

SAGAR PRODUCTIONS LIMITED

39TH ANNUAL REPORT 2017-18

COMPANY INFORMATION

BOARD OF DIRECTORS

- Kalakad Sathi (Whole-time Director)
- Jitendra Keny (Non-Executive, Independent)
- Hemlata Chanda (Non-Executive, Independent)
- Deepak Mardhekar (Executive Director and CFO)
- Subhash Chandra Choubisa (Non-Executive Director) w.e.f 24.11.2017

REGISTERED OFFICE: B-403 Crystal Plaza, New Link Road, Andheri (W) Mumbai MH 400053

PHONE - 022-49725443

EMAIL ID: splgrive@rediffmail.com

WEBSITE: www.sagarproductions.com

REGISTRAR AND SHARE TRANSFER AGENT

Maheshwari Datamatics Pvt Ltd.

Address: 23, R. N. Mukherjee Road, 5th Floor, Kolkata- 700 001.

Phone: 033-22482248, 22435809

Fax: 033-22484787

Email id: info@mdpl.in

Website: www.mdpl.in

AUDITORS:

S C Mehra & Associates
Chartered Accountants

SECRETARIAL AUDITORS:

Miss Pooja Jain
Practising Company Secretary

BANKERS:

HDFC Bank Ltd.
The Pratap Co-Op Bank Ltd

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SAGAR PRODUCTIONS LIMITED

CIN: L93000MH1980PLC170432

Registered Office: B-403 Crystal Plaza, New Link Road, Andheri (W) Mumbai MH 400053

Tel No.: 022-49725443 E-mail id: splgrive@rediffmail.com

Website: www.sagarproductions.com

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 39th Annual General Meeting of the Members of **M/s. SAGAR PRODUCTIONS LIMITED** will be held on Saturday, **September 29, 2018 at 2.30 p.m.** at Nadiadwala Market(Hall), Opp. Laxmi Narayan Shopping Centre, Poddar Road, Malad (East), Mumbai-400097, India to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2018 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Kalakad Sathi (DIN: 00150876), who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare final dividend on Equity shares of Re. 0.03 (3%) per share on 4,01,42,125 Equity shares for the financial year ended 31st March, 2018.
4. To appoint M/s. S C Mehra & Associates, Chartered Accountants (Firm Reg. No. 106156W), Mumbai, pursuant to the provisions of Section 139 of the Companies Act, 2013 as Statutory Auditors of the Company and to fix their remuneration; and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 139, Section 142, and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and other applicable regulations M/s. S C Mehra & Associates, Chartered Accountant (Firm Reg. No. 106156W), Mumbai, who have been appointed as Statutory Auditor of the Company in Extra Ordinary General Meeting held on 12th May, 2018 upto the Ensuing Annual General Meeting, be and are hereby appointed as the Statutory Auditors’ of the Company to hold office from the conclusion of this 39th Annual General Meeting until the conclusion of the 44th Annual

General Meeting to be held in the year 2023 and that the Board of Directors' of the Company be and is hereby authorised to fix their remuneration for the said period and re-imburement of actual out of pocket expenses, as may be incurred in the performance of their duties.”

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Subhash Chandra Choubisa (DIN: 07982794), who was appointed by the Board of Directors of the Company as an Additional Director of the Company w.e.f. 24th November, 2017 and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing Mr. Choubisa as a candidate for the office of Director of the Company, be and is hereby appointed as a Non-Executive Director of the Company commencing from 24th November, 2017 and whose office shall be liable to retire by rotation.”

Registered Office:

B-403 Crystal Plaza, New Link Road,
Andheri (W) Mumbai MH 400053
Website: www.sagarproductions.com
E-mail: splgrive@rediffmail.com
Tel: 022-49725443

Place: Mumbai

Date: 13.08.2018

By Order of the Board of Directors
For Sagar Productions Limited

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

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF /HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies in order to be effective must be received by the Company at its Registered Office not later than forty-eight hours before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc. must be supported by an appropriate resolution/authority, as applicable.
2. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
3. Corporate Members intending to send their representatives to attend the Meeting are requested to send to the Company a duly certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Company has notified closure of Register of Members and Share Transfer Books from September 24, 2018 to September 29, 2018 (both days inclusive) for the purpose of annual book closure.
6. Additional information pursuant to Regulations of SEBI (Listing Obligation and Disclosures Requirements) Regulation, 2015 in respect of Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Notice.
7. Members desirous of obtaining any information as regards accounts and operations of the Company are requested to address their queries to the Registered Office of the Company in writing at least seven days in advance before the date of the Meeting, to enable the Company to keep the necessary information ready.
8. Members are requested to:
 - i) Bring their copy of Annual Report to the Meeting.
 - ii) Bring the attendance slip duly filled in, for attending the Meeting. The Attendance slip is sent with this Annual Report. Members, who hold shares in Electronic Form, are requested to

- bring their Depository ID Number and Client ID Number to facilitate their identification for recording attendance at the forthcoming Annual General Meeting.
- iii) Quote their Registered Folio Nos. on all correspondence with the Company
 - iv) Register their e-mail address, if not already registered for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
 - v) Notify changes in address, if any, to the Registrars of the Company immediately, quoting their folio numbers, if shares are held by them in physical form. Those holding shares in dematerialized form should send the above information to the respective Depository Participants.
 - vi) Intimate the Registrar and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd., for consolidation into a single folio Members, if they have shares in physical form in multiple folios in identical names or joint holding in the same order of names.
 - vii) Convert their holdings in dematerialised form to eliminate risks associated with physical shares and better management of the securities. Members can write to the company's registrar and share transfer agent in this regard.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts(s). Members holding shares in physical form can submit their PAN details to M/s. Maheshwari Datamatics Pvt. Ltd., 23, R. N. Mukherjee Road, 5th Floor, Kolkata- 700 001.
10. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during office hours on all working days except Saturdays between 11.00 a.m. to 2.00 p.m. prior to the date of the Meeting.
11. The Annual Report 2017-18 and Notice of the 39th Annual General Meeting of the Company along with Attendance Slip and Proxy Form are being sent in electronic form to all the members whose email IDs are registered with the Company/Depository Participants(s). For members who have not registered their email address, physical copies of the aforesaid documents are being sent in the permitted mode.
12. Members may also note that the Notice of the 39th Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website www.sagarproductions.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: splgrive@rediffmail.com

13. Voting through electronics means:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services Limited (CDSL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. Nidhi Bajaj, Practising Company Secretary, Proprietor of Nidhi Bajaj & Associates, Company Secretaries, ACS 28907, has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- V. The remote e-voting period commences on 26th September, 2018 (9:00 a.m.) and ends on 28th September, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- VI. The process and manner for remote e-voting are as under:
 1. The shareholders should log on to the e-voting website www.evotingindia.com.
 2. Click on Shareholders
 3. Enter their User ID
 - a. For CDSL use the 16-digit beneficiary ID
 - b. For NSDL use the 8-character DP ID followed by a 8-digit Client ID

c. Members holding shares in the physical Form should enter the Folio Number registered with the Company.

4. Next, enter the Image Verification as displayed and Click on Login
5. If shareholders hold shares in demat form and have previously logged on to www.evotingindia.com and have voted earlier on a poll of any company, then the existing password is to be used.
6. First time users should follow the following steps:

| For Members holding shares in demat and physical forms | |
|---|---|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in the dd/mm/yyyy format) as recorded in your demat account or in the Company records to login. • If both the details are not recorded with the depository or Company please enter the member ID/folio number in the Dividend Bank details field as mentioned in instruction (3) |

7. After entering these details appropriately, click on 'SUBMIT' tab
8. Members holding shares in the physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach the 'Password Creation' menu, wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company for which they are eligible to vote, provided that the company opts for e-voting through the CDSL platform. It is strongly recommended not to share your password with any other person and to take utmost care to keep your password confidential.

9. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for **SAGAR PRODUCTIONS LIMITED** to vote.
11. On the voting page, you will see 'RESOLUTION DESCRIPTION' and against the same the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.
13. After selecting the resolution, you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
14. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on 'Click here to print' option on the voting page.
16. If a demat account holder has forgotten the changed password, then enter the User ID and the image verification code and click on 'FORGOT PASSWORD' and enter the details as prompted by the system.
17. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

14. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
15. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.sagarproductions.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

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

ITEM NO. 4

M/s. Subhash Parekh & Co., Chartered Accountants (Firm Registration No. 154239W), Mumbai have tendered their resignation from the position of Statutory Auditors due to unavoidable circumstances, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). The Board of Directors of the Company at their meeting held on 14th February, 2018 at 2.30 p.m. at the registered office of the Company have appointed M/s. S C Mehra & Associates, Chartered Accountants (Firm Registration No. 106156W), as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Subhash Parekh & Co., Chartered Accountants, Mumbai. The said appointment was ratified by members in the Extra-Ordinary General Meeting held on 12th May, 2018. The statutory auditors were appointed upto the conclusion of this Annual General Meeting. So they shall be reappointed to hold office for the term of 5 years from the conclusion of this 39th Annual General Meeting until the conclusion of the 44th Annual General Meeting to be held in the year 2023.

M/s. S C Mehra & Associates, Chartered Accountants (Firm Registration No. 106156W), Mumbai have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, Ordinary Resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors/Key Managerial Personnel of the Company or their relatives, in any way are concerned or interested in the said resolution as set out at Item No. 4.

ITEM NO: 5

Mr. Subhash Chandra Choubisa was appointed by the Board of Directors of the Company pursuant to Section 161 of the Companies Act, 2013 as an Additional Director on the Board with effect from 24th November, 2017. Mr. Choubisa holds office as a Director of the Company upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member proposing candidature of Mr. Choubisa under Section 160 of the Companies Act, 2013 for the office of Director of the Company.

The Board of Directors is of the view that his skill and experience can prove beneficial for the growth of the Company and therefore recommends the aforesaid resolution for your consideration and approval as an Ordinary Resolution.

Mr. Subhash Chandra Choubisa is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director.

None of the Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel except Mr. Subhash Chandra Choubisa is, in anyway, concerned or interested in the above resolution.

