

# Nagreeka<sup>®</sup> EXPORTS LIMITED

(STAR TRADING HOUSE RECOGNISED BY GOVT. OF INDIA)

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Ref.: NEL/ /2016

06/10/2016

<p>To Corporate Relationship Department Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001</p> <p><b>Scrip Code: 521109</b></p>	<p>To The Secretary National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (E) Mumbai 400 051</p> <p><b>Scrip Code: NAGREEKEXP</b></p>
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Dear Sir/ Madam,

Sub, : Annual Report under Regulation 34 of the SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015:

Pursuant to Regulation 34 of the SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015 please find attached herewith the Annual Report for the financial period ended as on 31/03/2016 and as duly approved and adopted by the Members in the 27<sup>th</sup> Annual General Meeting (AGM) of Nagreeka Exports Limited ("the Company") as was held on Thursday, the 29<sup>th</sup> September, 2016 at 10.30 a.m.

Thanking you,  
Yours truly,  
For Nagreeka Exports Ltd.

J. Tiwari  
Co. Secretary

BOARD OF DIRECTORS	:	Shri Sushil Patwari	—	Chairman
		Shri Sunil Patwari	—	Managing Director
		Shri Kailash Chandra Purohit	—	Whole-time Director
		Shri Mahendra Patwari	—	Whole-time Director
		Shri Mohan Kishen Ogra	—	Director
		Shri Bibhuti Charan Talukdar	—	Director
		Shri Mahabir Prasad Periwal	—	Director
		Shri Rajendra M. Ruia	—	Director
		Ms. Surabhi Sanganeria	—	Director
		Shri D. Das Choudhary	—	Director
COMPANY SECRETARY	:	Shri J. Tiwari		
BANKERS	:	Canara Bank, Overseas Branch, Kolkata, Mumbai		
		Oriental Bank of Commerce, Overseas Branch, Kolkata		
		State Bank of Patiala, Commercial Branch, Mumbai		
		Allahabad Bank, Industrial Finance Branch, Kolkata		
AUDITORS	:	M/s. Das & Prasad		
		Chartered Accountants		
		4, Chowringhee Lane		
		Kolkata - 700 016		
REGISTRAR & TRANSFER AGENT	:	M/s. Maheshwari Datamatics Pvt. Ltd.		
		6, Mangoe Lane, 2nd Floor,		
		Kolkata - 700 001		
REGISTERED OFFICE	:	18, R. N. Mukherjee Road		
		Kolkata - 700 001		
CORPORATE OFFICE	:	7, Kala Bhavan, 3, Mathew Road		
		Mumbai - 400 004		
WORKS	:	1. Village Yavluj, Taluka Pandhala		
		Dist. Kolhapur (Maharashtra)		
		2. Plot No. T-48, MIDC, Kagal-Hatkanangale		
		Five Star Industrial Area, Village - Talandage		
		Taluka Hatkanangale, Dist. Kolhapur (Maharashtra)		
		3. C-26, Panaki Industrial Estate		
		Site - 1, Kanpur - 208 022		

## CONTENTS

	Page No.
Directors' Report .....	2
Report on Corporate Governance .....	10
Auditors' Report .....	38
Balance Sheet .....	44
Statement of Profit & Loss .....	45
Cash Flow Statement .....	46
Notes on Accounts .....	47

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting the 27th Annual Report on the affairs of your Company together with the Audited Statements of Account for the Year ended March 31, 2016.

### FINANCIAL RESULT

	2015-2016 (Rs. In lacs)	2014-2015 (Rs. In lacs)
Revenue from operation	49221.54	47252.66
Other Income	641.22	586.89
	<u>49862.76</u>	<u>47839.56</u>
PBIDT	2910.64	3171.36
Interest	1928.87	2112.77
Depreciation	630.08	606.85
PROFIT BEFORE TAXATION	<u>351.69</u>	<u>451.74</u>
Adjustment of Tax	-97.76	53.29
PROFIT AFTER TAXATION	<u>253.93</u>	<u>505.03</u>
Profit Brought Forward from Previous Year	2303.64	1798.61
PROFIT AVAILABLE FOR APPROPRIATIONS	<u>2557.57</u>	<u>2303.64</u>
APPROPRIATIONS		
Balance carried to Balance Sheet	<u>2557.57</u>	<u>2303.64</u>
	<u>2557.57</u>	<u>2303.64</u>

### DIVIDEND

Your Directors do not recommend for payment of any dividend for the year ended 31st March, 2016 keeping in view the working capital requirement and ongoing capital expenditure.

### TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The Company has transferred a sum of Rs. 2,80,529/-, relating to Unpaid/ Unclaimed Dividend for the Financial Year 2007-08, to the Investor Education and Protection Fund in terms of section 124(6) of the Companies Act, 2013 on 04/12/2015.

### PERFORMANCE REVIEW

The year 2015-16 has been a difficult one for the Textile Industry. Low prices of oil and commodities kept price of cotton and fibres subdued. China continue to import less of cotton and cotton yarn. The Euro Zone remained slow and as such demand and prices of cotton yarn stayed low. even though price of cotton fibre also stayed moderate for most of the year, there was pressure on conversion margins as operating cost continued to increase.

The Company has managed these to grow volumes to achieve an increase in turnover from Rs. 47252.66 lacs in the previous year to Rs. 49221.54 lacs the year under review.

The poor monsoon of 2015-16 reduced yield and size of cotton crop in India. The prices of raw cotton are presently at very high level. The monsoon for 2016-17 are predicted to be good, hence in spite of reduced area better yields should result in a bigger crop and this augurs well for the industry and your Company.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Article of Association of the Company, Mr. Sunil Patwari, DIN 00024007, is liable to retire by rotation and being eligible offers himself to be re-appointed. The company has received declaration from the Director specifying his eligibility to be re-appointed as such.

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## **DIRECTORS' REPORT (Contd.)**

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Mr. Sushil Patwari's office of Executive Chairman is upto 30/09/2016. He is proposed to be re-appointed for a period of 5 years w.e.f. 01/10/2016.

In accordance with the requirements of Section 161(1) of the Companies Act, 2013, read with relevant provisions of Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Debabrata Das Choudhary, DIN 07479334, was appointed as an Additional Director in the Board Meeting dated 25th May, 2016. His term of office expires at this ensuing Annual General Meeting. He is proposed to be appointed as a regular director liable to retire by rotation. The Company has received requisite notice in writing from a member proposing Mr. Debabrata Das Choudhary as a Director in the forthcoming Annual General Meeting.

During the year, Mr. Kailash Chandra Purohit resigned from the Directorship of the Company with effect from 25th May, 2016. The Board appreciates the contributions of Sri Kailash Chandra Purohit during his tenure as a Director of the Company.

The brief resume of the directors seeking appointment/re-appointment in the forthcoming Annual General Meeting in pursuance of relevant provisions of the Companies Act, 2013 and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to the Annual General Meeting Notice.

### **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND PAYMENT OF REMUNERATION**

The Company's Policy on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, attributes of independence of Directors and other related matters provided under Section 178(3) of the Companies Act, 2013 are covered in Clause 3 of the Corporate Governance Report which forms part of this report. Further, information about element of remuneration package of Individual Director is provided in the extract of the Annual Return as provided under Section 92(3) of the Companies Act, 2013, and is enclosed as Annexure - C, in the prescribed Form MGT9 and forms part of this report. It is also available on the website of the Company.

### **DECLARATION BY INDEPENDENT DIRECTORS**

The Independent Directors fulfill the criteria of independence specified in Section 149 (6) of the Companies Act, 2013 and Rules made there-under and meet with requirement of Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors of the Company have filed their declaration with the Company at the beginning of the Financial Year 2016-17 affirming that they continue to meet the criteria of Independence as provided in Section 149(7) of the Companies Act, 2013 in respect of their position as an "Independent Director of the Company".

### **MANAGEMENT DISCUSSION AND ANALYSIS**

As per Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Management Discussion and Analysis in a separate report is annexed hereto and marked as Annexure - "B".

### **CORPORATE GOVERNANCE**

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance, with Auditors Certificate thereon, is enclosed as part of this Annual Report and marked as Annexure "C". Requisite Certificate from the Auditors of the Company, namely M/s Das & Prasad, regarding compliance of Corporate Governance as stipulated under Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to the report of Corporate Governance. Adequate steps, to ensure compliance of all the mandatory provisions of 'Corporate Governance' as provided in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges on which the Company's Shares are listed, have been taken and your company has continued good corporate governance practices.

### **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, a detailed report on Corporate Social Responsibility (CSR) is given under Corporate Governance, which forms part of this report. Your Directors are proud to be part of such noble initiative.

## DIRECTORS' REPORT (Contd.)

### NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors have met four times and Independent Directors met separately once during the year ended 31st March, 2016. Further the details of the meeting of the Board of Directors held during the year forms part of the Corporate Governance Report.

### BOARD EVALUATION

Under the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Performance Evaluation of the Board, its' Committees and Individual Directors was conducted and the same was based on questionnaire and feedback from all the Directors on the Board as a whole, Committees and Self Evaluation.

Directors who were designated, held separate discussion with each of the Directors' of the Company and obtained their feedback on overall Board effectiveness as well as each of the other Directors.

Based on the questionnaire and feedback, the performance of every Director was evaluated in the meeting of the Nomination and Remuneration Committee. The meeting of the Nomination and Remuneration Committee also reviewed the performance of the Executive Directors and Managing Director on goals (quantitative and qualitative) set.

A separate meeting of the Independent Directors was convened, which reviewed the performance of the Board as a Whole, the Non-Independent Directors and the Chairman. After the Annual Independent Directors meeting, the collective feedback of each of the Independent Directors was discussed by the Chairman of the Nomination and Remuneration Committee with the Board's Chairman, covering performance of the Board as a whole, performance of the Non-Independent Directors and the Board Committees. The results of the evaluation are satisfactory and adequate and meets the requirements of the Company.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134 (3)(c) of the Companies Act, 2013 and based on the representations received from the management, the directors hereby confirm having :

- (a) followed in the preparation of the annual accounts, the applicable accounting standards with proper explanation relating to material departures;
- (b) 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 of the company for that period;
- (c) 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) prepared the annual accounts on a going concern basis; and
- (e) laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### MATERIAL CHANGES EFFECTING THE COMPANY

There were no material changes and commitments effecting the financial position of the Company have occurred between 31st March, 2016 and the reporting date.

There were no significant and material orders passed by any regulators or courts or tribunal impacting the going concern status and company's operations in future.

## DIRECTORS' REPORT (Contd.)

### DEPOSITS

Your Company has not accepted any deposits during the year under review within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and accordingly no amount was outstanding as on the date of Balance Sheet.

### WHISTLE BLOWER POLICY

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a WHISTLE BLOWER POLICY. This policy is explained in corporate governance report and also posted on the website of the Company.

### DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company has in place an Anti Sexual Harassment Policy in line with the requirements of the "Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013". Internal Complaints Committee (ICC) has been set up to redress complaints received regarding Sexual Harassment.

All employees (Permanent, Contractual, Temporary, Trainees) are covered under this Act.

There were no complaints received during the period under review.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of Loans, Guarantees or Investments covered under section 186 of the Companies Act, 2013 forms part of the Notes to the Financial Statements.

### STATUTORY AUDITORS

At the Annual General Meeting held on 28th September, 2015 M/s. Das & Prasad (FRN 303054E), Chartered Accountants, Kolkata were appointed as the Statutory Auditors to hold office till the conclusion of the Annual General Meeting to be held in 2017. In terms of the provisions of Section 139 of the Companies Act, 2013 the appointment shall be placed for ratification by the shareholders.

### AUDITORS' REPORT

During the year under review, there are no qualification, reservations or adverse remarks or disclaimers in the Statutory Auditors Report and, therefore, do not call for any further explanation under Section 134 of the Companies Act, 2013.

### SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s M.K. Sharma & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company. Their report is attached as Annexure "E" and forms an integral part of this Report. As evident from the Annexure, the report being an unqualified one, does not call for any explanation under Section 134 of the Companies Act, 2013.

### COST AUDITORS

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Cost Audit Report issued for 2014-15 by M/s. V.J Talati & Co., Cost Accountants, was filed with the MCA Portal. As per the recommendations of the Audit Committee, M/s. V.J. Talati & Co., Cost Accountants, were re-appointed as Cost Auditors for issuing Cost Audit Report of the Company for the F.Y. 2015-16.

### ANNUAL RETURN EXTRACT

Pursuant to sec. 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 the details forming part of extract of the annual return in Form No. MGT - 9 is Annexed hereto as Annexure "F".

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

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## **DIRECTORS' REPORT (Contd.)**

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Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of Companies (Accounts) Rules, 2014 is given in Annexure -"A" to this report.

### **PARTICULARS OF EMPLOYEES**

None of the employees are drawing remuneration exceeding Rs. 5 Lacs per month or Rs. 60 Lacs per year. Hence, details required to be furnished in accordance with Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are not applicable.

The information required pursuant section 197 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of the Employees of the Company is detailed separately as Annexure D to the report.

