmation of Balances

Confirmation of balances from certain parties due to and due from the company has not been received by the Company.

## 45 CSR Reporting


The Company is not required to contribute for the CSR fund as per the provisions of Section 135(1) of the Companies Act 2013.

## 46 Scheme of arrangements

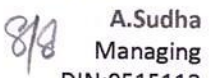
There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

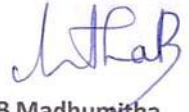
As per our report of even date  
For Narayanasamy & Associates  
Chartered Accountants  
Firm's Registration No. 002401S

For and on behalf of the Board of  
SARADHAMBIKA PAPER AND BOARD MILLS PRIVATE LIMITED

  
M MUTHUSUBRAMANIAN  
PARTNER  
Membership No. 022863

  
T. Balakumar  
Director  
DIN:00440500

  
A. Sudha  
Managing  
DIN:0515113

  
B Madhumitha  
Director  
DIN:07062948

UDIN: 23022863BGVFW5347  
Place: RAJAPALAYAM  
Date: 2 September 2023

Place: Gobochettipalayam  
Date: 2 September 2023