Registered Office:

B-403 Crystal Plaza, New Link Road, Andheri
(W) Mumbai MH 400053
Website: www.sagarproductions.com
E-mail: splgrive@rediffmail.com
Tel: 022-49725443

Place: Mumbai

Date: 13.08.2018

By Order of the Board of Directors
For Sagar Productions Limited

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

Annexure to Notice

**Details of the Directors seeking appointment/re-appointment at the Annual General Meeting
(Pursuant to Regulation 36 (3) of the Listing Regulations, 2015 & Secretarial Standards-2 on General Meetings)**

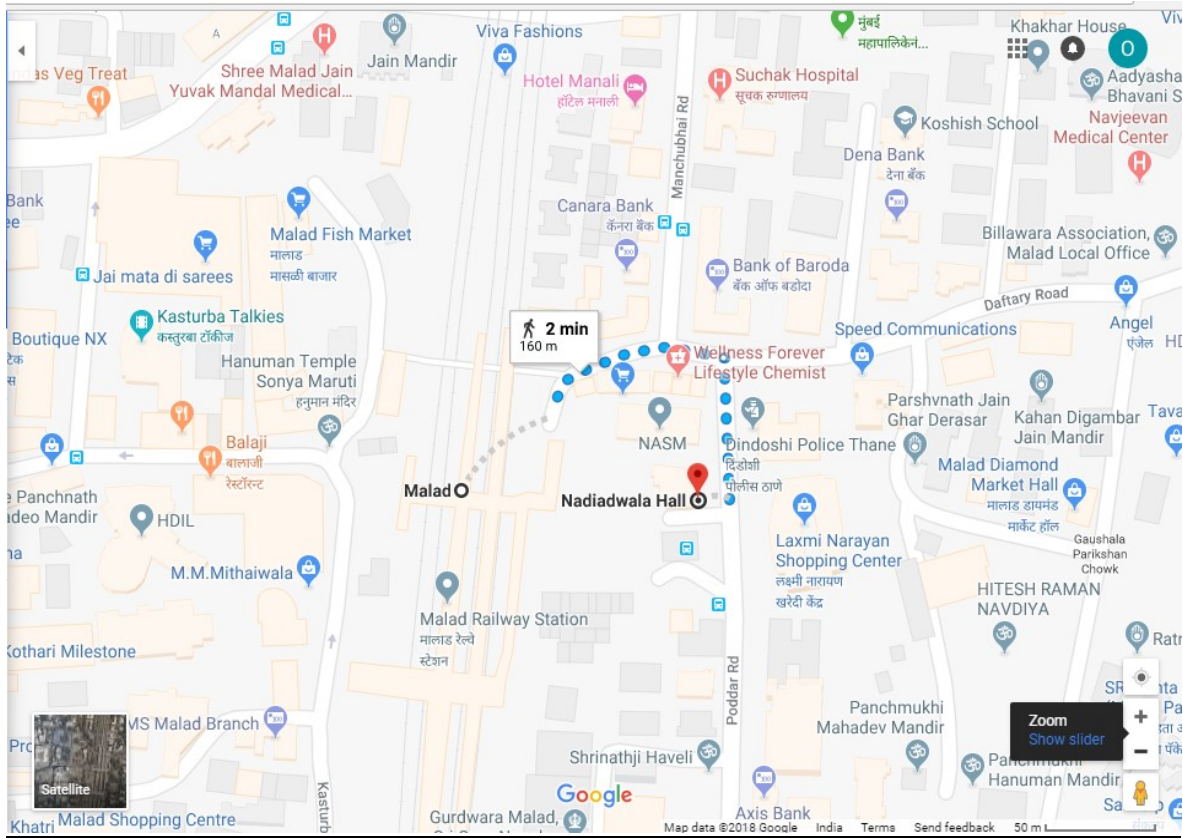
| | |
|---|---|
| Name of Director | Mr. Kalakad Sathi |
| DIN | 00150876 |
| Date of Birth | 22-06-1963 |
| Date of Appointment | 22.01.2007 |
| Brief Profile | Mr. Sathi is a Commerce Graduate and has an experience of 22 years in the field of Finance. He has been associated with the Company since 2007 and since then has been involved in decision making and day to day operations of the Company |
| Qualifications | Commere Graduate |
| Directorship in other Public limited Companies | None |
| No. of Shares held in the Company Own Beneficial Basis | Nil Nil |
| Relationship with other Directors, Manager and other Key Managerial Personnel | None |
| Chairman/Member of the Committee of the Board of Directors of the Company | Member in Audit Committee, Stakeholders' Relationship & Nomination and Remuneration Committee. |
| Chairman/Member of the Committee of the Board of Directors of other Public Companies* | None |

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

| | |
|---|--|
| Name of Director | Subhash Chandra Choubisa |
| DIN | 07982794 |
| Date of Birth | 11/04/1984 |
| Date of Appointment | 24/11/2017 |
| Brief Profile | He has wide knowledge and experience in media and production line. He is also expert in marketing. |
| Qualifications | Graduate |
| Directorship in other Public limited Companies | NIL |
| No. of Shares held in the Company Own Beneficial Basis | NIL NIL |
| Relationship with other Directors, Manager and other Key Managerial Personnel | NONE |
| Chairman/Member of the Committee of the Board of Directors of the Company | NONE |
| Chairman/Member of the Committee of the Board of Directors of other Public Companies* | NONE |

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

ROUTE MAP FOR THE VENUE OF ANNUAL GENERAL MEETING



Venue: Nadiadwala Market(Hall), Opp. Laxmi Narayan Shopping Centre, Poddar Road, Malad (East), Mumbai-400097

DIRECTORS' REPORT

The Members,
SAGAR PRODUCTIONS LIMITED

Your Directors are pleased to present their **39th Annual Report** together with the Audited Financial Statements for the financial year ended March 31, 2018 and the Auditors Report thereon.

1. Business Performance

(Rs. In Lacs)

| PARTICULARS | YEAR ENDED 31.03.2018 | YEAR ENDED 31.03.2017 |
|-----------------------------|----------------------------------|----------------------------------|
| Revenue from operations | 95,555,569 | 50,472,500 |
| Other income | 20,340 | - |
| Gross Income | 95,575,909 | 50,472,500 |
| Total Expenses | 90,687,126 | 45,394,453 |
| Net Profit Before Tax | 4,888,783 | 5,078,047 |
| Provision for Tax | (1,000,000) | 1,000,000 |
| Net Profit After Tax | 5,888,783 | 4,078,047 |

2. Operations and Future Plans

During the year under review the Company's Turnover has increased from Rs. 504.72 Lakhs to Rs. 955.56 Lakhs and profit for the year was also increased from Rs. 40.78 Lakhs to Rs. 58.89 Lakhs. Your Company is optimistic about the coming year. Since the Company is trying to expand its business, your Directors are hopeful that the results will be more encouraging.

3. Dividend

Your Board has recommended a dividend of Re. 0.03 (3%) per share on 4,01,42,125 Equity shares for the financial year ended 31st March, 2018. The dividend, if declared, by the Members at the forthcoming Annual General Meeting (AGM) shall be paid to the eligible Members of the Company.

4. Share Capital

The Issued, Subscribed & Paid up Capital of the Company as on March 31, 2018 stands at Rs. 4,01,42,125/- divided into 4,01,42,125 Equity Shares of Rs. 1/- each. During the period under review, the Company has not issued shares with differential voting rights nor granted any stocks options or sweat equity.

5. Transfer to Reserve

The Board does not propose to make transfer to reserves for the year 2017-18 and instead intends to retain the net profit in the Profit & Loss Account for the year ended 31st March, 2018.

6. Directors and Key Managerial Personnel

i) Retire by Rotation:

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

ii) Change in Directors and Key Managerial Personnels:

- During the year Mr. Subhash Chandra Choubisa was appointed as an Additional Director (Non-Executive) w.e.f. November 24, 2017.
- Mr. Deepak Bhiku Mardhekar was appointed as Chief Financial Director with effect from September 25, 2017.

iii) Board Evaluation

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

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

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

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

iv) Meetings of the Board

During the year ended March 31, 2018, Eleven (11) Board Meetings were held by the Company on 29th May, 2017; 10th August, 2017; 2nd September, 2017; 7th September, 2017; 25th September, 2017; 30th October, 2017; 24th November, 2017; 30th November, 2017; 13th December, 2017; 14th February, 2018 and 29th March, 2018.

v) Details of Committees of the Board

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

i) Audit Committee

The Audit Committee comprises of three Directors namely Mr. Jitendra Keny (Non-Executive, Independent), Mr. Kalakad Sathi (Executive) and Mrs. Hemlata Chanda (Non-Executive, Independent). The Chairman of the Committee is Mr. Jitendra Keny who is an Independent, Non-Executive Director. The recommendations of the Audit Committee are always welcomed and accepted by the Board & all the steps impacting the financials of the Company are undertaken only after the consultation of the Audit Committee. During the period ended 31st March, 2018, Seven (7) Meetings of Audit Committee were held on 29th May, 2017; 10th August, 2017; 2nd September, 2017; 30th November, 2017; 13th December, 2017; 14th February, 2018 and 29th March, 2018.

ii) Nomination & Remuneration Committee

The Committee was constituted in accordance with the provisions under Section 178 of the Companies Act, 2013. The Committee consists of three (3) Members, namely Mr. Jitendra Keny (Non-Executive, Independent Director), Mr. Kalakad Sathi (Executive Director) and Mrs. Hemlata Chanda (Non-Executive, Independent Director). The Committee is chaired by Mr. Jitendra Keny. During the year ended 31st March, 2018, one (1) Committee Meeting was held on 14th February, 2018.