### **LISTING AGREEMENT**

On September 2, 2015 the Securities and Exchange Board of India (SEBI) issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR) Regulations, 2015] effective from December 1, 2015. Accordingly the company has since entered into uniform listing agreement with both National Stock Exchange of India Limited and Bombay Stock Exchange Ltd.

### **APPRECIATION**

Your Directors are thankful to various agencies of the Central and State Government(s) for their support and Co-operation. Your Directors are also thankful to all stakeholders including customers, bankers and suppliers for their continued assistance, co-operation and support. Your Directors wish to place on record their sincere appreciation of all employees for their commitment and contribution to the Company. The Directors are also grateful for the confidence, faith and trust reposed by the shareholders of the Company and look forward to the same in future endeavors.

By order of the Board

Place: Kolkata  
Date: 25th May, 2016

**Sushil Patwari**  
Chairman



## ANNEXURE "A" TO DIRECTORS' REPORT

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Information pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is given in Annexure - "A" to this report.

#### A. CONSERVATION OF ENERGY

The Plant incorporates the latest technology for the conservation of energy. Particulars with respect to Conservation of Energy are given in Form - A.

	Year Ended 31.03.2016	Year Ended 31.03.2015
<b>Power Consumption</b>		
1 Electricity		
a) Purchased Units (in Lacs)	370.27	393.73
Total Amount (Rs. In Lacs)	2,218.21	2412.49
Rate per Unit (Rs.)	5.99	6.13
2 b) Own Generation		
Through Diesel Generator		
Total Units Generated (in lacs)	2.03	5.00
Unit per litre of Diesel Oil	5.81	3.43
Cost per unit (Rs.)	12.67	17.70
i) Coal	NIL	NIL
ii) Furnance Oil	NIL	NIL
iii) Other internal generation	NIL	NIL
2. Consumption of unit of production		
i) Electricity Unit per kgs of yarn	4.16	3.42
ii) Furnance Oil	NIL	NIL

#### B. TECHNOLOGY ABSORPTION

##### Effort made in Technology Absorption as per Form - B

Indigenous technology alone is used and Research and Development are carried out by separate Textile Research Association for Textile units, SITRA and BITRA and the Company is a member of these associations.

#### C. TOTAL FOREIGN EXCHANGE EARNED AND USED

	Year Ended 31.03.2016	Year Ended 31.03.2015
Earning	2,688,746,054	3,400,452,350
Outgo	54,578,613	143,758,467

By order of the Board

Place: Kolkata  
Date: 25th May, 2016

**Sushil Patwari**  
Chairman



## ANNEXURE “B” TO DIRECTORS’ REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### **(a) Economic Scenario**

2015 witnessed another year of slower than expected growth around the world. The growth is estimated at 2.4% given the backdrop of declining commodity prices, subdued trade and weak capital flows. However, corrective actions have already triggered a stabilising commodity scenario and a gradual tightening of financial conditions. Further, a rebalancing China is anticipated to support growth in the years to come. As per the estimates released by World Bank, the global economy is expected to grow by 3% through 2017-18.

Although India's GDP growth has been 7.6% in respect of the year ended 31st March, 2016, the overall impact has not been even at the ground level. In particular the textile industry has been facing economic problems. The outlook for the current year is also not promising.

#### **(b) Industry Structures and Development**

India's textile sector is one of the mainstay of the national economy. The industry currently estimated at around US\$108 billion, is expected to reach US\$223 billion by 2021, and has witnessed a spurt in investment during the last five years.

Indian textile sector is awaiting government's booster dose under "Make in India".

Beside allowing 100% FDI in the Indian Textile sector under the automatic route the Indian government has come up with a number of export promotion policies for the textile sector. Some of initiatives taken by the government to further promote the industry are as under : The Government of India is expected to soon announce a new Textile Policy. The Government of India has also implemented several export promotion schemes.

The Textile Ministry has spent over Rs. 500 Crores on various schemes for promotion and development of Textile sector in last two years. This had asymmetrical fallout, in as much as, 5 Lakh additional jobs have been created in 2014-2015 and 2015-2016.

#### **(c) Opportunities and Threats**

The Indian textiles industry, currently estimated at around US\$ 108 billion, is expected to reach US\$ 223 billion by 2021. The industry is the second largest employer after agriculture, providing employment to over 45 million people directly and 60 million people indirectly. The Indian Textile Industry contributes approximately 5 % to India's gross domestic product (GDP), and 14% to overall Index of Industrial Production (IIP). The Indian textile industry has the potential to reach US\$ 500 billion in size according to a study by Wazir Advisors and PCI Xylenes & Polyester. The growth implies domestic sales to rise to US\$ 315 billion from currently US\$ 68 billion. At the same time, exports are implied to increase to US\$ 185 billion from approximately US\$ 41 billion currently.

The increased penetration of organized retail, favourable demographics and rising income levels, is expected to drive textile demand. The huge size of the international textile market expected to be around US\$2.11 Trillion by 2025 is a growth opportunity for India. Numerous pro industry measures announced by the Central Government along with a number of State Governments are expected to increase the rate of investments within the sector. These developments augur well and will present the company with growth opportunities. Your company has augmented and strengthen manufacturing and marketing efforts and is in a position to take advantage of the evolving opportunities.

The cotton acreage is likely to go down to 108-110 lakh hectares in 2016-17 on the back of pest attacks in key cotton growing areas but predictions of a good monsoon are expected to boost the yield to deliver a bigger crop compared to last season.

#### **(d) Outlook**

A quick estimate shows that textiles export has been \$40 billions against projections of \$ 45 - 47.5 billions in 2015-2016. It is expected that textile export will touch \$48.5 billions in 2016-2017. It is a very ambitious projection. If, however, the estimated figure of Export can be achieved in 2016-2017, the yarn producers will be operationally benefitted.

The Central Government will soon announce industry friendly textile vision policy this year. It's expected that textile and consequently yarn industries will get a big boost. The thrust will be to create 1 crore new jobs in 3 years, attract Rs. 74000 Crore in investment and generate \$30 Billion exports. The endeavor of the Ministry will be to make this labour intensive industry cost competitive and achieve economies of scale which can help it to create a bigger share in the global market. It's also expected that the textile industry will have additional duty drawback incentives and flexible labour laws to increase productivity and profitability in the sector.

#### **(e) Management Perception of Risk Concern**

The cotton textile and yarn industry is seasonal in character. Therefore, it carries inherent risks. Moreover, if the cotton acreage goes down due to scanty rainfall, the prices of raw cotton will consequently go up. Adequate availability of raw cotton at right prices is crucial for the company any disruption in supply and/or changes in the cost structure will impact the profitability of the Company.

## ANNEXURE “B” TO DIRECTORS’ REPORT (Contd.)

Any adverse measures in terms of tariff and non tariff barriers, even in a comparative sense with respect to competing countries, effected by the companies target market are likely to pose a serious threat to its’ business. This will also have an adverse impact on the top and bottom- line of the company.

### (f) Internal Control System

The Company has well defined internal control policy and system. The Company takes abundant care to design, review and monitor the working of internal control system. Internal Audit in the organization is an independent appraisal activity and it measures the efficiency, adequacy and effectiveness of other controls in the organisation. Regular internal audits and checks are carried out to provide assurance that the responsibilities at various levels are discharged effectively and that adequate systems are in place. The review includes overseeing adherence of the management policies, safeguarding the assets of the Company and ensuring preparation of timely and accurate financial information. All significant issues are brought to the attention of the Audit Committee of the Board.

### (g) Human Resources / Industrial Relations:

Employees are the cornerstone of our business success. The Company has a co-operative work culture and the employees have a strong affinity to the Company. We have an experienced and qualified workforce across multiple disciplines. We are also led by a dedicated and experienced executive management team that has a median of 20 years of experience across the trade. Performance management is the key word for the company. Your Company also conducts in house training program at various levels. Industrial relations have been very smooth throughout the year. Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation on the shop floors of the various plants.

### (h) Cautionary Statement:

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements considering the applicable laws or regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations and tax structure , economic developments within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of the forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events.

## ANNEXURE “C” TO DIRECTORS’ REPORT

### CORPORATE GOVERNANCE REPORT

To uphold the spirit of best and transparent business governance, the Company actively seeks to adopt good corporate governance practices and to ensure compliance with all relevant laws and regulations. The company conducts business in a manner that is fair and transparent and also perceived to be such by others. In compliance with the requirement of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, (SEBI (LODR) Regulations, 2015) your company submits the Report on Corporate Governance as under.

#### 1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhancing the Share Holders' Value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important Policy matters.

#### 2. BOARD OF DIRECTORS

##### COMPOSITION

- The Company's Board at present has Nine (9) directors comprising of One Executive Chairman, One Managing Director, two Whole Time Directors and five Non-Executive Independent Directors. The number of non-executive Directors are more than 50% of total number of Directors and also the strength of Independent Directors is more than 50% of the of the total number of Directors. Further, the Company has one Woman Director on Board.
- None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees (in compliance to the requirements of Regulation 26(1) of the SEBI (LODR) Regulations, 2015) across all the companies in which he is a Director. All the Directors have made requisite disclosures regarding committee positions occupied by them in other companies.

The Board met 5 times, on the following dates, during the financial year 2015-16 :

28.05.2015	12.08.2015	14.11.2015	10.02.2016
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The names and categories of Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting as also the number of Directorships and committee positions as held by them in other Public Limited Companies as on 31.03.2016 are given below:

Name	Category	No. of Board Meeting held during the Financial Year	No. of Board Meetings attended during 15-16	Whether Attended AGM held on 28.09.15	No. of Directorship in other Public Limited Companies	No. of Committee Positions held in other Public Limited Companies		No. of Shares held in the Company as at 31.03.2016
						Chairman	Member	
Mr. Sushil Patwari	Promoter Executive	4	4	Yes	4	1	3	791900
Mr. Sunil Patwari	Promoter Executive	4	2	No	2	0	2	934900
Mr. Mahendra Patwari	Promoter Executive	4	4	No	0	0	0	534900
Mr. K. C. Purohit *	Executive	4	3	No	0	0	0	Nil
Mr. M. K. Ogra	Independent	4	4	Yes	4	3	0	Nil
Mr. B. C. Talukdar	Independent	4	4	Yes	2	0	5	Nil
Mr. M.P. Periwal	Independent	4	4	No	4	0	0	Nil
Mr. R. M. Ruia	Independent	4	4	No	1	0	0	19934
Ms. Surabhi Sanganerla	Independent	4	4	No	1	0	0	Nil

## ANNEXURE “C” TO DIRECTORS’ REPORT (Contd.)

\* Mr. Debabrata Das Choudhary was inducted as an Additional Director and Mr. K.C. Purohit resigned from the Board w.e.f. 25th May, 2016.

Policy for familiarization of Independent Directors with the Company including their roles, rights, responsibilities, business model and nature of industry of the Company was duly formulated and implemented.

### SEPARATE MEETING OF INDEPENDENT DIRECTORS:

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and Regulation 25(3) of the SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 15th March, 2016 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which are necessary to effectively and reasonably perform and discharge their duties. The performance evaluation of the Independent Directors was carried out by the entire Board which also evaluated the performance of the Board as a whole and also that of the Chairman of the Board. The Board also carried out evaluation of its various Committees and the Directors expressed their satisfaction with the evaluation process.

### 3. COMMITTEES OF THE BOARD

#### A) AUDIT COMMITTEE

The Audit Committee comprises of three Directors viz. Mr. M. K. Ogra as Chairman of the Committee, Mr. Sunil Patwari and Mr. B. C. Talukdar as its members. Mr. J. Tiwari, Company Secretary, is the Secretary of the Audit Committee. The terms of reference of the Audit Committee are as contained in Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations, 2015.

The Audit Committee met on the following dates during the financial year 2014-15:

28.05.2015	12.08.2015	14.11.2015	10.02.2016
------------	------------	------------	------------

#### ATTENDANCE OF THE AUDIT COMMITTEE MEETING:

Name of the Directors	Number of Meeting Held	Number of Meeting Attended
Mr. M.K.Ogra	4	4
Mr. B.C.Talukdar	4	4
Mr. Sunil Patwari	4	2

Necessary quorum was present at the meeting. Representatives of Statutory Auditors of the Company were invited to the meetings, as and when required. The Chairman of the Audit Committee was present in the last Annual General Meeting.

#### B) STAKEHOLDERS' RELATIONSHIP COMMITTEE

The terms of reference of the Audit Committee are as contained in Regulation 20 of the SEBI (LODR) Regulations, 2015. The Committee comprises of:

1. Mr. M.K.Ogra	Chairman	Independent Director
2. Mr. Sushil Patwari	Member	Promoter Executive
3. Mr. Sunil Patwari	Member	Promoter Executive

The Committee met four times on the following dates during the financial year 2015-16:

28.05.2015	12.08.2015	14.11.2015	10.02.2016
------------	------------	------------	------------

The Committee is prompt in attending to the requests received for transfers, as well as issue of duplicate certificates. The number of Complaints received during the Financial Year 2015-16 are as under:

Number of complaints received from Investors comprising of Non-receipt of Dividend and Annual Reports , Shares sent for Transfer and Transmission, Complaints received from SEBI, Stock Exchanges and direct from Investors, Registrar of Companies etc.	NIL
Number of Complaints resolved	N.A.
Number of Complaints pending as on 31.03.2016	NIL

## ANNEXURE “C” TO DIRECTORS’ REPORT (Contd.)

### C) NOMINATION AND REMUNERATION COMMITTEE

The Committee aligns with the requirements prescribed under the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015. The Nomination and Remuneration Committee of the Board met on 15th March, 2016.