Nomination and Remuneration Committee Policy

The Board has on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is annexed as "**Annexure A**" to this report.

iii) Stakeholders' Relationship Committee

The Committee oversees all the matters relating to Stakeholders' grievances/complaints. The role of the Committee is to consider & resolve securities holders' complaint. The Committee consists of three members, namely Mrs. Hemlata Chanda (Non-executive, Independent), Mr. Jitendra Keny (Non-executive, Independent) and Mr. Kalakad Sathi (Executive). The Committee is chaired by Mrs. Hemlata Chanda. During the year ended 31st March, 2018, five

(5) Committee Meetings were held on 29th May, 2017; 10th August, 2017; 30th November, 2017; 13th December, 2017 and 14th February, 2018.

vi) Declaration of Independence from Independent Directors

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

vii) Internal Control Systems and their Adequacy

The Management continuously reviews the internal control systems and procedures for the proficient conduct of the Company's business. The Company adheres to the prescribed guidelines with respect to the transactions, financial reporting and ensures that all its assets are safeguarded and protected against losses. The Internal Auditor of the Company conducts the audit on regular basis and the Audit Committee periodically reviews internal audit reports and effectiveness of internal control systems. Apart from the above, the Company in consultations with the external and independent consultants adopted a policy for development and implementation of risk management for the company including identification of elements of risk, if any, that may threaten the existence of the Company and a mechanism to mitigate the same.

viii) Directors' Responsibility Statement

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

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

ix) Change in the Nature of Business

During the period under review, there is no change in the nature of business of the Company. The Company continues to operate in the Media Sector. However the Company has also entered into trading in agro-products.

x) Extract of Annual Return

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

xi) Prevention of Sexual Harassment Policy

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

xii) Auditors & their Report

a) Change in Auditors:

At the AGM held on 30th September, 2017 for the Financial year ended 2016-17, the Members have approved and accorded their assent for appointment of M/s. Subhash Parekh & Co., Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of the 38th Annual General Meeting until the conclusion of the 43rd Annual General Meeting of the Company to be held in the year 2022, subject to the ratification of the Members at every Annual General Meeting. Also, the Company has received a letter from Auditors to the effect that their appointment if made it would be within the prescribed limits under Section 139 of the Companies Act, 2013.

M/s. Subhash Parekh & Co., Chartered Accountants (Firm Registration No. 154239W), Mumbai have tendered their resignation from the position of Statutory Auditors due to unavoidable circumstances, resulting into a casual vacancy in the office of Statutory Auditors of the company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). The Board of Directors of the Company at their meeting held on 14th February, 2018 at 2.30 p.m. at the registered office of the Company have appointed M/s. S C Mehra & Associates, Chartered Accountants (Firm Registration No. 106156W), as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Subhash Parekh & Co., Chartered Accountants, Mumbai. The said appointment was ratified by members in the Extra-Ordinary General Meeting held on 12th May, 2018. The statutory auditors were appointed upto the conclusion of this Annual General Meeting. So they shall be reappointed to hold office for the term of 5 years from the conclusion of this 39th Annual General Meeting until the conclusion of the 44th Annual General Meeting to be held in the year 2023. Also the Statutory Auditor has conveyed their consent to be appointed as the Statutory

Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

The Statutory Auditors M/s. S C Mehra & Associates have issued their reports on Standalone Financial Statements for the year ended 31st March, 2018. There are no adverse remarks or qualifications in the said report. The Notes on Accounts referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

b) Secretarial Auditor:

In compliance with the provisions of Sec 204 and other applicable provisions of Companies Act 2013, the Board of Directors have appointed Miss Pooja Jain, Practising Company Secretary as Secretarial Auditors to undertake secretarial audit of the Company for the financial year ended March 31, 2018. The Secretarial Audit Report is attached herewith marked as "**Annexure C**" and forms an integral part of this report.

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

1. As per provisions of Section 203(1) of the Companies Act, 2013, the Company is required to appoint the following Key Managerial Personnel:

a. Managing Director or Chief Executive Officer or manager and in their absence, a Whole-Time Director.

b. Company Secretary

c. Chief Financial Officer

The Company has appointed Whole Time Director and CFO. However, the Company has not appointed Company Secretary

2. The name of the company is appearing in the list of Shell companies published by SEBI for having suspected stock under BSE, scanner.

In this respect, we would like to submit our response:

1. Even after making deliberate efforts; the Company was unable to appoint Company Secretary during the year. The Company assures you that the Company will soon appoint suitable candidates for the post of Company Secretary.
2. As per list of SEBI dated August 07, 2017, with respect to Shell Companies, the name of Sagar Productions Limited was mentioned. The Company has made all the deliberate efforts to satisfy queries raised by SEBI. Afterwards, SEBI has issued notice dated 24th October, 2017 (Notice No. 20171024-29) and gave the following directions:
 - i) The trading in securities of the Company shall be reverted to the status as it stood prior to issuance of SEBI letter dated August 07, 2017 effective from October 25, 2017.
 - ii) An independent auditor shall be appointed to conduct forensic audit of the Company for verification, including the credentials / financials of the Company.

The forensic audit was conducted by an independent Auditor appointed by SEBI. It is expected that soon the Company "Sagar Productions Limited" will be out of Graded Surveillance Measures (GSM) stage.

c) Internal Auditor:

M/s. Lakhpat M. Trivedi & Co., Chartered Accountants, Mumbai (Registration No. 109047) was appointed as Internal Auditor of the Company for the FY 2017-2018 and the Internal Audit Report prepared by them was placed before the Audit Committee.

xiii) Risk Management

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

xiv) Public Deposits

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

xv) Particulars of Contracts/ Arrangements with Related Party

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

xvi) Particulars of Loans, Guarantees or Investments by the Company under section 186

Details of Loan, Guarantees and Investments covered under the provisions of the Act, are disclosed in the notes to the Financial Statements.

xvii) Material Changes affecting the financial position of the Company

During the year ended March 31, 2018, there were no material changes and commitments affecting the financial position of the Company have occurred to which financial results relate and the date of the Report.

xviii) Corporate Social Responsibility Committee

Since the provisions as laid down in the Section 135 of the Companies Act, 2013 are not applicable to the Company; hence no such Committee has been formed. However, Company had always tried in its best possible ways to involve itself in social development activities.

xix) Dematerialisation of Shares

Your Company has connectivity with the National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) for dematerialization of its Equity Shares. The ISIN No. **INE807D01030** has been allotted for the Company Shares. Therefore, the members and/or investors may keep their shareholdings in the electronic mode with their Depository Participant.

As on March 31, 2018, 99.99% of the paid up Equity Share Capital stands in Demat mode and the remaining 0.01% Equity Shares were held in physical mode, the details of which are as follows:

| Particulars | No. of Shares | % of Total Capital |
|------------------------------|---------------|--------------------|
| Held in Demat form with CDSL | 3,03,97,719 | 75.72 |
| Held in Demat form with NSDL | 97,42,101 | 24.27 |
| Held in physical mode | 2,305 | 0.01 |

xx) Listing of Shares

The shares of your Company are listed at BSE Limited. The applicable Annual Listing fees have been paid to the Stock Exchange for the financial year 2017-18.

xxi) Subsidiary Companies

The Company does not have any Subsidiary Company.

xxii) Vigil Mechanism/Whistle Blower Policy

Pursuant to the provisions of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, every listed Company is required to have a Vigil Mechanism/ Whistle Blower Policy for the Directors and employees to report their concerns and grievances. The Company has a Whistle Blower Policy in place and the same is also available on the web-site at the web-link <http://www.sagarproductions.com/images/pdf/Whistle%20Blower%20Policy.pdf>

The Audit Committee of Directors are entrusted with the responsibility to oversee the Vigil mechanism.

xxiii) Corporate Governance

In terms of Regulation 15(1) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the provisions related to Corporate Governance as specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of schedule V shall not be applicable in respect of companies having paid up equity share capital not exceeding Rs.10 crore and Net worth not exceeding Rs.25 crore as on the last day of the previous financial year.

As on March 31, 2018, the Equity Share Capital is Rs. 4,01,42,125 and Net worth is Rs. 4,46,57,702/-. Hence, the company is not providing a separate report on corporate governance, and also a certificate from the Company's Auditors confirming the compliance of Corporate Governance. However, the Company continues to adhere to the best practices prevailing in Corporate Governance and follows the same in its true spirit.

xxiv) Secretarial Standards of ICSI

Pursuant to the approval given on April 10, 2015 by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from July 01, 2015. The Company is in compliance with the same.

xxv) Significant and Material Orders Passed by the Regulators or Courts:

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

xxvi) Management Discussion and Analysis

Management Discussion and Analysis Report is appended to this Annual Report.

xxvii) Particulars of Employees

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

No employee has received remuneration in excess of the limits set out in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during FY 2017 - 18.

xxviii) Conservation of Energy, Technology Absorption and Foreign Exchange Earning & Outgo

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

The Company has not entered into any technology transfer agreement.

xxix) Acknowledgement

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

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

**Place: Mumbai
Date: May 29, 2018**

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

Sd/-
Deepak Mardhekar
Director and CFO
DIN: 06985092

ANNEXURE - A

Nomination & Remuneration Policy of the Company

THE APPOINTMENT POLICY FOR INDEPENDENT DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR EXECUTIVES WILL BE AS UNDER-

(A) Independent Directors:

Independent Directors will be appointed based on the criteria mentioned under section 149(6) of the Companies Act, 2013 and in accordance with other applicable provisions of the Companies Act, 2013, rules made thereunder & Listing Agreements entered with Stock Exchanges.

(B) Key Managerial Personnel (KMP):

KMP will be appointed by the resolution of the Board of Directors of the Company, based on qualifications, experience and exposure in the prescribed field. Removal of the KMP will also be done by the resolution of Board of Directors of the Company. Appointment/ Removal will be in accordance with the provisions of the Companies Act, 2013, rules made thereunder and Listing Agreements entered with Stock Exchanges.

(C) Senior Executives:

Senior Executive will be appointed by the Chairman and the Managing Director and/or Executive Director of the Company based on their qualifications, experience and exposure. Removal of the Senior Executives will also be by Chairman, Managing Director and/or Executive Director. Further, appointment and removal will be noted by the Board as required under clause 8(3) of Companies (Meeting of Board and its Powers) Rules, 2014.

REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES WILL BE AS UNDER

The following will be the guiding factors with respect to remuneration to Directors, Key Managerial Personnel and other employees

- (A)** The objective of policy is directed towards having a compensation philosophy and structure that will reward and retain talent;
- (B)** Remuneration to Key Managerial Personnel and other employees will have a balance between fixed and incentive pay reflecting both short and long term performance objectives appropriate to the working of the Company and its goals and objectives. Such remuneration will generally comprise of fixed pay, bonus, ex-gratia, perquisites and other work related benefits;
- (C)** The Remuneration to the key managerial personnel and other employees will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks and also the market conditions in the employment market.

ANNEXURE - B
FORM NO. MGT-9

Extract of Annual Return as on the financial year ended 31st March 2018
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the
Companies (Management and Administration) Rules, 2014]

1. REGISTRATION AND OTHER DETAILS:

| | | |
|----|---|--|
| a. | CIN | L93000MH1980PLC170432 |
| b. | Registration Date | 05/04/1980 |
| c. | Name of the Company | SAGAR PRODUCTIONS LIMITED |
| d. | Category/Sub - Category of the Company | |
| | Category | Company Limited by Shares |
| | Sub - Category | Indian Non-Government Company |
| e. | Address of the Registered Office | B-403 Crystal Plaza, New Link Road, Andheri (W) Mumbai MH-400053 |
| f. | Contact Details | 022- 49725443 Email id: splgrive@rediffmail.com Website: www.sagarproductions.com |
| g. | Whether listed company | Yes (listed on BSE Limited) |
| | Name, Address and Contact details of Registrar and Transfer Agent, if any | |
| | Name | M/s. Maheshwari Datamatics Private Ltd. |
| | Address | 23, R.N Mukherjee Road, 5th Floor, Kolkata - 700001 |
| | Contact | Tel No.: 91(033) 2248 2248 Fax No.: 91(033) 2248 4787 Email id: mdpldc@yahoo.com |

2. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

| Sr. No. | Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1. | Production of television programmes or television commercials. | 59113 | 73.04% |
| 2. | Trading of Agricultural Products | 46301 | 26.96% |

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| Sr. No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary /Associate | % of Shares held | Applicable Section |
|---------|---------------------------------|---------|--------------------------------|------------------|--------------------|
| | None | | | | |

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

i. Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|--|---|----------|----------------|-------------------|---|----------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| (A) Promoter | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| Individual/ HUF | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Central Govt | 0 | 0 | 00 | 0 | 0 | 0 | 0 | 0 | - |
| State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Bodies Corp | 9075000 | 0 | 9075000 | 22.61 | 9075000 | 0 | 9075000 | 22.61 | - |
| Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Sub-total(A)(1):- | 9075000 | 0 | 9075000 | 22.61 | 9075000 | 0 | 9075000 | 22.61 | - |
| (2) Foreign | | | | | | | | | |
| NRIs Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Other Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Any Other.... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Sub-total(A)(2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Total Shareholding of Prom & Prom. Group (A)= (A)(1)+(A)(2) | 9075000 | 0 | 9075000 | 22.61 | 9075000 | 0 | 9075000 | 22.61 | - |
| (B) Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |

| | | | | | | | | | |
|---|-----------------|-------------|-----------------|---------------|-----------------|-------------|-----------------|---------------|----------|
| Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| FIIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Sub-total(B)(1) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| (2)Non Institutions | | | | | | | | | |
| a)Bodies Corp | | | | | | | | | |
| (i) Indian | 1272880 | - | 1272880 | 3.17 | 1313961 | 0 | 1313961 | 3.27 | 0.10 |
| (ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| b)Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 969856 | 1439 | 971295 | 2.42 | 944829 | 1439 | 946268 | 2.36 | (0.06) |
| (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 28800019 | 0 | 28800019 | 71.75 | 28727150 | 0 | 28727150 | 71.56 | (0.19) |
| c)Others | | | | | | | | | |
| Clearing Member | 10546 | 0 | 10546 | 0.03 | 67092 | 0 | 67092 | 0.17 | 0.14 |
| NRIs | 11519 | 0 | 11519 | 0.03 | 11788 | 0 | 11788 | 0.03 | 0.00 |
| Trust | 0 | 866 | 866 | 0.00 | 0 | 866 | 866 | 0.00 | - |
| Sub-total(B)(2) | 31064820 | 2305 | 31067125 | 77.39 | 31064820 | 2305 | 31067125 | 77.39 | - |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 31064820 | 2305 | 31067125 | 77.39 | 31064820 | 2305 | 31067125 | 77.39 | - |
| Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | - |
| Grand Total (A+B+C) | 40139820 | 2305 | 40142125 | 100.00 | 40139820 | 2305 | 40142125 | 100.00 | - |

ii. Shareholding of Promoters

| Sr. No | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the |
|--------|---------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--------------------------------------|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1. | Winfotel Infomedia Technologies | 9000000 | 22.42 | 0 | 9000000 | 22.42 | 0 | - |
| 2. | Divit India Services Pvt. Ltd. | 75000 | 0.19 | 0 | 75000 | 0.19 | 0 | - |
| | Total | 9075000 | 22.61 | 0 | 9075000 | 22.61 | 0 | - |

iii. Change in Promoters' Shareholding (please specify, if there is no change)

| Sr. No. | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1. | Winfotel Infomedia Technologies Pvt. Ltd. | | | | |
| | At the beginning of the year | 90,00,000 | 22.42 | 90,00,000 | 22.42 |
| | Increase/Decrease during the year | 0 | 0 | 0 | 0 |
| | At the End of the year | 90,00,000 | 22.42 | 90,00,000 | 22.42 |
| 2. | Divit India Services Pvt. Ltd. | | | | |
| | At the beginning of the year | 75,000 | 0.19 | 75,000 | 0.19 |
| | Increase/Decrease during the year | 0 | 0 | 0 | 0 |
| | At the End of the year | 75,000 | 0.19 | 75,000 | 0.19 |

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

| Sr. No | Name of Shareholder | Shareholding at the beginning of the year | | Change in Shareholding during the year | | Shareholding at the end of the year | |
|--------|--------------------------|---|--------------------------|--|--------------------------|-------------------------------------|--------------------------|
| | | No. of shares | % of total Share Capital | Increase (No. of Shares) | Decrease (No. of Shares) | No. of shares | % of total Share Capital |
| 1. | Surendra Kabra | 16,00,000 | 3.99 | - | - | 16,00,000 | 3.99 |
| 2. | Rama nand Kabra | 15,00,000 | 3.74 | - | - | 15,00,000 | 3.74 |
| 3. | Deepu Raghuvir Kabra | 15,00,000 | 3.74 | - | - | 15,00,000 | 3.74 |
| 4. | Sagar Tilokchand Kothari | 15,00,000 | 3.74 | - | - | 15,00,000 | 3.74 |
| 5. | Pravin Nanji Gala | 14,50,002 | 3.61 | - | - | 14,50,002 | 3.61 |
| 6. | Surbhi Kabra | 14,00,000 | 3.49 | - | - | 14,00,000 | 3.49 |
| 7. | Swati | 14,00,000 | 3.49 | - | - | 14,00,000 | 3.49 |
| 8. | Seema Kabra | 14,00,000 | 3.49 | - | - | 14,00,000 | 3.49 |
| 9. | Anu Radha Bang | 12,00,000 | 2.99 | - | - | 12,00,000 | 2.99 |
| 10. | Kavita Bang | 12,00,000 | 2.99 | - | - | 12,00,000 | 2.99 |

v. **Shareholding of Directors and Key Managerial Personnel:**

| Sr. No. | For Each of the Directors and KMP | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|-----------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | None | - | - | - | - |

5. **INDEBTEDNESS**

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

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the FY | | | | |
| i) Principal Amount | -- | -- | -- | -- |
| ii) Interest due but not paid | -- | -- | -- | -- |
| iii) Interest accrued but not | -- | -- | -- | -- |
| Total(i+ii+iii) | -- | -- | -- | -- |
| Change in Indebtedness during the FY | | | | |

| | | | | |
|--|----|----------------|----|----------------|
| - Addition | -- | 750,000 | -- | 750,000 |
| - Reduction | -- | -- | -- | -- |
| Net Change | -- | 750,000 | -- | 750,000 |
| Indebtedness at the end of the FY | -- | -- | -- | -- |
| i) Principal Amount | -- | 750,000 | -- | 750,000 |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | -- | -- | -- | -- |
| Total (i+ii+iii) | -- | 750,000 | -- | 750,000 |

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- Remuneration to Managing Director, Whole-time Directors and/ or Manager**

| Sl. No. | Particulars of Remuneration | Name of MD/ WTD/ Manager | Total Amount |
|---------|--|--|--------------|
| | | Mr. Kalakad Sathi (Whole-time Director) | |
| 1. | Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961 | - | - |
| 2. | Stock Option | - | - |
| 3. | Sweat Equity | - | - |
| 4. | Commission - as % of profit - others, specify... | | |
| 5. | Others, please specify | - | - |
| 6. | Total (A) | - | - |

• **Remuneration to other directors**

| Sl. No. | Particulars of Remuneration | Jitendra Keny | Hemlata Chanda | Total Amount |
|---------|--|---------------|----------------|--------------|
| | <u>Independent Directors</u> | | | |
| | <ul style="list-style-type: none"> • Fee for attending Board/Committee Meetings • Commission • Others, please specify | | | |
| | Total (1) | | | |
| | <u>Other Non-Executive Directors</u> | - | - | - |
| | <ul style="list-style-type: none"> • Fee for attending Board / committee meetings • Commission • Others, please specify | | | |
| | Total (2) | - | - | - |
| | Total (B)=(1+2) | | | |

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

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

7. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were No Penalties/ Punishment/Compounding of Offences for the year ending 31st March, 2018.

| Type | Section of the companies Act | Brief description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority [RD/NCLT/ Court] | Appeal made. If any(give details) |
|-------------------------------------|-------------------------------------|--------------------------|---|-----------------------------------|--|
| A. Company | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| B. Directors | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| C. Other Officers In Default | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

To,
The Members,
SAGAR PRODUCTIONS LIMITED.
B-403 Crystal Plaza, New Link Road,
Andheri (W) Mumbai MH 400053

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31st March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2018** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investment were not attracted to the Company during the Financial Year under Review;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 till 14th May, 2015 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 from 15th May, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the financial year under review)**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, presently known as SEBI (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the financial year under review)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **((Not Applicable during the financial year under review);**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable during the financial year under review);**
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998; **(Not applicable during the financial year under review);**
 - i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;
- vi. Other laws applicable specifically to the Company namely:
- 1. Cable Television Networks (Regulation) Act, 1994
 - 2. Cinematograph Act, 1952.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;

I have also examined the books, papers and returns filed and other records maintained by the Company's for the Financial Year ended on March 31, 2018 according to the provisions of various Labour Laws and other Laws applicable, including the Rules made thereunder, and amended from time to time, to the Company, as informed by the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above and there are no material non-compliances that have come to our knowledge except to the extent as mentioned below :

1. As per provisions of Section 203(1) of the Companies Act, 2013, the Company is required to appoint the following Key Managerial Personnel:

- a. Managing Director or Chief Executive Officer or manager and in their absence, a Whole-Time Director.**
- b. Company Secretary**
- c. Chief Financial Officer**

The Company has appointed Whole Time Director and CFO. However, the Company has not appointed Company Secretary

2. The name of the company is appearing in the list of Shell companies published by SEBI for having suspected stock under BSE, scanner.