Terms of Reference of the Committee are as under:

The primary purpose of the Committee, among other things, is to determine and propose the following for Board's approval:-

- to identify persons who are qualified to become Directors and also who may be appointed in senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- to formulate the criteria for performance evaluation of Independent Directors and the Board;
- to carry out performance evaluation of Independent Directors along with the Board as a whole ;
- to evaluate the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate Directors.

The Nomination and Remuneration Committee comprised of the following three Directors of the Company:

1. Mr. Mohan Kishen Ogra	Chairman	Independent Director
2. Mr. Bibhuti Charan Talukdar	Member	Independent Director
3. Mr. Mahabir Prasad Periwal	Member	Independent Director

The Company has paid remuneration to Directors including Executive Directors according to approval granted by the members of the Company in the concerned Annual General Meetings.

Given below are the details of remuneration to Directors during the financial year 2015-16

Name of Directors	Sitting Fees (Rs.)	Salary (Rs.)	Perquisites (Rs.)	Commission (for 2014-15 paid during the year ) (Rs.)
1. Mr. Sushil Patwari	NIL	36,00,000/-	NIL	NIL
2. Mr. Sunil Patwari	NIL	36,00,000/-	60,000/-	NIL
3. Mr. Mahendra Patwari	NIL	36,00,000/-	60,000/-	NIL
4. Mr. Kailash Chandra Purohit	NIL	10,20,000/-	NIL	NIL
5. Mr. Mohan Kishen Ogra	36,000/-	NIL	NIL	NIL
6. Mr. Bibhuti Charan Talukdar	28,000/-	NIL	NIL	NIL
7. Mr. Rajendra Mahavir Prasad Ruia	20,000/-	NIL	NIL	NIL
8. Mr. Mahavir Prasad Periwal	15,000/-	NIL	NIL	NIL
9. Ms. Surabhi Sanganeria	20,000/-	NIL	NIL	NIL

Non-executive Directors are paid remuneration by way of sitting fees. The Company pays remuneration to its Executive Chairman/ Managing / Whole Time Directors by way of salary and perquisites. Remuneration is paid as approved by the Remuneration Committee, Board of Directors and shareholders. The Board, on the recommendations of the Remuneration Committee, approves the annual increments. The appointment / reappointment of Managing / Whole Time Directors are contractual and subject to termination by three months' notice in writing on either side.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has also formed Corporate Social Responsibility (CSR) Committee with the following Directors as per the requirements of Sec. 135 of the Companies Act, 2013:

1. Mr. Sushil Patwari	Chairman	Promoter Executive
2. Mr. Sunil Patwari	Member	Promoter Executive
3. Mr. M. K. Ogra	Member	Independent Director

## ANNEXURE “C” TO DIRECTORS’ REPORT (Contd.)

The main focus of the Company in the CSR activities will be as under :

- Work actively in areas of Eradication of extreme hunger and poverty;
- Provide opportunity and financial assistance for the Promotion of education;
- Promoting gender equality and empowering women;
- Rural development.

The Company's CSR activities are primarily in the field of woman empowerment and promoting woman education, tribal education and Health Care.

The Committee members met once on 15/03/2016 to review the policy and implementations and to monitor the implementation procedures of the CSR activities undertaken by the Company.

### Average net profits of the company for last three financial years:

Average Net Profit: Rs. 7,01,32,496/-

### Prescribed CSR Expenditure (Two percent of the amount as stated above)

The Company was required to spend Rs. 14,02,620/-

### Details of CSR spent during the financial year:

(a) Total amount spent for the financial year 2015-16 is Rs. 14,94,800/-

(b) Amount unspent, if any is NIL

(c) Amount spent in excess of required , if any Rs. 92,180/-

(d) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the Project or programs Financial year 2015-2016	Cumulative expenditure Upto to the reporting period	Amount spent Directly or through Implementing Agency
1	Women empowerment & education	Education	Srimadhapur, Sikar, Rajasthan		25,000/-		Patwari Charity Trust on account of GDML Patwari PG College for Girls.
			Mumbai, Maharashtra		4,800/-		PHF Project Colour for 1 yr. education of 1 child
			Srimadhapur Sikar, Rajasthan		11,00,000/-		Nagreeka Foundation on account of GDML Patwari PG College for Girls.
2.	Rural development	Education & Rural development	Alipurduar, West Bengal		1,40,000/-		Friends of Tribal Society for One Teacher School.
3.	Promoting Preventive Health Care	Health Care	Mumbai, Maharashtra		1,60,000/-		Rotary Club of Bombay Queen City Foundation
			Mumbai, Maharashtra		15,000/-		Global Vision, care for Cancer Patients
			Kolkata, West Bengal		50,000/-		Jyotirmai Club for rheumatic Medical Camp
		TOTAL			14,94,800/-		

## ANNEXURE “C” TO DIRECTORS’ REPORT (Contd.)

### PREVENTION OF INSIDER TRADING CODE:

As per SEBI (Prevention of Insider Trading) Regulation, 1992, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees at Senior Management level and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code. The Company has appointed the Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. During the year under review there has been due compliance with the said code.

### VIGIL MECHANISM

The Company has adopted a vigil mechanism, which includes whistle blower policy and has established necessary mechanism in line of the requirements of the Companies Act, 2013 and the Listing Agreement. The policy provides safeguard against victimization of employees who avail the mechanism for reporting any unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct. No person or personnel are denied access to the Audit Committee. Protected disclosures can be made by a whistle blower through any electronic or physical communication to the Audit Committee Chairman.

#### 4. SUBSIDIARY

The Company does not have any subsidiary Company.

#### 5. DISCLOSURE OF ACCOUNTING TREATMENT IN PREPERATION OF FINANCIAL STATEMENTS

The Company has followed the accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

#### 6. DETAILS OF NON- COMPLIANCE BY THE COMPANY IN THE LAST THREE YEARS.

Your Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges and SEBI Regulations. No penalties or strictures have been imposed on your Company by the Stock Exchanges or SEBI or any other Statutory Authority in connection with violation of Capital Market norms, rules, regulations, etc. in the last three years.

#### 7. DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING:

Name of Director	Sri Sunil Patwari	Mr. Debabrata Das Choudhary	Sri Sushil Patwari
Date of Birth	15.11.1960	14.02.1953	20.09.1954
Date of Appointment	30.01.2006	25.05.2016	06.03.1989
Qualification(s)	B. Com, F.C.A., MBA-IIM	B.Sc (Tech) in Textile Technology, PGDCM, FIE (India), Chartered Engineer	B.Com
Expertise in specific Functional area	Industrialist having rich business experience of over 30 years, a renowned personality in his field.	Eminent personality in the field of Textile Technology with more than 41 years of expertise	Industrialist having rich business experience of over 30 years, a renowned personality in his field.
List of other Directorship held excluding foreign companies, companies under section 8 of the Companies Act, 2013 and Private Companies.	1. Nagreeka Capital & Infrastructure Ltd. 2. GPT Infraprojects Ltd.	NIL	1. Nagreeka Capital & Infrastructure Ltd. 2. Rupa & Co. Ltd. 3. Jaidka Motors Co. Ltd. 4. Reliance Processors Ltd.
Chairman / Member of the committees of the Board of other Companies in which he / she is a Director	Nagreeka Capital & Infrastructure Ltd. Audit Committee  GPT Infraprojects Ltd. Nomination & Remuneration Committee	NONE	Nagreeka Capital & Infrastructure Ltd. Stakeholders' Relationship Committee Nomination & Remuneration Committee Rupa & Co. Limited Nomination & Remuneration Committee
Shareholding in the Company	934,900	NIL	7,91,900



## ANNEXURE “C” TO DIRECTORS’ REPORT (Contd.)

### 8. DETAILS OF GENERAL MEETINGS

A. Locations, Date and Time of last three Annual General Meetings held are as under:

Sr.No	Year	Location	AGM / EGM	Date	Day	Time	No. of Special Resolution Passed
1.	2014-15	Bengal National Chamber of Commerce and Industry, 23, R. N. Mukherjee Road Kolkata - 700 001	26th A.G.M	28.09.15	Monday	10.30 am	NIL
2.	2013-14	Bengal National Chamber of Commerce and Industry, 23, R. N. Mukherjee Road Kolkata - 700 001	25th A.G.M	10.09.14	Wednesday	10.30 am	2
3.	2012-13	Bengal National Chamber of Commerce and Industry, 23, R. N. Mukherjee Road Kolkata - 700 001	24th A.G.M	24.09.13	Tuesday	10.30 am	1

No item was passed by any resolution through postal ballot during the financial year 2015-16.

At the forthcoming Annual General Meeting, there is no item in the Agenda which needs approval by way of Special Resolution through Postal Ballot.

### 9. DISCLOSURES

- There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management Staffs as defined in Regulation 23 of the SEBI (LODR) Regulations, 2015, where they have personal interest that may have a potential conflict with the interests of the Company at large requiring disclosure by them to the Board of Directors of the Company.
- The particulars of transactions between the Company and its related parties in accordance with Accounting Standard 18 are set out in Note No.33 to the Accounts. These transactions are in the ordinary course and are not likely to have any conflict with the interest of the Company.
- All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
- Risk assessment and its minimization procedures have been laid down by the Company and the same have been informed to Board Members. These procedures are periodically reviewed to ensure that executive management controls risks through means properly defined.
- No penalties or strictures have been imposed on the company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- Management Discussion and Analysis forms part of the Annual Report to the members and it includes discussion on matters as required under the provisions of uniform listing agreement with stock exchange.

### 10. CODE OF CONDUCT OF DIRECTORS AND SENIOR MANAGEMENT STAFF

The Company adopted a Code of Conduct for its Directors and Senior Management Staff. The Code has also been posted on the company's website.

## ANNEXURE “C” TO DIRECTORS’ REPORT (Contd.)

### 11. CEO’S CERTIFICATION

A Certificate duly signed by the Chairman relating to Financial Statements and Internal Controls and Internal Control Systems for financial reporting as per the format provided in Regulation 20 of the SEBI (LODR) Regulations, 2015 was placed before the Board, who took the same on record.

### 12. GENERAL SHAREHOLDER INFORMATION:

The Company has paid the Annual Listing Fees to Bombay Stock Exchange Limited and National Stock Exchange of India Limited for the financial year 2016-17.

Annual General Meeting	27th
Date and Time	: Thursday, 29th September, 2016 at 10.30 A.M.
Venue	: Bengal National Chamber of Commerce & Industry, 23, R.N. Mukherjee Road, Kolkata- 700 001
Financial Calendar (Tentative)	: Year ending - 31st March, 2017
	First Quarter Results Before end of 2nd week of August’16
	Second Quarter and Half Yearly Results Before end of 2nd week of November’16
	Third Quarter Results Before end of 2nd week of February’17
	Audited results for Fourth Quarter and year ending 31st March, 2017 Before end of May ’17
	Annual General Meeting for Year ending 31st March’17 Before end of September’17
Date of Book Closure	: 22nd September, 2016 to 29th September, 2016 (both days inclusive)
Listing of Stock Exchanges	: 1. Bombay Stock Exchange Limited 2. National Stock Exchange of India Limited

### 13. STOCK CODE:

Bombay Stock Exchange Limited : 521109

National Stock Exchange of India Limited : NAGREEKEXP

### 14. PLANT LOCATION

1. Village Yavluj, Taluka Panhala, Dist . Kolhapur, Maharashtra.
2. Plot No. T-48, MIDC, KAGAL-Hatkanangale Five star Industrial Area  
Village:Talandage Taluka Hatkanangale, Dist. Kolhapur (Maharashtra)
3. C-26, Panaki Industrial Estate, Site - 1, Kanpur - 208 022

### 15. MEANS FOR COMMUNICAION

The quarterly results are published in the leading English daily Newspaper The Echo of India and Bengali Newspapers (Arthik Lipi). Management discussion and analysis form part of the Annual Report.

### 16. DEMATERIALISATION OF SHARES

As on 31st March, 2016, 95.68% of the Share Capital comprising 11959646 shares are in dematerialized form. Under the depository system the International Securities Identification Number (ISIN) allotted to the company’s shares is INE 123B01028. The Company has not issued any Share during the period under reporting. The Equity shares are listed with both NSE and BSE and the Annual Listing Fees for 2016-17 was duly been paid.

### 17. ADDRESS FOR CORRESPONDENCE

#### a) Routine Matters:

For any assistance regarding Share transfer and transmissions, change of address, non-receipt of dividends, duplicate / missing share certificates, demat and other matters communication may be made to the Share Department of the Company at the address given below:

Nagreeka Exports Limited, 18, R. N. Mukherjee Road, Kolkata - 700 001.  
Phone No. 2248-4922, 2248-4943, Fax No. (033) 2248-1693  
E-mail ID: compsect.nel@nagreeka.com

## ANNEXURE "C" TO DIRECTORS' REPORT (Contd.)

OR

Registrar & Share Transfer Agent , Maheshwari Datamatics (P) Ltd., 6, Mangoe Lane, Kolkata - 700 001. Phone Nos. 2248-2248, 2243-5809, Fax No. (033) 2248-4787, E-mail ID: mdpldc@yahoo.com Website: www.mdpl.in

### b) For Redressal of Complaints and Grievances:

The Secretary  
Nagreeka Exports Ltd.  
18, R.N. Mukherjee Road  
Kolkata - 700 001.