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act, Service tax Act, Central excise Act and Rules including CENVAT Rules & Custom Act, I have relied on the reports given by the Statutory Auditors of the Company.

I further report that during the audit period, the Company has not undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. referred to above.

Date: 29.05.2018

Place: Mumbai

Sd/-

Pooja Jain

Practicing Company Secretary

ACS No: 36270

COP No. 14359

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

Annexure-I

To,
The Members
SAGAR PRODUCTION LIMITED

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

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 29.05.2018
Place: Mumbai

Sd/-
Pooja Jain
Practicing Company Secretary
ACS No: 36270
COP No. 14359

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

• Indian Macroeconomic Outlook

India continues to be one of the fastest growing economies in the world. After the temporary deceleration due to the impact of demonetisation and implementation of Goods and Services Tax (GST), the recovery in economic growth is now largely complete. It is estimated that GDP grew at more than 7% in the second half of fiscal 2018. During FY18, there were several positive developments in the economy, which will further accelerate this growth over the next few years. The long-delayed GST was finally implemented and it will go a long way in improving the business environment in the country. Government's focus on infrastructure development, banking reforms and affordable housing, amongst others, will support the growth in the medium term. Growth in some segments of the rural economy has been slower in the recent past. However, forecast of a normal monsoon bodes well for the agriculture sector and would drive the rural consumption. While the Indian economy has expanded at an average annualized growth rate of around 7% over the past several years, there have been patches of slower growth in between. However, consumption growth remained quite resilient throughout this period. High frequency data such as automobile sales, air traffic, and credit offtake amongst others, suggests continued strength in discretionary spending. Private final consumption is estimated to have grown at a CAGR of 7.0% over FY13-18 in real terms and 12.0% in nominal terms. This, along with the trend of organized businesses gradually gaining market share in various sectors, bodes well for growth in advertising spends.

• India's Media & Entertainment Industry

The Indian media and entertainment (M&E) industry witnessed another year of all-round growth. The pace of growth marginally accelerated in CY17, despite the lingering effect of demonetization and the impact of GST roll-out. According to the FICCI-EY Report 2018 (Report), M&E industry grew by 12.6% YoY in CY17, to `1,473 billion. Despite the strong growth over the past several years, India's per capita entertainment consumption is much lower than not only the developed markets but also countries with similar income levels. This provides significant headroom for sustained growth driven by rising disposable incomes and increasing access to entertainment content. According to the Report, the Indian M&E industry is expected to grow at a CAGR of 11.3% to `2,032 billion over the next three years, driven by growth in all the segments.

During the year, television increased its reach and engagement with the audience, further enhancing its reputation as the default entertainment medium. Print media continued to grow, albeit at a slower pace, due to multiple headwinds faced during the year. The movie industry surpassed all previous records riding on a strong performance at both the domestic and the international box office. Online video consumption continued its exponential growth due to the increased availability of affordable data and content on digital platforms. Following the auction of Phase III licenses, FM radio expanded into newer cities. Live Events growth was led by premium properties, activations, and sports events.

- **Brief History & Business Overview**

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

- **Review Of Operations & Business Overview**

During the year under review the Company's Turnover has increased from Rs. 504.72 Lakhs to Rs. 955.56 Lakhs and profit for the year was also increased from Rs. 40.78 Lakhs to Rs. 58.89 Lakhs. Your Company is optimistic about the coming year. Since the Company is trying to expand its business, your Directors are hopeful that the results will be more encouraging.

- **Human Resources**

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

- **Internal controls & their Adequacy**

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

- **Threats Risks & Concerns**

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

- **Cautionary Statement**

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

CERTIFICATION FROM WHOLE-TIME DIRECTOR/CFO

To,
The Board of Directors,
Sagar Productions Limited,

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

- 1) We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2018 and that to the best of our knowledge and belief :
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's Code of Conduct.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal controls systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- 4) We further certify that:
 - c. there have been no significant changes in internal control over financial reporting during the period under review;
 - d. there have been no significant changes in accounting policies made during the period and that the same have been disclosed in the notes to the financial statements; and
 - e. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over Financial Reporting.

Place: Mumbai
Date: 13.08.2018

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

Sd/-
Deepak Mardhekar
Director and CFO
DIN: 06985092

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Sagar Productions Limited

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Sagar Productions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information for the year ended on that date.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its Statement of Profit & Loss including other comprehensive income, its Statement of Cash flow and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit & Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” to this report;
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position .
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S C Mehra & Associates**
Chartered Accountants
ICAI Firm Registration Number: 106156W

Sd/-
CA Suresh Mehra
Partner
Membership Number: 039730

Place of Signature: Mumbai
Date: 29-05-2018

Annexure A to Independent Auditors' Report

Referred to in paragraph [2(f)] of the Independent Auditors' Report of even date to the members of Sagar Productions Limited on the Ind AS financial statements for the year ended March 31, 2018

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

1. We have audited the internal financial controls over financial reporting of Sagar Productions Limited as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 Act.

Auditors' Responsibility

3. 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. 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 pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; 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 provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, to the best of our information and according to explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S C Mehra & Associates

Chartered Accountants

Firm's Registration No. 106156W

Sd/-

CA Suresh Mehra

Partner

Membership Number: 039730

Place of Signature: Mumbai

Date: 29-05-2018

Annexure B to Independent Auditors' Report

Referred to in paragraph 1 under the heading Report on "Other Legal & Regulatory Requirement" of our report of even date to the financial statements of the Company for the year ended March 31st, 2018

- i. (a) The Company is not having any fixed assets, hence provision of clause 1 (a) to (c) are not applicable.
- ii. As explained to us, the inventories were physically verified during the year at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under subsection (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, and cess have been regularly deposited with the appropriate authorities. There is no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, service-tax, value added tax or GST, which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank. The Company does not have any loans from Government. Further, the Company has not issued any debenture.
- ix. In our opinion, and according to the information and explanations given to us, no moneys raised by way of initial public offer or further public offer (including debt instruments) and no term loans has been taken during the year.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the

Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- xii. The Company has not paid/ provided for managerial remuneration during the year, hence requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act is not required.
- xiii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiv. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xv. The Company has not made preferential allotment of shares during the year under review. Hence, the requirements of Section 42 of Companies Act, 2013 are not applicable to the Company.
- xvi. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvii. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For S C Mehra & Associates
FRN: 106156W
Chartered Accountants

Sd/-
CA S C Mehra
Partner
Membership No.039730

Place: Mumbai
Date: May 29, 2018

Balance Sheet as at March 31, 2018**(Amount in Rs)**

| PARTICULAR | Notes | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|--------------|-------------------------|-------------------------|-------------------------|
| ASSETS | | | | |
| Non - Current Assets | | | | |
| Property, Plant and Equipment | | - | - | - |
| Capital work in Progress | | - | - | - |
| Investment Properties | | - | - | - |
| Goodwill | | - | - | - |
| Other Intangible Assets | | - | - | - |
| Intangible assets under development | | - | - | - |
| Investments accounted for using the equity Method | | - | - | - |
| Financial Assets | | | | |
| i) Investments | 2 | 60,000 | 60,000 | 60,000 |
| ii) Loans & Advances | 3 | 1,000,000 | 1,000,000 | 2,520,568 |
| iii) Other Financial Assets | 4 | 335,000 | 380,000 | 380,000 |
| Deferred Tax Assets | | - | - | - |
| Other non-current assets | 5 | 48,473 | 19,739,240 | 27,410,740 |
| Total non-current assets | | 1,443,473 | 21,179,240 | 30,371,308 |
| Current Assets | | | | |
| Inventories | 6 | 3,200,000 | 1,200,000 | 1,200,000 |
| Financial Assets | | | | |
| i) Investments | | | | |
| ii) Trade Receivables | 7 | 68,817,429 | 40,875,860 | 7,460,260 |
| iii) Cash and Cash equivalents | 8 | 10,112,714 | 94,297 | 65,901 |
| iv) Bank balance other than (iii) above | | - | - | - |
| v) Loans | | - | - | - |
| vi) Other financial assets | | - | - | - |
| Current Tax Assets | 9 | 35,000 | - | - |
| Other Current Assets | 10 | 3,270,521 | 522,801 | 522,801 |
| Total current assets | | 85,435,664 | 42,692,958 | 9,248,962 |
| TOTAL ASSETS | | 86,879,137 | 63,872,198 | 39,620,270 |

| EQUITY AND LIABILITIES | | | | |
|--------------------------------------|----|-------------------|-------------------|-------------------|
| EQUITY | | | | |
| Equity Share Capital | 11 | 40,142,125 | 40,142,125 | 40,142,125 |
| Other Equity | 12 | 4,515,577 | 1,005,720 | (3,107,326) |
| Total Equity | | 44,657,702 | 41,147,845 | 37,034,799 |
| LIABILITIES | | | | |
| Non-Current Liabilities | | | | |
| Financial liabilities | | | | |
| i) Borrowings | 13 | 750,000 | - | - |
| ii) Other Financial Liabilities | | - | - | - |
| Provisions | 14 | - | 976,150.00 | 57,267.00 |
| Employee benefit obligations | | - | - | - |
| Deferred Tax Liabilities | | - | - | - |
| Government grants | | - | - | - |
| Other non-current liabilities | | - | - | - |
| Total non-current liabilities | | 750,000 | 976,150 | 57,267 |
| Current Liabilities | | | | |
| Financial Liabilities | | | | |
| i) Borrowings | 15 | - | - | 2,500,000.00 |
| ii) Trade Payables | 16 | 39,650,576 | 21,658,053 | 0 |
| iii) Other Financial Liabilities | | - | - | - |
| Provisions | | 1,730,709.00 | - | - |
| Employee benefits obligations | | - | - | - |
| Government grants | | - | - | - |
| Current tax liabilities | | - | - | - |
| Other Current Liabilities | 18 | 90,150 | 90,150 | 28,205 |
| Total current liabilities | | 41,471,435 | 21,748,203 | 2,528,205 |
| TOTAL LIABILITIES | | 42221435 | 22724353 | 2585472 |
| TOTAL EQUITY AND LIABILITIES | | 86,879,137 | 63,872,198 | 39,620,270 |