Telephone Nos.(033) 2248-4922, 2248-4943  
Fax No. (033) 2248-1693  
E-mail ID: compsect.nel@nagreeka.com

### DISTRIBUTION OF SHARE HOLDING PATTERN BY SIZE AS ON 31.03.2016

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1) 1 to 50	1030	9.7946	25044	0.2004
2) 51 to 100	6794	64.6063	676550	5.4125
3) 101 to 150	124	1.1792	16905	0.1352
4) 151 to 250	1028	9.7756	207396	1.6592
5) 251 to 500	782	7.4363	307030	2.4563
6) 501 to 5000	650	6.1811	965415	7.7235
7) 5001 and above	108	1.0270	10301360	82.4129
<b>TOTAL</b>	<b>10516</b>	<b>100.00</b>	<b>12499700</b>	<b>100.00</b>

### DISTRIBUTION OF SHARE HOLDING PATTERN BY VALUE AS ON 31.03.2016

Nominal Value of (Rs.)	No. of Shareholders	Percentage	Amount	Percentage
1) Upto 5000	10136	93.3865	7744480	12.3915
2) 5001 to 10000	151	1.4359	1191345	1.9062
3) 10001 to 20000	93	0.8844	1419780	2.2717
4) 20001 to 30000	38	0.3614	915240	1.4644
5) 30001 to 40000	12	0.1141	419395	0.6710
6) 40001 to 50000	14	0.1331	649540	1.0393
7) 50001 to 100000	23	0.2187	1766785	2.8269
8) Above 100000	49	0.4660	48391935	77.4290
<b>TOTAL</b>	<b>10516</b>	<b>100.00</b>	<b>62498500</b>	<b>100.00</b>

## ANNEXURE "C" TO DIRECTORS' REPORT (Contd.)

### CATEGORY OF SHAREHOLDERS AS ON 31.03.2016:

Category	No. of Shares Held	Percentage of shareholding
<b>A. PROMOTER'S HOLDING</b>		
(a) Individual / Huf	4472800	35.7833
(b) Bodies Corporate	2105186	16.8419
<b>Sub-Total(A)</b>	<b>6577986</b>	<b>52.6252</b>
<b>B. PUBLIC HOLDING</b>		
<b>1. INSTITUTIONS</b>		
(a) Mutual Funds and UTI	3300	0.0264
(b) Banks/ Financial Institutions	300	0.0024
(c) FIs	300	0.0024
(d) Qualified Foreign Investor		
<b>Sub- Total(B)(1)</b>	<b>3900</b>	<b>0.0312</b>
<b>2. NON-INSTITUTIONALS</b>		
(a) Bodies Corporate	2213833	17.7111
(b) Individuals		
(i) Individual shareholders holding nominal share capital Upto Rs. 2 Lakh.	2739793	21.9189
(ii) Individual shareholders holding nominal share capital in excess of Rs.2 Lakh	719314	5.7547
(c) Any Other		
(i) Non- Resident Individuals	212279	1.6983
(ii) Clearing Member	32595	0.2608
<b>Sub-Total(B)(2)</b>	<b>5917814</b>	<b>47.3438</b>
<b>Grand Total (A+B+C)</b>	<b>12499700</b>	<b>100.00</b>

### 18. MARKET PRICE DATA (Rs.)

MONTH	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr'2015	25.00	19.70	26.95	19.50
May'2015	24.45	20.05	23.60	20.50
Jun'2015	22.50	16.55	22.45	14.70
Jul'2015	32.85	19.90	31.85	20.00
Aug'2015	45.70	26.05	45.70	25.80
Sep'2015	26.75	23.05	27.10	22.90
Oct'2015	31.20	23.15	30.75	22.85
Nov'2015	34.00	25.30	24.50	25.50
Dec'2015	37.85	28.50	40.00	28.80
Jan'2016	43.00	28.30	44.10	28.30
Feb'2016	34.50	22.00	36.00	21.40
Mar'2016	27.50	21.70	26.90	22.20

For & on behalf of the Board

Place: Kolkata  
Date: 25.05.2016

**Mr. Sushil Patwari**  
Chairman

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**ANNEXURE “C” TO DIRECTORS’ REPORT (Contd.)**

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**DECLARATION**

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the Financial Year ended 31st March, 2016.

For & on behalf of the Board

Place: Kolkata  
Date: 25.05.2016

**Mr. Sushil Patwari**  
Chairman

**AUDITORS’ CERTIFICATE**

TO THE MEMBERS

**NAGREEKA EXPORTS LIMITED**

We have examined the compliance of conditions of corporate governance by Nagreeka Exports Limited, for the year ended on 31st March, 2016, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges for the period 1st April, 2015 to 23rd February, 2016 and as per the relevant provisions of Securities and Exchange Board (Listing Obligations and Disclosures Requirements) Regulation, 2015 [SEBI (LODR) Regulations, 2015] from 24th February, 2016 to 31st March, 2016.

The compliance of conditions of corporate governance is the responsibility of the Company’s management. Our examination was limited to the procedures and implementation thereof, in accordance with the guidance note on Corporate Governance Certificate issued by the ICAI, adopted by the Company for ensuring compliance conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchange(s).

We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders’ grievance Committee.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **DAS & PRASAD**  
Chartered Accountants  
Firm’s Registration No. 303054E

**(CA. A. K. AGARWALA)**  
Partner  
M. No. 062368  
Firm Regn. No. 303054E

Place : Kolkata  
Date : 25th May, 2016

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**COMPLIANCE CERTIFICATE**

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**Ref: Regulation 17(8) of the SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015**

May 25, 2016

To,  
The Board of Directors  
**Nagreeka Exports Limited**  
18, R.N. Mukherjee Road,  
Kolkata - 700 001

We, Sushil Patwari, Chairman and Kedar Nath Bansal, Chief Financial Officer of the Company hereby certify that:

- A. We have reviewed the financial statements and cash flow statement for the year ended March 31, 2016 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. 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.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2016 are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we 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 have been taken to rectify these deficiencies.
- D. We have indicated to the Auditors and Audit Committee that there are no:
1. Significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata  
Date : 25th May, 2016

Sd/-  
**Sushil Patwari**  
Chairman

Sd/-  
**Kedar Nath Bansal**  
Chief Executive Officer

## ANNEXURE “D” TO DIRECTORS’ REPORT

Statement under Section 197(12) of the Companies Act, 2013, read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16	Mr. Sushil Patwari Mr. Sunil Patwari Mr. Mahendra Patwari Mr. K. C. Purohit	31.87 : 1 32.40 : 1 31.40 : 1 9.03 : 1																								
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, in the financial year 2014-15 Director : Mr. Sushil Patwari, EC Mr. Sunil Patwari, MD Mr. Mahendra Patwari, WTD Mr. K. C. Purohit, WTD C.F.O. : Mr. Kedar Nath Bansal C.S. : Mr. Jitendra Tiwari		Unchanged Unchanged Unchanged Unchanged Unchanged Unchanged																								
	The above increase in remuneration to the Directors and CFO was based on the recommendation of the Nomination and Remuneration Committee to revise the remuneration as per industry benchmarks.																										
(iii)	The percentage increase in the median remuneration of employees in the financial year;		8%																								
(iv)	The number of permanent employees on the rolls of company		865																								
(v)	The explanation on the relationship between average increase in remuneration and company performance	The average increase is based on the objectives of remuneration policy of the company, which is designed to retain the employees into this organization. Pay mix is designed to reflect the performance and is aligned to the long term interests of the Company.																									
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Change in Revenue as % Change in EBDITA as % Change in PBT as % Change in PAT as % Change in EPS as %	-24.65% -20.45% -55.19% 3.83% 3.83%																								
(vii)	Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in Comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	<table> <tr> <th>Financial Year ended</th><th>Closing Price (NSE)</th><th>Market Capitalisation</th><th>Price Earning Ratio</th></tr> <tr> <td>31/03/2016</td><td>25.45</td><td>318117365</td><td>12.54</td></tr> <tr> <td>31/03/2015</td><td>21.95</td><td>274368415</td><td>5.43</td></tr> </table> <table> <tr> <th>Financial Year ended</th><th>Closing Price (BSE)</th><th>Market Capitalisation</th><th>Price Earning Ratio</th></tr> <tr> <td>31/03/2016</td><td>25.45</td><td>318117365</td><td>12.54</td></tr> <tr> <td>31/03/2015</td><td>21.90</td><td>273743430</td><td>5.42</td></tr> </table>	Financial Year ended	Closing Price (NSE)	Market Capitalisation	Price Earning Ratio	31/03/2016	25.45	318117365	12.54	31/03/2015	21.95	274368415	5.43	Financial Year ended	Closing Price (BSE)	Market Capitalisation	Price Earning Ratio	31/03/2016	25.45	318117365	12.54	31/03/2015	21.90	273743430	5.42	
Financial Year ended	Closing Price (NSE)	Market Capitalisation	Price Earning Ratio																								
31/03/2016	25.45	318117365	12.54																								
31/03/2015	21.95	274368415	5.43																								
Financial Year ended	Closing Price (BSE)	Market Capitalisation	Price Earning Ratio																								
31/03/2016	25.45	318117365	12.54																								
31/03/2015	21.90	273743430	5.42																								
	The maiden public issue was in 1994. Since then there was one Scheme of Arrangement in 2006-07 and face value reduced to Rs. 5/- each. Therefore the offer price during public offer and present market price are not comparable.																										
(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	During the last financial period on an average 8% increase on salaries was made to employees other than the managerial personnel against NO increase of the Managerial remunerations. The same is based on the remuneration policy of the Company rewarding persons as per their contributions to the company's success and responsibility sharing.																									



**ANNEXURE “D” TO DIRECTORS’ REPORT (Contd.)**

(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	KMP Name	Salary increase	Revenue change as	EBIDTA change as	PAT change as
		Mr. Sushil Patwari, EC	NIL			
		Mr. Sunil Patwari, MD	NIL			
		Mr. Mahendra Patwari, WTD	NIL	-24.65	-20.45	3.83
		Mr. K. C. Purohit, WTD	NIL			
		Mr. K.N. Bansal, CFO	NIL			
		Mr. J. Tiwari, CS	NIL			
(x)	The key parameters for any variable component of remuneration availed by the directors are considered by the Board of Directors based on recommendation of the Nomination and Remuneration Committee as per remuneration policy for Directors, Key Managerial Persons and Employees.					
(xi)	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year					N.A.
(xii)	Affirmation that the remuneration is as per the remuneration policy of the company					Yes



**ANNEXURE “E” TO DIRECTORS’ REPORT (Contd.)**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2016

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

To,  
The Members,  
**Nagreeka Exports Limited**  
18, R. N. Mukherjee Road  
6th Floor, Kolkata- 700001

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit. We hereby report that the Company has, during the audit period covering the financial year ended on 31st March, 2016, generally 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.

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

- I. The Companies Act, 2013 (the Act) and the rules made there-under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit period).
- 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;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit period)
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit period)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period)
  - f. The other regulations of the Securities & Exchange Board of India as may be applicable to the Company;
- VI. Other laws applicable to the Company:
  1. The Maharashtra Shops & Establishment Act, 1948
  2. The Maharashtra Value Added Tax, 2002
  3. The Maharashtra Labour Welfare Fund Act, 1953

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

- i. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited which were applicable upto 30.11.2015 and thereafter SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 01.12.2015.

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**ANNEXURE “E” TO DIRECTORS’ REPORT (Contd.)**

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- ii. The Secretarial Standards issued by the Institute of Company Secretaries of India which came into effect from 01.07.2015. During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 was given to all directors at least seven days to schedule the Board Meetings, Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings as represented by the management, were taken unanimously.

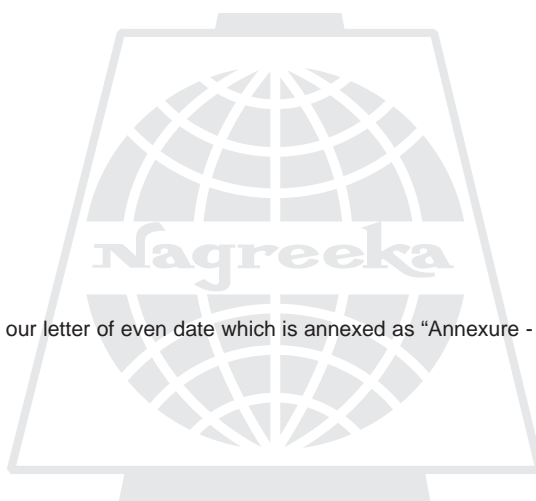
We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **M.K.Sharma & Associates**  
Company Secretaries

**CS Manoj Kumar Sharma**  
(Proprietor)  
ACS No. 12932  
C P No: 3137

Place : Kolkata  
Date : May 25, 2016

**Note :** This report is to be read with our letter of even date which is annexed as “Annexure - A” and forms and integral part of this report.