For S C Mehra & Associates
Chartered Accountants
Firm Registration No. 106156W
Sd/-
(CA S C Mehra)
Partner
M. No: 039730

For Sagar Productions Limited

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

Sd/-
Deepak Mardhekar
Director and CFO
DIN: 06985092

Place : Mumbai
Date : 29.05.2018

Statement of Profit and Loss Account for the year ended March 31, 2018

(Amount in Rs.)

| PARTICULAR | Notes | 2017-18 | 2016-17 |
|---|--------------|-------------------|-------------------|
| Income | | | |
| Revenue from Operations | 19 | 95,555,569 | 50,472,500 |
| Other Income | 20 | 20,340 | - |
| Total Income | | 95,575,909 | 50,472,500 |
| Expense | | | |
| Cost of Raw material Consumed | | 19,692,290 | - |
| Purchases of Stock-In-Trade | 21 | 71,740,000 | 44,360,000 |
| Change In Inventories of Stock In Trade | 22 | (2,000,000) | - |
| Employees Benefit Expenses | 23 | 245,790 | 78,450 |
| Finance Cost | | - | - |
| Depreciation and Amortisation Expense | | - | - |
| Other Expenses | 24 | 1,009,046 | 956,003 |
| Total Expenses | | 90,687,126 | 45,394,453 |
| Profit / (Loss) Before Tax | | 4,888,783 | 5,078,047 |
| Tax expense | | | |
| Current Tax | | (1,000,000) | 1,000,000 |
| Deferred Tax | | - | - |
| Profit / (Loss) for the period | | 5,888,783 | 4,078,047 |
| proposed dividend and dividend tax | | 2,378,927 | |
| Other Comprehensive Income | | - | - |
| Total Comprehensive Income / (Loss) for the period | | 3,509,857 | 4,078,047 |
| Earnings per equity share: | 25 | | |
| Basic and Diluted | | 0.0874 | 0.1016 |
| [Face Value Rs. 10 each] | | | |

Summary of Significant Accounting Policies 1
 The accompanying notes are an integral part of Financial Statements
 As per our report of even date.

For S C Mehra & Associates
Chartered Accountants
Firm Registration No. 106156W
 Sd/-
(CA S C Mehra)
Partner
M. No: 039730
Place : Mumbai
Date : 29.05.2018

For Sagar Productions Limited

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

Sd/-
Deepak Mardhekar
Director and CFO
DIN: 06985092

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2018

(Amount in Rs.)

| PARTICULAR | 2017-18 | 2016-17 |
|---|---------------------------|------------------|
| PROFIT BEFORE TAX | 4,888,783 | 5,078,047 |
| DEPECIATION | - | |
| OPERATING PROFIT BEFORE | 4,888,783 | 5,078,047 |
| CHANGE IN WORKING CAPITAL | - | - |
| OTHER NON CURRENT INVESTMENTS | - | - |
| Non-current financial loan assets | - | - |
| INVENTORIES | (2,000,000) | 7,693,000 |
| TRADE RECEIVABLE | (27,941,569) | (33,415,600) |
| CURRENT FINANCIAL LOAN ASSETS | (2,015,434) | 1,499,068 |
| OTHER CURRENT ASSETS | (2,657,720) | - |
| CURRENT TAX ASSETS | (35,000) | - |
| CURRENT FINACIAL BORROWING | 750,000 | - |
| TRADE PAYABLES | 17,992,523 | - |
| OTHER FINACIAL LIABILITIES | - | 21,719,998 |
| OTHER CURRENT LIABILITIES | - | - |
| NET CHANGE IN WORKING CAPITAL | (11,018,417) | 2,574,513 |
| INCOME TAX PAYABLE | 1,000,000 | (46,117) |
| CASH FLOW FROM OPERATING ACTIVITIES | A (10,018,417) | 2,528,396 |
| PURCHASE OF PROPERTY PLANT AND EQUIPEMENT | - | (2,500,000) |
| CASH FLOW FROM INVESTING ACTIVITIES | B - | - |
| CASH FLOW FROM FINANCING ACTIVITES | - | - |
| PROCEEDS FORM ISSUE OF SHARE CAPITAL | C - | - |
| | A+B+C (10,018,417) | 28,396 |

| | | |
|--------------------------------|------------|----------|
| CASH OP.BALANCE | 94,297 | 65,901 |
| | 10,112,714 | |
| CASH CL. BALANCE | | 94,297 |
| | 10,018,417 | |
| CASH & CASH AT THE END OF YEAR | | (28,396) |

For S C Mehra & Associates
Chartered Accountants
Firm Registration No. 106156W

Sd/-
(CA S C Mehra)
Partner
M. No: 039730

Place : Mumbai
Date : 29.05.2018

For Sagar Productions Limited

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

Sd/-
Deepak Mardhekar
Director and CFO
DIN: 06985092

1 Significant Accounting Policies

1.1 Basis of Preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

These financial statements for the year ended 31st March, 2018 are the first financials with comparatives, prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under companies (Accounting Standard) Rule, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.

The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following:

- a) Certain financial assets and liabilities that are measured at fair value;
- b) Assets held for sale-measured at lower of carrying amount or fair value less cost to sell;
- c) Defined benefit plans – plan assets measured at fair value;

1.2 Summary of Significant Accounting Policies

a) Current vs Non-Current Classification

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

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b) Use of estimates and judgements

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

c) Property, Plant & Equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Property, plant & equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. In case of assets acquired in exchange for a non-monetary asset, the cost of such an item of property, plant and equipment is measured at fair value unless (a) the exchange transaction lacks commercial substance or (b) the fair value of neither the asset received nor the asset given up is reliably measurable. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

An item of Property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

d) Depreciation on Property, Plant & Equipment

Depreciation on Property, Plant & Equipment is calculated on a written down value (WDV) basis using the rates arrived at based on the useful lives estimated by the management which is as per the rates specified in Schedule II to the Companies Act, 2013.

e) Inventories

Inventories are valued at the lower of cost or net realizable value.

f) Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

g) Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h) Employee Benefits

Short term benefits and post-employment benefits are accounted in the period during which the services have been rendered.

i) Taxation

Current income tax

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

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

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

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

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

j) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal or its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses, are recognised in the statement of profit and loss.

k) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit or loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as part of finance costs.

l) Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

m) Cash and cash equivalents

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

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

n) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- (1) Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) Those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Debt Instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

Amortised Cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Profit and Loss. Interest income from these financial assets is included in other income.

Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss.

(iii) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

o) Earnings Per Share**Basic earnings per share**

Basic earnings per share is calculated by dividing:

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

Diluted earnings per shares

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

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

Notes to Financial Statements as at and for the year ended March 31, 2018

| Note 2. Investments | | | | | | |
|--------------------------------------|-----------------------------|---------------------|-----------------------------|---------------------|-----------------------------|---------------------|
| (Amount in Rs.) | | | | | | |
| PARTICULARS | As at 31.03.2018 | | As at 31.03.2017 | | As at 01.04.2016 | |
| | No. of Shares/ Units | Amount (Rs.) | No. of Shares/ Units | Amount (Rs.) | No. of Shares/ Units | Amount (Rs.) |
| Investment in quoted Shares | | | - | | - | |
| Investment in Unquoted Shares | | | | | | |
| Sibsagar Trade & ajenices | 300 | 60,000 | 300 | 60,000 | 300 | 60,000 |
| Total | | 60,000 | | 60,000 | | 60,000 |

| (Amount in Rs.) | | | |
|--|-------------------------|-------------------------|-------------------------|
| PARTICULARS | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
| Note 3. Loans | | | |
| (Unsecured, considered good) | | | |
| Loans & Advances | 1,000,000 | 1,000,000 | 2,520,568 |
| | 1,000,000 | 1,000,000 | 2,520,568 |
| Note 4. Othet Financial Assets | | | |
| Deposit | 335,000 | 380,000 | 380,000 |
| | 335,000 | 380,000 | 380,000 |
| Note5. Other Non-Current Assets | | | |
| Advance Payment of Tax | 48,473.00 | 46,950.00 | 25,450.00 |
| WIP | - | 19,692,290.00 | 27,385,290.00 |
| | 48,473.00 | 19,739,240 | 27,410,740 |
| Note 6. Inventories | | | |
| Stock In hand | 3,200,000 | 1,200,000 | 1,200,000 |
| | 3,200,000 | 1,200,000 | 1,200,000 |
| Note 7. Trade Receivables | | | |
| (Unsecured considered good) | | | |
| Outstanding for a period exceeding Six Month | 0 | 19,620,860 | - |
| Other | 68,817,429 | 21,255,000 | 7,460,260 |
| | 68,817,429 | 40,875,860 | 7,460,260 |

| | | | |
|---|-------------------|-------------------|---------------------|
| Note 8. Cash and Cash Equivalents | | | |
| Balances with Scheduled Bank | 10,085,941 | 40,445 | 57,232 |
| Cash on Hand | 26,772 | 53,852 | 8,669 |
| | 10,112,713 | 94,297 | 65,901 |
| Note 9. Current Tax Assets | | | |
| Advance Tax | 35,000 | - | - |
| | 35,000 | 0 | 0 |
| Note 10. Other Current Assets | | | |
| Advance to Creditors | 2,800,000 | | |
| Share Issue expenses | 470,521 | 522,801 | 522,801 |
| | 3,270,521 | 522,801 | 522,801 |
| Note 13. Borrowings | | | |
| Long Term Borrowings | 750,000 | - | - |
| | 750,000 | 0 | 0 |
| Note 14. Provisions | | | |
| Provision for tax | - | 973,230 | 54,347 |
| Provision for Sub-Assets | - | 2,920 | 2,920 |
| | 0 | 976,150 | 57,267 |
| Note 15. Borrowings | | | |
| Short Term Borrowings | 0 | - | 2,500,000.00 |
| | 0 | - | 2,500,000.00 |
| Note 16. Trade Payables | | | |
| Due to Micro and Small Enterprises | - | - | - |
| Due to Others | 39,650,576 | 21,658,053 | - |
| | 39,650,576 | 21,658,053 | 0 |
| Note 17. Provisions | | | |
| Dividend/Dividend Distribution tax | 1,412,645 | - | - |
| Others | 318,064 | - | - |
| | 1,730,709 | 0 | 0 |
| Note 18. Other Current Liabilities | | | |
| Outstanding Expenses | 90,150 | 90,150 | 28,205 |
| | 90,150 | 90,150 | 28,205 |