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**ANNEXURE - "A"**

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To,  
The Members,  
**Nagreeka Exports Limited,**  
18, R. N. Mukherjee Road  
6th Floor, Kolkata-700001

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M.K.Sharma & Associates**  
Company Secretaries

**CS Manoj Kumar Sharma**  
(Proprietor)  
ACS No. 12932  
C P No: 3137

Place : Kolkata  
Date : May 25, 2016

## ANNEXURE - "F" TO DIRECTORS' REPORT

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
as on the financial year ended on 31/03/2015

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

### I. REGISTRATION AND OTHER DETAILS:

i) CIN	: L18101WB1989PLC046387
ii) Registration Date	: 06/03/1989
iii) Name of the Company	: NAGREEKA EXPORTS LIMITED
iv) Category / Sub-Category of the Company	: Public Company
v) Address of the Registered office and contact details	: 18, R. N. Mukherjee Road, 6th Floor, Kolkata - 700 001.
vi) Whether listed company	: Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	: Maheswari Datamatics Pvt. Ltd., 6, Mangoe Lane, 2nd Floor, Kolkata - 700 001.

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Cotton Yarn spinning	13111	87.11%
2	Fabric Knitting	13911	11.55%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NO HOLDING/ SUBSIDIARY/ ASSOCIATE COMPANIES

### IV. 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 (As on 01-April-2015)				No. of Shares held at the end of the year (As on 31-March-2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/ HUF	4472300	0	4472300	35.7793	4472800	0	4472800	35.7833	0.0112
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	2105186	0	2105186	16.8419	2105186	0	2105186	16.8419	0.0000
e) Banks/Fi									
f) Any other									
Sub-total (A)(1)	6577486	0	6577486	52.6212	6577986	0	6577986	52.6252	0.0076

## ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)

(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	6577486	0	6577486	52.6212	6577986	0	6577986	52.6252	0.0076
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1100	2200	3300	0.0264	1100	2200	3300	0.0264	0.0000
b) Banks/FI	100	200	300	0.0024	100	200	300	0.0024	0.0000
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs	0	300	300	0.0024	0	300	300	0.0024	0.0000
h) Foreign Venture Capital Funds									
i) Others (specify)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds/Pension Funds									
Qualified Foreign Investor	500	0	500	0.0040	0	0	0	0.0000	-100.0000
Sub-total(B)(1):-	1700	2700	4400	0.0352	1200	2700	3900	0.0312	-11.3636
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	22185237	1701	2186938	17.4959	2212132	1701	2213833	17.7111	1.2298
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2084134	420453	2504587	20.0372	2025036	414253	2439289	19.5148	-2.6071
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1019619	0	1019619	8.1571	1019818	0	1019818	8.1587	0.0195

## ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)

c) Others (Specify)									
Non Resident Indians	82135	121900	204035	1.6323	90879	121400	212279	1.6983	4.0405
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	2635	0	2635	0.0211	32595	0	32595	0.2608	1137.0019
Trusts									
Foreign Bodies-D R									
<b>Sub-total(B)(2):-</b>	<b>5373760</b>	<b>544054</b>	<b>5917814</b>	<b>47.3436</b>	<b>5380460</b>	<b>537354</b>	<b>5917814</b>	<b>47.3437</b>	<b>0.0000</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>5375460</b>	<b>546754</b>	<b>5922214</b>	<b>47.3788</b>	<b>5381660</b>	<b>540054</b>	<b>5921714</b>	<b>47.3749</b>	<b>-0.0084</b>
C. Shares held by Custodian for GDRs & ADRs									
<b>Grand Total (A+B+C)</b>	<b>11952946</b>	<b>546754</b>	<b>12499700</b>	<b>100.0000</b>	<b>11959646</b>	<b>540054</b>	<b>12499700</b>	<b>100.0001</b>	<b>0.0000</b>

### ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	NAGREEKA SYNTHETICS PRIVATE LIMITED	940270	7.5223	0.0000	940270	7.5223	0.0000	0.0000
2	SUNIL PATWARI	712000	5.6961	0.0000	934900	7.4794	0.0000	1.7833
3	NAGREEKA FOILS LIMITED	584916	4.6794	0.0000	584916	4.6794	0.0000	0.0000
4	INDIA OVERSEAS EXPORTS PRIVATE LIMITED	580000	4.6401	0.0000	580000	4.6401	0.0000	0.0000
5	SUSHIL PATWARI	568500	4.5481	0.0000	791900	6.3354	0.0000	1.7833
6	MINAKSHI PATWARI	389600	3.1169	0.0000	389600	3.1169	0.0000	0.0000
7	MAHENDRA PATWARI	312000	2.4961	0.0000	534900	4.2793	0.0000	1.7833
8	SATISH PATWARI	310000	2.4801	0.0000	533000	4.2641	0.0000	1.7840
9	ISHWARLAL MAHENDRA KUMAR (HUF)	262500	2.1001	0.0000	262500	2.1001	0.0000	0.0000
10	ISHWAR LAL SATISH KUMAR (HUF)	195000	1.5600	0.0000	195000	1.5600	0.0000	0.0000



**ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)**

11	ISHWAR LAL PATWARI & SONS (HUF)	155000	1.2400	0.0000	155000	1.2400	0.0000	0.0000
12	SUSHIL PATWARI (HUF)	150000	1.2000	0.0000	150000	1.2000	0.0000	0.0000
13	RASHI SARAF	100000	0.8000	0.0000	100000	0.8000	0.0000	0.0000
14	ANITA PATWARI	90000	0.7200	0.0000	90000	0.7200	0.0000	0.0000
15	USHA PATWARI	86000	0.6880	0.0000	86000	0.6880	0.0000	0.0000
16	ISHWAR LAL SUSHIL KUMAR (HUF)	70000	0.5600	0.0000	70000	0.5600	0.0000	0.0000
17	SUNIL PATWARI (HUF)	70000	0.5600	0.0000	70000	0.5600	0.0000	0.0000
18	SARITA PATWARI	70000	0.5600	0.0000	70000	0.5600	0.0000	0.0000
19	RAHUL PATWARI	20000	0.1600	0.0000	20000	0.1600	0.0000	0.0000
20	PRATYUSH PATWARI	20000	0.1600	0.0000	20000	0.1600	0.0000	0.0000
21	MALA PATWARI	891700	7.1338	0.0000	0	0	0.0000	-7.1338
	<b>TOTAL</b>	<b>6577486</b>	<b>52.6212</b>	<b>0.0000</b>	<b>6577986</b>	<b>52.6252</b>	<b>0.0000</b>	<b>0</b>

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

Sl. No.	Name	Shareholding at the beginning of the year 01.04.15		Shareholding during the year [01.04.15 to 31.03.16]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	INDIA OVERSEAS EXPORTS PRIVATE LIMITED				
	01-04-15	580000	4.6401		
	31-03-16	580000	4.6401	580000	4.6401
2	NAGREEKA FOILS LIMITED				
	01-04-15	584916	4.6794		
	31-03-16	584916	4.6794	584916	4.6794
3	NAGREEKA SYNTHETICS PRIVATE LIMITED				
	01-04-15	940270	7.5223		
	31-03-16	940270	7.5223	940270	7.5223
4	ISHWAR LALSATISH KUMAR (HUF)				
	01-04-15	195000	1.5600		
	31-03-16	195000	1.5600	195000	1.5600

## ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)

5	ISHWAR LAL MAHENDRA KUMAR (HUF)				
	01-04-15	262500	2.1001		
	31-03-16	262500	2.1001	262500	2.1001
6	ISHWAR LAL PATWARI & SONS				
	01-04-15	155000	1.2400		
	31-03-16	155000	1.2400	155000	1.2400
7	ISHWAR LAL SUSHIL KUMAR (HUF)				
	01-04-15	70000	0.5600		
	31-03-16	70000	0.5600	70000	0.5600
8	USHA PATWARI				
	01-04-15	86000	0.6880		
	31-03-16	86000	0.6880	86000	0.6880
9	SUSHIL PATWARI (HUF)				
	01-04-15	150000	1.2000		
	31-03-16	150000	1.2000	150000	1.2000
10	SUNIL PATWARI (HUF)				
	01-04-15	70000	0.5600		
	31-03-16	70000	0.5600	70000	0.5600
11	MALA PATWARI				
	01-04-15	891700	7.1338		
	25/03/2016 - Transfer	-891700	7.1338	0	0.0000
	31-03-16	0	0.0000	0	0.0000
12	MINAKSHI PATWARI				
	01-04-15	389600	3.1169		
	31-03-16	389600	3.1169	389600	3.1169
13	SUSHIL PATWARI				
	01-04-15	568500	4.5481		
	31/12/2015 - Transfer	500	0.0040	569000	4.5521
	25/03/2016 - Transfer	222900	1.7832	791900	6.3354
	31-03-16	791900	6.3354	791900	6.3354

## ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)

14	SATISH PATWARI				
	01-04-15	310000	2.4801		
	25/03/2016 - Transfer	223000	1.7840	533000	4.2641
	31-03-16	533000	4.2641	533000	4.2641
15	MAHENDRA PATWARI				
	01-04-15	312000	2.4961		
	25/03/2016 - Transfer	222900	1.7832	534900	4.2793
	31-03-16	534900	4.2793	534900	4.2793
16	ANITA PATWARI				
	01-04-15	90000	0.7200		
	31-03-16	90000	0.7200	90000	0.7200
17	SUNIL PATWARI				
	01-04-15	712000	5.6961		
	25/03/2016 - Transfer	222900	1.7832	934900	7.4794
	31-03-16	934900	7.4794	934900	7.4794
18	SARITA PATWARI				
	01-04-15	70000	0.5600		
	31-03-16	70000	0.5600	70000	0.5600
19	RASHI SARAF				
	01-04-15	100000	0.8000		
	31-03-16	100000	0.8000	100000	0.8000
20	RAHUL PATWARI				
	01-04-15	20000	0.1600		
	31-03-16	20000	0.1600	20000	0.1600
21	PRATYUSH PATWARI				
	01-04-15	20000	0.1600		
	31-03-16	20000	0.1600	20000	0.1600

## ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year 01.04.15		Shareholding during the year [01.04.15 to 31.03.16]		
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1	ARCADIA SHARE & STOCK BROKERS PVT. LTD.					AAACA4562G
	01-04-15	1981	0.0158			
	22/05/2015 - Transfer	1	0.0000	1982	0.0159	
	17/07/2015 - Transfer	-532	0.0043	1450	0.0116	
	24/07/2015 - Transfer	200	0.0016	1650	0.0132	
	31/07/2015 - Transfer	332	0.0027	1982	0.0159	
	07/08/2015 - Transfer	62130	0.4971	64112	0.5129	
	14/08/2015 - Transfer	-11674	0.0934	52438	0.4195	
	21/08/2015 - Transfer	-11646	0.0932	40792	0.3263	
	28/08/2015 - Transfer	-6	0.0000	40786	0.3263	
	04/09/2015 - Transfer	-29605	0.2368	11181	0.0895	
	30/10/2015 - Transfer	-50	0.0004	11131	0.0891	
	25/03/2016 - Transfer	-195	0.0016	10936	0.0875	
	31-03-16	10936	0.0875	10936	0.0875	
2	HITESH RAMJI JAVERI					AABPJ4691H
	01-04-15	118002	0.9440			
	07/08/2015 - Transfer	-2108	0.0169	115894	0.9272	
	21/08/2015 - Transfer	-4050	0.0324	111844	0.8948	
	31-03-16	111844	0.8948	111844	0.8948	
3	MEENAKSHI N RUIA					AABPR2700B
	01-04-15	51000	0.4080			
	31-03-16	51000	0.4080	51000	0.4080	
4	ALPS VINIYOG PRIVATE LIMITED					AACCA3648K
	01-04-15	421706	3.3737			
	01/05/2015 - Transfer	50	0.0004	421756	3.3741	
	31-03-16	421756	3.3741	421756	3.3741	
5	AGARWAL GALVANISING P LTD					AADCA4296Q
	01-04-15	814823	6.5187			
	31-03-16	814823	6.5187	814823	6.5187	
6	SHREE VINIYOG PRIVATE LIMITED					AAECS1223N
	01-04-15	348400	2.7873			
	31-03-16	348400	2.7873	348400	2.7873	

## ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)

7	SRI KRISHNA VINIYOG PRIVATE LIMITED					AAECS8984Q
	01-04-15	454636	3.6372			
	31-03-16	454636	3.6372	454636	3.6372	
8	HARSHA HITESH JAVERI					AAEPJ7739F
	01-04-15	127150	1.0172			
	07/08/2015 - Transfer	-27150	0.2172	100000	0.8000	
	31-03-16	100000	0.8000	100000	0.8000	
9	Gopal Jhunjhunwala #					ACQPJ6382G
	01-04-15	45000	0.3600			
	31-03-16	45000	0.3600	45000	0.3600	
10	SARITA R RUIA					ADWPR2569N
	01-04-15	64510	0.5161			
	31-03-16	64510	0.5161	64510	0.5161	
11	DILIPKUMAR H PARMAR					AFGPP8914F
	01-04-15	200000	1.6000			
	12/06/2015 - Transfer	5000	0.0400	205000	1.6400	
	22/01/2016 - Transfer	10033	0.0803	215033	1.7205	
	29/01/2016 - Transfer	-1000	0.0080	214033	1.7123	
	26/02/2016 - Transfer	-9267	0.0741	204766	1.6382	
	31-03-16	204766	1.6382	204766	1.6382	
12	SANJAY KUMAR CHIMANBHAI MACWAN *					AFZPM8422Q
	01-04-15	31773	0.2542			
	10/04/2015 - Transfer	3820	0.0306	35593	0.2848	
	17/04/2015 - Transfer	3000	0.0240	38593	0.3088	
	24/04/2015 - Transfer	-3000	0.0240	35593	0.2848	
	01/05/2015 - Transfer	1000	0.0080	36593	0.2928	
	08/05/2015 - Transfer	5000	0.0400	41593	0.3328	
	15/05/2015 - Transfer	150	0.0012	41743	0.3340	
	22/05/2015 - Transfer	1649	0.0132	43392	0.3471	
	29/05/2015 - Transfer	-600	0.0048	42792	0.3423	
	05/06/2015 - Transfer	-5317	0.0425	37475	0.2998	
	26/06/2015 - Transfer	1310	0.0105	38785	0.3103	
	30/06/2015 - Transfer	850	0.0068	39635	0.3171	
	03/07/2015 - Transfer	-2124	0.0170	37511	0.3001	
	10/07/2015 - Transfer	10000	0.0800	47511	0.3801	
	17/07/2015 - Transfer	-4292	0.0343	43219	0.3458	
	24/07/2015 - Transfer	500	0.0040	43719	0.3498	
	31/07/2015 - Transfer	2095	0.0168	45814	0.3665	
	07/08/2015 - Transfer	-7000	0.0560	38814	0.3105	
	14/08/2015 - Transfer	-2250	0.0180	36564	0.2925	
	21/08/2015 - Transfer	1996	0.0160	38560	0.3085	
	28/08/2015 - Transfer	5300	0.0424	43860	0.3509	

## ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)

	04/09/2015 - Transfer	-10000	0.0800	33860	0.2709	
	11/09/2015 - Transfer	9348	0.0748	43208	0.3457	
	18/09/2015 - Transfer	-2000	0.0160	41208	0.3297	
	09/10/2015 - Transfer	3785	0.0303	44993	0.3600	
	16/10/2015 - Transfer	3600	0.0288	48593	0.3888	
	30/10/2015 - Transfer	-2869	0.0230	45724	0.3658	
	06/11/2015 - Transfer	500	0.0040	46224	0.3698	
	13/11/2015 - Transfer	-2000	0.0160	44224	0.3538	
	20/11/2015 - Transfer	-2405	0.0192	41819	0.3346	
	27/11/2015 - Transfer	5000	0.0400	46819	0.3746	
	04/12/2015 - Transfer	6105	0.0488	52924	0.4234	
	11/12/2015 - Transfer	4500	0.0360	57424	0.4594	
	18/12/2015 - Transfer	-4088	0.0327	53336	0.4267	
	25/12/2015 - Transfer	-500	0.0040	52836	0.4227	
	31/12/2015 - Transfer	-4627	0.0370	48209	0.3857	
	08/01/2016 - Transfer	-5000	0.0400	43209	0.3457	
	15/01/2016 - Transfer	5000	0.0400	48209	0.3857	
	19/02/2016 - Transfer	5000	0.0400	53209	0.4257	
	26/02/2016 - Transfer	1740	0.0139	54949	0.4396	
	04/03/2016 - Transfer	-6460	0.0517	48489	0.3879	
	11/03/2016 - Transfer	550	0.0044	49039	0.3923	
	18/03/2016 - Transfer	2250	0.0180	51289	0.4103	
	25/03/2016 - Transfer	4034	0.0323	55323	0.4426	
	31-03-16	55323	0.4426	55323	0.4426	
13	DURGA SUBHASH MORE					AGMPM1132F
	01-04-15	35377	0.2830			
	24/04/2015 - Transfer	6703	0.0536	42080	0.3366	
	08/05/2015 - Transfer	-79	0.0006	42001	0.3360	
	15/05/2015 - Transfer	2451	0.0196	44452	0.3556	
	22/05/2015 - Transfer	-1500	0.0120	42952	0.3436	
	29/05/2015 - Transfer	3400	0.0272	46352	0.3708	
	05/06/2015 - Transfer	3040	0.0243	49392	0.3951	
	03/07/2015 - Transfer	-3140	0.0251	46252	0.3700	
	10/07/2015 - Transfer	-8435	0.0675	37817	0.3025	
	31/07/2015 - Transfer	-12826	0.1026	24991	0.1999	
	07/08/2015 - Transfer	-24991	0.1999	0	0.0000	
	28/08/2015 - Transfer	2002	0.0160	2002	0.0160	
	04/09/2015 - Transfer	881	0.0070	2883	0.0231	
	11/09/2015 - Transfer	305	0.0024	3188	0.0255	
	04/03/2016 - Transfer	2924	0.0234	6112	0.0489	
	31-03-16	6112	0.0489	6112	0.0489	

\* Not in the list of Top 10 shareholders as on 01/04/2015 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2016.

# Ceased to be in the list of Top 10 shareholders as on 31/03/2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2015.

## ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)

### v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	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	SUSHIL PATWARI				
	At the beginning of the year	568500	4.5481		
	21/03/2016 - Transfer	222900	1.783	791900	6.3354
	At the end of the year			791900	6.3354
2	MAHENDRA PATWARI				
	At the beginning of the year	312000	2.4961		
	21/03/2016 - Transfer	222900	1.783	534900	4.2793
	At the end of the year			534900	4.2793
3	SUNIL PATWARI				
	At the beginning of the year	712000	5.6961		
	21/03/2016 - Transfer	222900	1.783	934900	7.4794
	At the end of the year			934900	7.4794
4	RAJENDRA MAHAVIR RUIA				
	At the beginning of the year	19934	0.1600	19934	0.1600
	At the end of the year			19934	0.1600

### V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	77910.67			77910.67
ii) Interest due but not paid	NIL			NIL
iii) Interest accrued but not due	NIL			NIL
Total (i+ii+iii)	77910.67			77910.67
Change in Indebtedness during the financial year				
• Addition				
• Reduction	58628.14			58628.14
Net Change	-58628.14			-58628.14
Indebtedness at the end of the financial year				
i) Principal Amount	19282.53			19282.53
ii) Interest due but not paid	NIL			NIL
iii) Interest accrued but not due	NIL			NIL
Total (i+ii+iii)	19282.53			19282.53



## ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mr. Sushil Patwari	Mr. Sunil Patwari, MD	Mr. Mahendra Patwari, WTD	Mr. K.C. Purohit, WTD	Rs. Lacs
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	36.00	36.00	36.00	10.20	118.20
		-	0.60	0.60	-	1.20
		-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>36.00</b>	<b>36.60</b>	<b>36.60</b>	<b>10.20</b>	<b>119.40</b>
	Ceiling as per the Act	42.00	42.00	42.00	42.00	168.00

#### B. Remuneration to other directors : (Rs. in Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. M. K. Ogra	Mr. B. C. Talukdar	Mr. R. M. Ruia	Mr. M. P. Periwal	Ms. S. Sangneria	Rs. Lacs
3.	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	0.36	0.28	0.20	0.15	0.20	1.19
		-	-	-	-	-	-
		-	-	-	-	-	-
	<b>Total (1)</b>	<b>0.36</b>	<b>0.28</b>	<b>0.20</b>	<b>0.15</b>	<b>0.20</b>	<b>1.19</b>
4.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>0.36</b>	<b>0.28</b>	<b>0.20</b>	<b>0.15</b>	<b>0.20</b>	<b>1.19</b>
	Total Managerial Remuneration						
	Overall Ceiling as per the Act						

## ANNEXURE - "F" TO DIRECTORS' REPORT (Contd.)

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD : (Rs. In Lakhs)

Sl. No.	Particulars of Remuneration	Key managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, '61 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1.83	8.40	10.23
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify			
5.	Others, please specify	-	-	-
	Total 1.96	1.83	8.40	10.23

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

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

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## INDEPENDENT AUDITORS' REPORT

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### TO THE MEMBERS OF "NAGREEKA EXPORTS LIMITED"

#### Standalone Financial Statements

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

#### Management's Responsibility for the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

## INDEPENDENT AUDITORS' REPORT (Contd.)

### Report on Other Legal and Regulatory Requirements

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 A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

#### As required by Section 143 (3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purposes of our audit;
- b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;
- c. the balance sheet, the statement of profit and loss, and the cash flow Statement dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. on the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as stated in Note no 28 to the financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For **DAS & PRASAD**  
Chartered Accountants  
Firm Registration No. 303054E

**(CA. A. K. AGARWALA)**  
Partner  
M. No. 062368

Place : Kolkata  
Date : 25th May, 2016

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## ANNEXURE - “A” TO THE AUDITORS’ REPORT

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The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

**(i) In respect of its fixed assets:**

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets;
- b) As explained to us, fixed assets comprise of Land, Building, furniture, Plant and machinery and other office equipment were physically verified during the year under review;
- c) As per information and explanation given to us by the management, the title deeds in respect of Land, and Building being immovable properties are held in the name of the Company;

**(ii) As explained to us, the inventories were physically verified during the year by the management at reasonable intervals;**

- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, 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 Companies Act, 2013. Consequently, the provisions of paragraph iii (a) and iii(b) of the Order are not applicable to the Company and hence, not commented upon;
- (iv) a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not advance any loan to director or any other person in whom director is interested and thus provision of section 185 of the Companies Act has been complied with.  
b) In regards to section 186 of the Companies Act, 2013 company has not given loan, guarantee or provided any securities to others in excess of hundred percent of free reserves and thus provision of section has been complied with.
- (v) The Company has not accepted any deposit from the public covered under Section 73 to 76 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(v) of the Order is not applicable to the Company;
- (vi) We have reviewed the books of accounts and records maintained by the company relating to its manufacturing activity pursuant to the order made by the Central Government for the maintenance of cost records under subsection (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (vii) a) The Company has generally been regular in depositing undisputed statutory dues applicable to it and other statutory dues to the appropriate authorities. There are no arrears as at 31st March 2016 for a period of more than six months from the date they become payable;  
b) The disputed statutory dues aggregating Rs 376.85 lacs that have not been deposited on account of disputed matters pending before appropriate authorities are as under:

## ANNEXURE TO THE AUDITORS' REPORT (Contd.)

Sl No	Name of the Statute	Nature of the dues	Amount (Rs in lacs)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income tax	5.67	2004-2005	High Court
			25.93	2005-2006	CIT (Appeals)
			93.87	2009-2010	CIT (Appeals)
			207.38	2010-2011	CIT (Appeals)
2	Finance Act, 1994	Service Tax	3.71	2010-2011	CCE (Appeals)
3	MVAT Rules 2005	Sales Tax	40.29	2009-2010	JC Sales Tax

- (viii) According to information and explanation given to us, the Company has applied its term loan for the purpose for which the loan was obtained.
- (ix) Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management;
- (x) According to information and explanation given to us, the Company has paid managerial remuneration within the limit specified under Section 197 of the Companies Act, 2013;
- (xi) In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company and hence the paragraph 3(xii) is not applicable;
- (xii) In our opinion and on the basis of information and explanation given to us by the management, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;
- (xiii) According to information and explanation given to us the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xiv) According to information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly the paragraph 3(xv) is not applicable the Company;
- (xv) In our opinion and on the basis of information and explanation given to us by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and thus the company has not obtained any registration.

For **DAS & PRASAD**  
Chartered Accountants  
Firm Registration No. 303054E

**(CA. A. K. AGARWALA)**  
Partner  
M. No. 062368

Place : Kolkata  
Date : 25th May, 2016

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## **ANNEXURE - “B” TO THE AUDITORS’ REPORT**

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

We have audited the internal financial controls over financial reporting of **Nagreeka Exports Limited** ("the Company") as of 31 March 2016 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**

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

#### **Auditors' Responsibility**

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

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

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

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to

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## ANNEXURE - “B” TO THE AUDITORS’ REPORT

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permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Kolkata  
Date : 25th May, 2016

For **DAS & PRASAD**  
Chartered Accountants  
Firm Registration No. 303054E

**(CA. A. K. AGARWALA)**  
Partner  
M. No. 062368



## BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	Rs.	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>EQUITY AND LIABILITIES</b>				
<b>Shareholders' funds</b>				
Share Capital	3	62,550,000	62,550,000	
Reserves and Surplus	4	950,877,902	1,013,427,902	988,036,310
<b>Non Current Liabilities</b>				
Long-term Borrowings	5	540,934,594	653,691,098	
Deferred tax liabilities (net)	6	189,036,483	729,971,077	832,950,600
<b>Current Liabilities</b>				
Short term borrowings	7	1,387,319,528	1,227,376,027	
Trade Payables	8	334,664,227	237,582,192	
Other Current Liabilities	9	142,023,530	111,869,741	
Short term Provisions	10	14,942,252	1,878,949,536	1,590,713,043
Total			3,622,348,515	3,411,699,953
<b>ASSETS</b>				
<b>Non Current Assets</b>				
<b>Fixed Assets</b>				
Tangible Assets	11	1,300,863,179	1,292,367,090	
Capital Work in progress	11	36,738,027	21,953,257	
		1,337,601,206	1,314,320,347	
Non current Investments	12	179,128,015	142,434,235	
Long Term Loans & Advances	13	47,541,778	40,982,708	
			1,564,270,999	1,497,737,290
<b>Current Assets</b>				
Inventories	14	878,460,339	713,918,231	
Trade Receivables	15	298,630,674	226,437,992	
Cash & Bank Balances	16	24,388,745	14,823,284	
Short-term loans & advances	17	856,597,758	2,058,077,515	1,913,962,663
Total			3,622,348,515	3,411,699,953

Significant Accounting Policies and Notes on Accounts

1 TO 34

The notes referred to above forms an integral part of the Financial Statement

As per our annexed report of even date.