Notes to Financial Statements as at and for the year ended March 31, 2018

(Amount in Rs)

| PARTICULARS | As at 31.03.2018 | As at 31.03.2017 | As at 01.04.2016 |
|---|-------------------------|-------------------------|-------------------------|
| Note 11. Equity Share Capital | | | |
| Authorised | | | |
| 60,000,000 [31st March 2017: 60,000,000 and 1st April 2016: 60,000,000] Equity Shares of Rs. 1 each | 60,000,000 | 60,000,000 | 60,000,000 |
| Issued | | | |
| 40,150,075 [31st March 2017: 40,142,125 and 1st April 2016: 40,142,125] Equity Shares of Rs. 1 each | 40,150,075 | 40,150,075 | 40,150,075 |
| | 40,150,075 | 40,150,075 | 40,150,075 |
| Subscribed and Fully Paid up | | | |
| 40,142,125 [31st March 2017: 40,142,125 and 1st April 2016: 40,142,125] Equity Shares of Rs. 1 each | 40,142,125 | 40,142,125 | 40,142,125 |
| | 40,142,125 | 40,142,125 | 40,142,125 |

A. Reconciliation of the number of shares

| Equity Shares | As at 31st March 2018 | | As at 31st March 2017 | |
|---|------------------------------|---------------|------------------------------|---------------|
| | Number of Shares | Amount | Number of Shares | Amount |
| Balance as at the beginning of the year | 40,142,125 | 40,142,125 | 40,142,125 | 40,142,125 |
| Balance as at the end of the year | 40,142,125 | 40,142,125 | 40,142,125 | 40,142,125 |

B. Details of equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company

| Name of Shareholder | As at 31st March 2018 | | As at 31st March 2017 | | As at 1st April 2016 | |
|---------------------------------------|------------------------------|---------------------|------------------------------|---------------------|-----------------------------|---------------------|
| | Nos. | % of Holding | Nos. | % of Holding | Nos. | % of Holding |
| Winfotel Infomedia Technologies P.Ltd | 9,000,000 | 22.42% | 9000000 | 22.42% | 9000000 | 22.42% |
| Total | 9,000,000 | 0.22 | 9,000,000 | 0.22 | 9,000,000 | 0.2242 |

C. Terms/ Rights Attached to the Equity Shares

The Company has only one class of Equity Shares having a par value of Rs. 1 per share. Each holder of Equity shares is entitled to one vote per share.

Note 12. OTHER EQUITY

(Amount in Rs)

| PARTICULAR | Reserve & Surplus | | |
|--|----------------------------|---------------------|---------------------|
| | Securities Premium Reserve | Retained Earnings | Total |
| Balance as at 1st April, 2016 | 664334 | (3,771,660) | (3,107,326) |
| Profit for the year | 0 | 4,078,047 | 4,078,047 |
| Add:-Income Tax of Earlier Years | | 35,000 | 35,000 |
| Other comprehensive income for the year | 0 | - | - |
| Total comprehensive income for the year | 0 | 4,113,047 | 4,113,047 |
| Balance as at 31st March, 2017 | 664334 | 341,387 | 1,005,720 |
| Balance as at 1st April, 2017 | 664334 | 341,387 | 1,005,720 |
| Profit for the year | 0 | 5,888,783 | 5,888,783 |
| Less:- Dividend/Tax on Proposed dividend | | (2,378,927) | (2,378,927) |
| Other comprehensive income for the year | 0 | - | - |
| Total comprehensive income for the year | 0 | 3,509,856 | 3,509,856 |
| Balance as at 31st March, 2018 | 664334 | 3,851,242 | 4,515,576 |

Statement of changes in Equity for the year ended 31st March, 2018

| A. EQUITY SHARE CAPITAL | | Notes | (Amount in Rs) |
|---------------------------------|--|--------------|------------------------|
| As at 1st April, 2016 | | | 40,142,125.00 |
| Changes in equity share capital | | | - |
| As at 31st March, 2017 | | | 40,142,125.00 |
| Changes in equity share capital | | | - |
| As at 31st March, 2018 | | | 40,142,125.00 |

| B. OTHER EQUITY | | | |
|--|---------------------------------------|--------------------------|---------------------|
| (Amount in Rs) | | | |
| | Reserve & Surplus | | |
| PARTICULAR | Securities Premium Reserve | Retained Earnings | Total |
| Balance as at 1st April, 2016 | 664334 | (3,771,660) | (3,107,326) |
| Profit for the year | 0 | 4,078,047 | 4,078,047 |
| Add:- Income Tax of Earlier years | | 35,000 | |
| Other comprehensive income for the year | 0 | - | - |
| Total comprehensive income for the year | 0 | 4,113,047 | 4,078,047 |
| Balance as at 31st March, 2017 | 664334 | 341,387 | 1,005,721 |
| Balance as at 1st April, 2017 | 664334 | 341,387 | 1,005,721 |
| Profit for the year | 0 | 5,888,783 | 5,888,783 |
| less:- Tax on proposed dividend | | (2,378,927) | (2,378,927) |
| Other comprehensive income for the year | 0 | - | - |
| Total comprehensive income for the year | 0 | 3,509,856 | 3,509,856 |
| Balance as at 31st March, 2018 | 664334 | 3,851,242 | 4,515,576 |

Notes to Financial Statements as at and for the year ended March 31, 2018

| PARTICULARS | As at 31.03.2018 | As at 31.03.2017 |
|---|-------------------------|-------------------------|
| Note 19. Revenue from Operations | | |
| Sales | 95,555,569 | 50,472,500 |
| Other Operating Income | - | - |
| | 95,555,569 | 50,472,500 |
| Note 20. Other Income | | |
| Income tax refund | 20,340 | - |
| | 20,340 | - |
| Note 21. Purchase of Stock In Trade | | |
| Purchases | 71,740,000 | 44,360,000 |
| | 71,740,000 | 44,360,000 |
| Note 22. Change in Inventories of Stock-In-Trade | | |
| Inventory at the Beginning | 1,200,000 | 1,200,000 |
| Inventory at the End | 3,200,000 | 1,200,000 |
| | (2,000,000) | - |
| Note 23. Employees Benefit Expenses | | |
| Salaries and Bonus | 245,790 | 75,000 |
| Staff Welfare | 0 | 3,450 |
| | 245,790 | 78,450 |
| Note 24. Other Expenses | | |
| Advertisement & Sales Promotion Expenses | 34,523 | 58,478 |
| commission & brokerage | 35,000 | - |
| Conveyance & Travelling Expenses | 23,658 | - |
| General Expenses | 452,361 | 533,241 |
| Director Sitting Fees | - | 85,000 |
| Rent, Rate & Taxes | 295,100 | 180,000 |
| Legal & Professional Charges | 119,432 | 70,554 |
| Bank Charges | 11,800 | 7,015 |
| Printing, Stationery & Communication | 7,172 | 10,685 |
| <u>Auditor's Remuneration</u> | | |
| Audit Fees | 30,000 | 11,030 |
| | 1,009,046 | 956,003 |
| Note 25. Earnings Per Share | | |
| Basis for calculation of Basic and Diluted Earnings per share | | |
| is as under: | | |

| | | |
|---|------------|------------|
| Profit after tax (Rs.) | 3,509,857 | 4,078,047 |
| Weighted Average Number of Equity Shares (Nos) | 40,142,125 | 40,142,125 |
| Face Value of each Equity Share (Rs.) | 1 | 1 |
| Basic and Diluted Earnings Per Equity Share (Rs.) | 0.0874 | 0.1016 |
| | | |

Note 26. Fair Value

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments

(Amount in Rs.)

Carrying Value

| PARTICULARS | As at 31.03.2018 | As at 31.03.2017 | As at 31.03.2016 |
|---|-------------------|-------------------|-------------------|
| Financial Assets | | | |
| Investments | 60000 | 60000 | 60,000 |
| Loans - Loans & Advances to others | | | |
| - Loans & Advances to others | 1000000 | 1000000 | 2520568 |
| Other Financial Assets - Deposits | 335000 | 380000 | 380000 |
| Trade Receivables | 68817429 | 40875860 | 7460260 |
| Cash & Cash equivalents | 10112714 | 94297 | 65901 |
| Total | 80,325,143 | 42,410,157 | 10,486,729 |
| | | | |
| Financial Liabilities | | | |
| Borrowings | 750,000.00 | - | 2,500,000.00 |
| Trade Payables | | | |
| - Trade Payables to others | 39,650,576 | 21,658,053 | 0 |
| Other Financial Liabilities | | | |
| - Other Payables | 90,150 | 90,150 | 28,205 |
| Total | 40,490,726 | 21,748,203 | 2,528,205 |

The management assessed that Carrying Values approximate their fair value largely due to the short-term maturities of these instruments, hence the same has not been disclosed.

27. Related Party Transactions

Name of related parties in Transactions with company and description of relationship

Key Managerial Personnel (KMP):

| | |
|------------------|-------------------------|
| Kalakad Sathi | Whole-time Director |
| Deepak Mardhekar | Chief Financial Officer |

28. Transaction with Related Parties during the Year

Remuneration to Key Managerial Personnel (KMP)

(Amount in Rs.)

| Name of Related Party | Nature of Transaction | Year ending March 31, | Year ending March 31, |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Mr. Kalakad Sathi | Remuneration | - | - |
| Mr. Deepak Mardhekar | Remuneration | - | - |

29. In accordance with Accounting Standard Ind AS 108 'Operating Segment' the Company has only one reportable business segment and have only one reportable geographic segment in India.

30. Capital Risk Management:

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

31. **Contingent Liabilities:** Nil (Previous Year – Nil)

32. **Financial risk management objectives and policies**

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Market Risk

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

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities. The Company generally doesn't have collateral.

Trade Receivables and Security Deposits

Customer credit risk is managed by business through the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of each customer is assessed and credit limits are defined in accordance with this assessment. Outstanding customer receivables and security deposits are regularly monitored.

Liquidity Risk

The company's principal source of liquidity is cash and cash equivalents and the cash flow that is generated from operations. The company has no outstanding bank borrowings. The company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

33. **First time adoption of Ind AS**

These financial statements, for the year ended 31 March 2018, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Indian GAAP.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on or after 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening statement of financial position was prepared as at 1 April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the statement of financial position as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

Exemption Applied

Ind AS 101 allows first-time adopters certain mandatory and voluntary exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the exemption with respect to Property, Plant & Equipment.

As permitted by IND AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant & equipment.

Estimates

The estimates at 1 April 2016 and at 31 March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies) apart from impairment of financial assets based on expected credit loss model where application of Indian GAAP did not require estimation.

34. The following reconciliations provides a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS as required under Ind AS 101:

- a) Reconciliation of Balance Sheet as at April 1, 2016
- b) Reconciliation of Balance Sheet as at March 31, 2017
- c) Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

Reconciliation of Balance Sheet as at April 1, 2016

(Amount in Rs.)

| Assets | Regrouped Previous | Ind AS Adjustment | Ind AS |
|--------------------------------|---------------------------|--------------------------|---------------|
| 1) Non-Current Assets | | | |
| a) Property, Plant & Equipment | - | - | - |
| b) Financial Assets | | | |
| i) Investments | 60,000 | - | 60,000 |
| ii) Loans | 25,20,568 | - | 25,20,568 |
| iii) Other Financial Assets | 3,80,000 | | 3,80,000 |
| c) Deferred Tax Assets | - | - | - |
| d) Other non-current assets | 2,74,10,740 | | 2,74,10,740 |
| 2) Current Assets | | | |
| a) Inventories | 12,00,000 | - | 12,00,000 |
| b) Financial Assets | | | |
| i) Trade Receivables | 74,60,260 | - | 74,60,260 |
| ii) Cash and Cash Equivalents | 65,901 | - | 65,901 |
| iii) Loans | - | - | - |
| c) Current tax Assets | - | - | - |

| | | | |
|-----------------------------------|--------------------|---|--------------------|
| d) Other Current Assets | 5,22,801 | - | 5,22,801 |
| Total | 3,96,20,270 | - | 3,96,20,270 |
| Equity and Liabilities | | | |
| 1) Equity | | | |
| a) Equity Share Capital | 4,01,42,125 | - | 4,01,42,125 |
| b) Other Equity | (31,07,326) | - | (31,07,326) |
| 2) Non Current Liabilities | | | |
| a) Deferred Tax Liabilities | - | - | - |
| b) Provisions | 57,267.00 | | 57,267.00 |
| 3) Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | 25,00,000.00 | - | 25,00,000.00 |
| ii) Trade Payables | - | - | - |
| iii) Other Financial Liabilities | - | - | - |
| b) Current tax liabilities | - | | - |
| c) Other Current Liabilities | 28,205 | - | 28,205 |
| Total | 3,96,20,270 | - | 3,96,20,270 |

Reconciliation of Balance Sheet as at March 31, 2017

(Amount in Rs.)

| Assets | Regrouped Previous GAAP | Ind AS Adjustment | Ind AS |
|--------------------------------|--------------------------------|--------------------------|---------------|
| 1) Non-Current Assets | | | |
| a) Property, Plant & Equipment | - | - | - |
| b) Financial Assets | | | |
| i) Investments | 60,000 | - | 60,000 |
| ii) Loans | 10,00,000 | - | 10,00,000 |
| iii) Other Financial Assets | 3,80,000 | | 3,80,000 |
| c) Deferred Tax Assets | - | - | - |
| d) Other non-current assets | 1,97,39,240 | | 1,97,39,240 |
| 2) Current Assets | | | |
| a) Inventories | 12,00,000 | - | 12,00,000 |
| b) Financial Assets | | | |
| i) Trade Receivables | 4,08,75,860 | - | 4,08,75,860 |
| ii) Cash and Cash Equivalents | 94,297 | - | 94,297 |
| iii) Loans | - | - | - |
| c) Current tax Assets | - | - | - |

| | | | |
|-----------------------------------|--------------------|---|--------------------|
| d) Other Current Assets | 5,22,801 | - | 5,22,801 |
| Total | 6,38,72,198 | - | 6,38,72,198 |
| Equity and Liabilities | | | |
| 1) Equity | | | |
| a) Equity Share Capital | 4,01,42,125 | - | 4,01,42,125 |
| b) Other Equity | 10,05,720 | - | 10,05,720 |
| 2) Non-Current Liabilities | | | |
| a) Deferred Tax Liabilities | - | - | - |
| b) Provisions | 9,76,150.00 | | 9,76,150.00 |
| 3) Current Liabilities | | | |
| a) Financial Liabilities | | | |
| i) Borrowings | - | - | - |
| ii) Trade Payables | 2,16,58,053 | - | 2,16,58,053 |
| iii) Other Financial Liabilities | - | - | - |
| b) Current tax liabilities | - | | - |
| c) Other Current Liabilities | 90,150 | - | 90,150 |
| Total | 6,38,72,198 | - | 6,38,72,198 |

Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017

(Amount in Rs.)

| | Regrouped Previous GAAP | Ind AS Adjustment | Ind AS |
|-------------------------------------|--------------------------------|--------------------------|--------------------|
| Revenue from Operations | 5,04,72,500 | - | 5,04,72,500 |
| Other Income | - | - | - |
| Total Income | 5,04,72,500 | - | 5,04,72,500 |
| Expenses | | | |
| Purchases of Stock-In-Trade | 4,43,60,000 | - | 4,43,60,000 |
| Changes in Inventories of Stock-In- | - | - | - |
| Employee Benefit Expenses | 78,450 | - | 78,450 |
| Finance Cost | - | - | - |
| Depreciation and Amortisation | - | - | - |
| Other Expenses | 9,56,003 | - | 9,56,003 |
| Total Expenses | 4,53,94,453 | - | 4,53,94,453 |
| Profit Before Tax | 50,78,047 | - | 50,78,047 |
| Tax Expense | | | |
| Current Tax | 10,00,000 | - | 10,00,000 |

| | | | |
|---------------------------------------|------------------|---|------------------|
| Deferred Tax | - | - | - |
| Profit for the period | 40,78,047 | - | 40,78,047 |
| Other Comprehensive Income | - | - | - |
| Total Comprehensive Income for | 40,78,047 | - | 40,78,047 |

35. Certain Balances of parties under sundry debtors, creditors, loans and advances are subject to confirmations/reconciliation.
36. There was no expenditure/earning in Foreign Currency during the year.

For S C Mehra & Associates
Chartered Accountants
Firm Registration No. 106156W
Sd/-
(CA S C Mehra)
Partner
M. No: 039730

Place : Mumbai
Date : 29.05.2018

For Sagar Productions Limited

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

Sd/-
Deepak Mardhekar
Director and CFO
DIN: 06985092

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SAGAR PRODUCTIONS LIMITED

L93000MH1980PLC170432

Regd Office: B-403 Crystal Plaza, New Link Road, Andheri (W) Mumbai Mumbai City MH 400053

Tel.: +91-22-49725443, E-mail Id: splgrive@rediffmail.com Website: www.sagarproductions.com

ATTENDANCE SLIP

Please fill attendance slip and hand it over at the entrance of the meeting hall Joint shareholders may obtain additional Slip at the venue of the meeting

| | | | |
|-------------|--|---------------|--|
| D.P. Id* | | Folio No. | |
| Client Id * | | No. of Shares | |

NAME OF THE SHAREHOLDER / PROXYHOLDER: _____

I hereby record my presence at the 39th **Annual General Meeting** of the Company held on **Saturday, September 29, 2018 at 2.30 p.m.** at Nadiadwala Market (Hall), Opp. Laxmi Narayan Shopping Centre, Poddar Road, Malad (East), Mumbai-400097.

Signature of Shareholder/Proxyholder

Note: Members are requested to bring their Attendance Slip, sign the same at the place provided and hand it over at the entrance of the venue.

SAGAR PRODUCTIONS LIMITED

L93000MH1980PLC170432

Regd Office: B-403 Crystal Plaza, New Link Road, Andheri (W) Mumbai Mumbai City MH 400053

Tel.: +91-22-49725443, E-mail Id: splgrive@rediffmail.com Website: www.sagarproductions.com

PROXY FORM

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

Name of the Member(s) : _____
Registered Address : _____
Email ID : _____
Folio No./Client ID/DP ID : _____

I/We, being the member(s) of _____ shares of the above named Company, hereby appoint:

1) Name : _____ Address : _____

Email ID: _____ Signature: _____ or failing him

2) Name : _____ Address : _____

Email ID: _____ Signature: _____ or failing him

3) Name : _____ Address : _____

Email ID: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **39th Annual General Meeting** of the Company to be held on **Saturday, September 29, 2018** at **2.30 p.m.** at Nadiadwala Market (Hall), Opp. Laxmi Narayan Shopping Centre, Poddar Road, Malad (East), Mumbai-400097 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Ordinary Business | Special Business |
|---|--|
| <ol style="list-style-type: none">1. Adoption of financial statements for the year ended as at 31st March, 2018 and Reports of Directors' and Auditors' thereon.2. Re-appointment of Mr. Kalakad Sathi (DIN: 00150876), who retires by rotation.3. To declare final dividend on Equity shares of Re. 0.03 (3%) per share on 4,01,42,125 Equity shares for the financial year ended 31st March, 2018.4. Appointment of M/s. S C Mehra & Associates, Chartered Accountants (Firm Reg. No. 106156W) as Statutory Auditors of the Company. | <ol style="list-style-type: none">5. Regularization of the appointment of Mr. Subhash Chandra Choubisa as Director of the Company. |

Signed this _____ day of _____ 2018.

Signature of Shareholder
(holders)

Signature of the proxy

Notes:

1. This form, in order to be effective, should be duly completed, stamped, signed and deposited at the registered office of the Company, not less than 48 hours before the commence of the meeting.
2. Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

Sagar Productions Limited
B-403, Crystal Plaza, New Link
Road, Andheri West, Mumbai-
400053