For **DAS & PRASAD**  
Chartered Accountants  
**FRN 303054E**  
**(CA. A. K. AGARWALA)**  
Partner  
M. No. 062368

For and on behalf of the Board of Directors

**SUSHIL PATWARI** Chairman  
**M. K. OGRA** Director  
**J. TIWARI** Company Secretary  
**K. N. BANSAL** Chief Financial Officer

Place : Kolkata  
Date : 25th May, 2016

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

	Note No.	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>INCOME</b>			
Revenue from operation	18	4,922,153,975	4,725,266,478
Other Income	19	64,122,542	58,689,455
<b>Total Revenue</b>		<b><u>4,986,276,517</u></b>	<b><u>4,783,955,933</u></b>
<b>EXPENDITURE</b>			
Cost of Material Consumed	20	1,397,579,505	1,326,737,350
Purchase of Traded Goods	21	2,353,877,820	2,195,938,704
Change in inventories of Finished Goods, Stock in Process and Stock in Trade	22	1,915,422	80,865,297
Employees Benefit expenses	23	192,184,693	178,956,032
Finance Costs	24	192,887,147	211,276,680
Depreciation	11	63,011,078	60,684,796
Other Expenses	25	749,654,475	684,323,330
<b>Total Expenses</b>		<b><u>4,951,110,140</u></b>	<b><u>4,738,782,189</u></b>
<b>Profit before tax</b>		<b>35,166,376</b>	<b>45,173,744</b>
<b>Tax expenses</b>			
Current Tax		(6,550,000)	(8,700,000)
Deferred Tax (Liability) / Assets		(9,776,981)	5,225,808
MAT Credit Entitlement		6,550,000	8,700,000
Taxes for earlier years		2,195	103,166
<b>Profit / (Loss) for the year</b>		<b><u>25,391,590</u></b>	<b><u>50,502,718</u></b>
Basic / Diluted Earnings Per Share (of Rs. 5 Each)		2.03	4.04

Significant Accounting Policies and

Notes on Accounts

1 TO 34

The notes referred to above forms an integral part of the Financial Statement

As per our separate report attached

For **DAS & PRASAD**

Chartered Accountants

FRN 303054E

(CA. A. K. AGARWALA)

Partner

M. No. 062368

Place : Kolkata

Date : 25th May, 2016

For and on behalf of the Board of Directors

**SUSHIL PATWARI**

Chairman

**M. K. OGRA**

Director

**J. TIWARI**

Company Secretary

**K. N. BANSAL**

Chief Financial Officer

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before extra ordinary items and tax	35166376	45173744
Additions :		
Depreciation and amortization	63011078	60684796
Loss on sale / write off of assets	-328892	-80000
Finance Cost	166156463	185245722
Interest Income	-58320777	-54958529
Dividend Income	-2465648	-1702371
<b>Operating Profit Before Working Capital</b>	<b>203218600</b>	<b>234363362</b>
Adjusted for :		
(Increase) / Decrease in Trade and other Receivables	37976538	116746339
(Increase) / Decrease in Inventories	-164542108	225422350
(Increase) / Decrease in Trade and other Payables	107261984	19510489
<b>Cash Generated from Operation</b>	<b>183915014</b>	<b>596042540</b>
Direct Taxes Paid / Refund Received	-16576026	-18627756
<b>Net Cash Flow from / (used in) Operating Activities</b>	<b>167338988</b>	<b>577414784</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Capital Expenditure on Fixed Assets, Including Capital Advances	-86296739	-34744951
Sale of Fixed Assets	333695	80000
Purchase of Current Investments	-36693780	0
Interest received on Loans and Deposits	58320777	54958529
Dividend Received	2465648	1702371
<b>Net Cash Flow from / (used in) Investing Activities</b>	<b>-61870398</b>	<b>21995949</b>
<b>C. CASH FLOW FROM FINANCEING ACTIVITIES :</b>		
Net Increase in Long Term borrowings	-112756504	-148749491
Net increase / (decrease) in working capital borrowings	183009838	-262471259
Finance Cost	-166156463	-185245722
Dividends Paid	0	-6249850
Tax on Dividend	0	-1062162
<b>Net Cash Flow from / (used in) Financing Activities</b>	<b>-95903129</b>	<b>-603778484</b>
Net Increase / (Decrease) in cash & cash Equivalents (A+B+C)	9565461	-4367751
Cash & Cash equivalents at the beginning of the year	14823284	19191036
Cash & Cash equivalents at the end of the year	24388745	14823284

The Accompanying notes are forming part of the Financial Statements

As per our separate report attached  
For **DAS & PRASAD**  
Chartered Accountants  
**FRN 303054E**  
**(CA. A. K. AGARWALA)**  
Partner  
M. No. 062368

Place : Kolkata  
Date : 25th May, 2016

For and on behalf of the Board of Directors

**SUSHIL PATWARI** Chairman  
**M. K. OGRA** Director  
**J. TIWARI** Company Secretary  
**K. N. BANSAL** Chief Financial Officer

## NOTES forming part of the Financial Statements for the year ended 31st March, 2016

### 1. COMPANY OVERVIEW:

The Company was incorporated on 6th March, 1989 under the laws of republic of India and has its registered office at Kolkata, West Bengal. The company is engaged in manufacturing and export of cotton yarn and other various merchandise. The shares of the company are listed in National Stock Exchange. Company has set up 100% export oriented unit with the state of art, Plant with manufacturing capacity of 55440 spindles at Kolhapur in Maharashtra. The company has also set up yarn dying and cotton bleaching plant at Kagal Kolhapur. The Company was also awarded International standard Organization certificate for export performance. The company's marketing network is spread over in various countries. The Company is also doing trading of cotton yarn and various commodities. The company is Merchant exporter also.

### 2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

#### a) BASIS OF PREPERATION OF FINANCIAL STATEMENT:

The financial statements are prepared as a going concern under historical cost convention on accrual basis, except those with significant uncertainty and in accordance with the Companies Act, 2013 Accounting policies not stated explicitly otherwise are consistent with generally accepted accounting principles.

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

#### b) FIXED ASSETS :

Fixed assets are stated at cost less accumulated depreciation. Cost of fixed assets is inclusive of pre-operative expenses (Net of revenue) incurred up to the date of Commissioning of project/plant, exchange losses or gains arising on specific foreign currency loan taken for acquiring the assets.

#### c) CAPITAL WORK IN PROGRESS :

All pre-operative expenses incurred on Capital Work in Progress allocated to related fixed assets on Pro-rata Basis.

#### d) CASH FLOW:

Cash Flows are reported using Indirect Method, where by profit / (Loss) before extraordinary items and its tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information.

#### e) DEPRECIATION AND AMORTISATION :

- Depreciation on fixed assets is provided on depreciable value of assets using straight-line method on the basis of useful life specified in Schedule II to the Companies Act, 2013.
- Lease Hold Land is being amortized over the lease period.

#### f) INVESTMENTS :

- Quoted Investments are stated at Cost. Provision for diminution in long term investment is made only, if such a decline is other than temporary.
- Unquoted investments are stated at Cost.

#### g) VALUATIONS OF INVENTORIES :

Raw Materials	:	Valued at Cost or Net Realisable Value whichever is lower (Cost is computed using "Weighted Average Cost Method").
Work-in-Progress	:	Valued at Cost or Net Realisable Value whichever is lower (Cost includes material Cost plus appropriate share of overhead) (Cost is computed Using "Weighted Average Cost Method").
<b>Finished goods :</b>		
i) Manufacturing goods	:	At Cost or Net Realisable Value whichever is lower (Cost includes Cost of Purchase, Conversion Cost, and other Cost i.e. overhead) (Cost is computed using "Weighted Average Cost Method").
ii) Trading goods	:	At Cost or Net Realisable Value whichever is lower (Cost is computed using "Specific Identification Method").
Packing Materials, Stores & Spare Parts	:	At Cost or Net Realisable Value whichever is lower (Cost is Computed Using "FIFO Method")
Waste	:	At Realisable Value

**NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)**

**h) RECOGNITION OF INCOME AND EXPENDITURE :**

- i) Items of Income & Expenditure are recognised on accrual basis.
- ii) Sales & Purchases are accounted for as and when deliveries are effected.

**i) PROVISION, CONTINGENT LIABILITIES & CONTINGENT ASSETS:**

Provision involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statement.

**j) RETIREMENT BENEFITS TO EMPLOYEES :**

- i) Leave Encashment: Accrued liability for leave encashment has been provided for as per actuarial valuation.
- ii) Gratuity : Accruing liability for gratuity to employees is covered by the Group Gratuity-Cash – Accumulation Scheme of LIC of India and annual contribution due there under are paid /provided in accordance therewith.

**k) FOREIGN CURRENCY TRANSACTIONS :**

- i) Export Sales: At the rates as on the date of transactions.
- ii) Expenditures: At the rates as on the date of transaction. Outstanding amounts in respect of current assets/current liabilities are translated at the rate as at the close of the year, at the forward contract rates or at the rate at which liabilities/assets are likely to be disbursed/realised, wherever applicable, and the exchange difference thereon is adjusted in the Profit & Loss Account.
- iii) Foreign Exchange Forward Contract: - Exchange differences in respect of foreign exchange contract (other than for acquisition of fixed assets) are recognised as income or expense over the life of the contract.
- iv) Bank Balance in Foreign Currency Bank Account as at close of the year is translated at exchange rate as on that date.
- v) Loans in foreign currency for financing the fixed assets are converted at the prevailing exchange rate on the transaction dates. Liabilities payable in foreign currencies on the date of Balance Sheet are restated and all exchange rate differences arising from such restatement are adjusted with the fixed asset.

**l) Financial Derivatives and Commodity Hedging Transaction:**

The company uses foreign currency forward contracts and currency options to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The company designate these hedging instruments as cash flow hedges applying the recognition and measurement principles set out in the "Accounting Standard 30 "financial Instruments: Regulation and measurement" (AS-30).

In respect of derivative contracts, premium paid, gain/losses on settlement and provision for losses for cash flow hedges are recognized in the Profit & Loss Account, except in case, where they relate to borrowing costs that are attributable to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

**m) BORROWING COSTS :**

Borrowing Costs in respect of fixed Assets charged to the respective fixed assets till the date of commercial use and in respect of others, is charged to Profit & Loss Account in the year, the same has been incurred.

**n) PROVISION FOR CURRENT AND DEFERRED TAX:**

Provision for Current Tax is made on the basis of taxable income for the current accounting period and in accordance with the provisions as per Income Tax Act, 1961.

Deferred Tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future.

**o) IMPAIRMENT OF ASSETS:**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount of the assets or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**p) GOVERNMENT GRANTS / SUBSIDIES:**

Government grants / subsidies are recognized when there is reasonable certainty that the same will be received. Revenue grants are recognized in the Profit & Loss Account either as income or deducted from related expenses. Capital grants / subsidies are credited to respective fixed assets where it relates to specific fixed assets. Other grants / subsidies are credited to the Capital Reserve.

## NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)

	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
<b>3. SHARE CAPITAL :</b>				
<b>Authorised Share Capital</b>				
3,00,00,000 Equity shares of Rs.5/- each (3,00,00,000)		150,000,000		150,000,000
		<b>150,000,000</b>		<b>150,000,000</b>
<b>Issued</b>				
1,25,10,000 Equity shares of Rs. 5/- each (1,25,10,000)		62,550,000		62,550,000
		<b>62,550,000</b>		<b>62,550,000</b>
<b>Subscribed and paid up</b>				
1,24,99,700 Equity shares of Rs. 5/- each (1,24,99,700)	62,498,500		62,498,500	
Add : 10,300 Equity Forfeited Shares (Amount originally paidup)	51,500		51,500	
		<b>62,550,000</b>		<b>62,550,000</b>
<b>i) Reconciliation of number of Equity Shares and amount Outstanding</b>		<b>2015-16</b>		<b>2014-15</b>
	<b>Number</b>	<b>Rs.</b>	<b>Number</b>	<b>Rs.</b>
Shares Outstanding as at April 1,2015	12499700	62498500	12499700	62498500
Shares Outstanding as at March 31, 2016	12499700	62498500	12499700	62498500
<b>ii) The details of Shareholders holding more than 5% shares :- Name of the Shareholders</b>		<b>2015-2016</b>		<b>2014-2015</b>
	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>
Mala Patwari	0	0%	891700	7.13%
Sushil Patwari	791900	6.34%	0	0%
Sunil Patwari	934900	7.48%	712000	5.7%
Nagreeka Synthetics Pvt. Ltd.	940270	7.52%	940270	7.52%
Agarwal Galvanising P. Ltd	815423	6.52%	815423	6.52%
<b>iii) The company has one class of equity share having a par value of Rs. 5 per share. Each shareholder is eligible for one vote per share held.</b>				
<b>4. RESERVES AND SURPLUS :</b>		<b>As at 31st March, 2016</b>		<b>As at 31st March, 2015</b>
<b>Capital Reserve :</b>	<b>Nos.</b>	<b>%</b>	<b>Nos.</b>	<b>%</b>
As per last Balance Sheet		3,000,000		3,000,000
<b>Share Preimum Reserve</b>				
As per Last Account		143,363,589		143,363,589
<b>General Reserve</b>				
As per Last Account	548,655,966		550000000	
Less : Depreciation in respect of assets whose useful life is over	0	548,655,966	1344034	548,655,966
<b>Share Forfeiture Reserve</b>				
As per Last Account		103,000		103,000
<b>Profit &amp; Loss Account</b>				
As per last account	230,363,755		179861038	
Add: Profit / (Loss) for the year	25,391,590	255,755,346	50502718	230,363,755
<b>Total</b>		<b>950,877,902</b>		<b>925,486,310</b>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)

	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
	Non Current	Current	Non Current	Current
<b>5. LONG TERM BORROWINGS :</b>				
<b>Secured</b>				
Term Loan From Bank	388,326,594	152,608,000	501,083,098	152,608,000
	<b>388,326,594</b>	<b>152,608,000</b>	<b>501,083,098</b>	<b>152,608,000</b>
<b>i) MATURITY PROFILE</b>	<b>Within 1-2 Yr.</b>	<b>Within 2-3 Yr.</b>	<b>Within 3-4 Yr.</b>	<b>Beyond 4 Yr.</b>
Term Loans from Bank	152,608,000	144,082,587	88,366,502	73,200,000
ii) Rupee Term loan from Canara Bank - Kolkata, Oriental Bank of Commerce – Kolkata and State Bank of Patiala – Mumbai is secured by				
(a) an equitable mortgage ranking pari-passu inter-se by deposit of title deeds of all the immovable properties of the company both present and future, relating to its spinning unit premises at Village : Yavluj, District : Kolhapur, Maharastra and				
(b) by way of hypothecation ranking pari-passu inter-se of all movable properties of the company both present and future including movable machineries, spares, tools & accessories (save & except book debts) subject to prior charges created or to be created in favour of the Company's Bankers, on its stock of Raw Materials, finished goods, consumable stores, book debts & such other movables as may be specifically permitted by the institutions in writing, to secure borrowings for working capital requirements and				
(c) Personal guarantee of some of the Directors of the Company.				
iii) Rupee Term loan from Canara Bank - Kolkata is secured by				
(a) an equitable mortgage ranking exclusive charges inter-se by deposit of title deeds of all the immovable properties of the company both present and future, relating to its Dying & Bleaching unit premises at Village : Kagal, District : Kolhapur, Maharastra				
(b) all the existing securities for other regular limits will be available as co-lateral security on pari-passu basis				
iv) Working Capital Term Loan from Canara Bank, Overseas Branch, Kolkata is secured by way of :				
(a) hypothecation of stock of Raw materials, Work-in-process, finished goods and book debts relating to spinning unit at Village : Yavluj, District : Kolhapur, Maharastra and stock-in-trade at trading unit Kolkata,				
(b) Second charge on immovable properties of the company relating to above mentioned spinning unit, and				
(c) Personal guarantee of some of the Directors of the Company.				
V) For the above loan a securitisation agreement entered in between the Company, AXIS Bank Limited and the above lenders.				
	As at 31st March, 2016		As at 31st March, 2015	
	Rs.		Rs.	
<b>6. DEFERRED TAX LIABILITY (NET)</b>				
Deferred Tax Liability Fixed Assets - Depreciation		192320143		181273631
Deferred Tax Assets				
Disallowance under Income Tax Act, 1961		3283660		2014129
<b>Total</b>		<b>189036483</b>		<b>179259502</b>
<b>7. SHORT TERM BORROWING :</b>				
<b>Secured Loans</b>				
Working Capital Loans from Bank		1387319528		1227376027
<b>Total</b>		<b>1387319528</b>		<b>1227376027</b>
i) Working Capital Loan from Canara Bank, Overseas Branch, Kolkata & Mumbai , Oriental Bank of Commerce, Overseas Branch, Kolkata, Allahabad Bank, Industrial Finance Branch, Kolkata and State Bank of Patiala - Commercial Branch, Mumbai are secured by way of :				



## NOTES forming part of the Financial Statements for the year ended 31st March, 2014 (Contd.)

- (a) First charge by way of hypothecation of stock of Raw materials, Work-in-process, finished goods and book debts relating to spinning unit at Village : Yavluj, District : Kolhapur, Maharastra, Dying & Bleaching unit premises at Village : Kagal, District : Kolhapur, Maharastra and stock-in-trade at trading unit Kolkata & Mumbai, both present and future in a form and manner satisfactory to the bank, ranking paripasu with each other participating working capital banks.
- (b) Second charge on all the fixed assets of the company, both present and future ranking paripassu with each other participating working capital banks.
- (c) Personal guarantee of some of the Directors of the Company.

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>8. TRADE PAYABLES :-</b>		
Others	334664227	237582192
<b>Total</b>	<b>334664227</b>	<b>237582192</b>
i) The Company has not received any information from its suppliers regarding registration under "The Micro, Small and Medium Enterprises Development Act, 2006." Hence, the information required to be given in accordance with Section 22 of the said Act, is not ascertainable. Hence, not disclosed.		
<b>9. OTHER CURRENT LIABILITIES</b>		
Unpaid dividends	621485	903613
Statutory remittances	1465955	2085614
Payables on purchase of fixed assets	2418510	1971666
Advances from customers	40092315	32549920
Book Overdraft on Reconciliation	97425266	74358928
<b>Total</b>	<b>142023530</b>	<b>111869741</b>
i) Based on the information/documents available with the Company, there was an unpaid dividend amounting to Rs. 2,80,529/- due relating to (2007-2008) and outstanding as on 31st March, 2015 which has been transferred to Investors Education and Protection Fund under Section 125 of the Companies Act, 2013.		
<b>10. SHORT TERM PROVISIONS</b>		
Provision for employee benefits	11113968	9324819
Provision for Gratuity	3828284	2524935
	<b>14,942,252</b>	<b>11,849,754</b>
Provision - Others		
Provision for Tax (net of Advance Tax Rs.NIL and Tax Deducted at Source Rs 68,78,221/- (As at 31 March, 2015 net of advance tax Rs. NIL and Tax deducted at Source Rs 66,64,671/- )	0	2035329
	0	2035329
<b>Total</b>	<b>14942252</b>	<b>13885083</b>



**NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)**

**NOTE NO. : 11**

**TANGIBLE ASSETS**

(Amount in Rs.)

PARTICULARS	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
	As at 31st March 2015	Addition during the year	Adjustment/ Disposed/ Sales	As at 31st March 2016	Upto 31st March 2015	For the Year	Adjustment For Deduction	Upto 31st March 2016	As at 31st March 2016	As at 31st March 2015
Land & Site Development	2,635,829	-	-	2,635,829	-	-	-	-	2,635,829	2,635,829
Land (Lease Hold)	68,383,082	2,500,000	-	70,883,082	2,107,313	574,951	-	2,682,264	68,200,818	66,275,769
Office Premises	14,268,713	-	-	14,268,713	4,545,613	224,842	-	4,770,455	9,498,258	9,723,100
Factory Building	327,241,633	34,711,329	-	361,952,962	88,137,239	11,208,420	-	99,345,659	262,607,303	239,104,394
Godown	7,275,714	-	-	7,275,714	1,448,317	227,650	-	1,675,967	5,599,747	5,827,397
Plant & Manhinery	1,642,811,434	32,939,266	496,515	1,675,254,185	702,474,789	46,293,599	491,712	748,276,676	926,977,508	940,336,645
Furniture & Fixtures	14,900,581	172,211	-	15,072,792	8,210,095	915,076	-	9,125,171	5,947,621	6,690,486
Air Conditioner	2,765,685	235,121	-	3,000,806	1,289,257	279,423	-	1,568,680	1,432,126	1,476,428
Vehicles	17,963,433	-	-	17,963,433	6,873,335	1,626,084	-	8,499,419	9,464,014	11,090,098
Computer	4,293,058	647,910	-	4,940,968	3,024,983	910,880	-	3,935,863	1,005,105	1,268,075
Office Equipments	3,830,713	306,132	-	4,136,845	2,759,004	445,966	-	3,204,970	931,875	1,071,709
Non Factory Building	7,445,058	-	-	7,445,058	998,599	281,007	-	1,279,606	6,165,452	6,446,459
Refrigerator	104,322	-	-	104,322	75,927	23,180	-	99,107	5,215	28,395
Old Machine in Hand	392,306	-	-	392,306	-	-	-	-	392,306	392,306
Grand Total	2,114,311,561	71,511,969	496,515	2,185,327,015	821,944,471	63,011,078	491,712	884,463,837	1,300,863,177	1,292,367,090
Previous Year	2,087,418,381	29,244,145	2,350,965	2,114,311,561	762,266,606	60,684,796	1,006,931	821,944,471	1,292,367,090	-
Capital Work in Progress						-			36,738,027	-

**Notes :**

- Office Premises includes Rs.1,500/- towards cost of shares of co-operative society.
- Lease Hold Land includes Rs. 5,000/- towards cost of shares of West Bengal Hosiery Park Infrastructure Ltd.
- Includes Rs. NIL (Previous Year Rs. 13,44,034/-) on account of adjustment due to transitional provision of schedule II of the Companies Act 2013 as on 1st April, 2014.
- Life of Plant & Machinery has been considered as per management.

## NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>11. FIXED ASSETS :</b>		
Tangible Assets	1300863179	1292367090
Annexure Attached		
<b>12. NON CURRENT INVESTMENTS</b>		
<b>Unquoted :</b>		
47,975 Sundaram BNP Paribas Equity Multiplier Fund	479753	479753
5,00,000 Sundaram BNP Paribas Select Small Cap	500000	500000
50,000 SBI Gold Fund	500000	500000
62,500 Tirumala Mart P. Ltd	5000000	5000000
12,966 Jaidka Motor Co. Ltd of Rs. /- each (Previous Year (NIL)	36693780	0
<b>Quoted:</b>		
1,15,600 Nagreeka Capital & Infrastructure Ltd of Rs. 5/- each	578000	578000
82 Bajaj Finance Ltd of Rs. 10/- each	90200	90200
4,77,600 Vedanta Ltd of Rs. 1/- each (Previously known as Sesa Sterlite Ltd)	135286282	135286282
	<b>179128015</b>	<b>142434235</b>
Aggregate Book value of:		
a) Quoted Investments	172,648,262	135,954,482
b) Unquoted Investments	6,479,753	6,479,753
Aggregate market value of quoted investments:	44,745,960	92,926,300
<b>13. LONG TERM LOANS &amp; ADVANCES</b>	As at 31st March, 2016	As at 31st March, 2015
(Unsecured, considered goods)		
Security Deposit	4177422	4168352
Security Deposit to Related Parties	17600000	17600000
MAT Credit Entitlement	25764356	19214356
	<b>47541778</b>	<b>40982708</b>
<b>14. INVENTORIES</b>		
Raw Material	328261182	159560857
Work-in-progress	33036805	42899037
Finished Goods	167427058	205297482
Stock-in-Trade	305127859	263008535
Stores, Spares, Packing Material & Fuel	31540529	33783323
Waste Cotton	13066906	9368997
	<b>878460339.3</b>	<b>713918231</b>
<b>15. TRADE RECEIVABLES</b>		
(Unsecured, considered good)		
Over Six Months	4887649	2218896
Others	293,743,025	224219096
<b>Total</b>	<b>298630674</b>	<b>226437992</b>

i) Over Six Months Trade Receivables include a sum of Rs. 25,65,224/- receivable, which is under litigation.

## NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>16. CASH AND CASH EQUIVALENTS</b>		
Cash in Hand	1410893	1222383
Balances with banks		
(i) In current accounts	14295660	2987248
(ii) In deposit accounts	806070	9710040
(iii) Unpaid dividend accounts	621485	903613
<b>Total</b>	<b><u>24388745</u></b>	<b><u>14823284</u></b>
<b>17. SHORT TERM LOANS AND ADVANCES</b>		
Security Deposits	11440004	10100675
Advance Income Tax (Net of Provision of Taxation)	29006407	27678186
Prepaid Interest & Expenses	5889583	6931750
Advances to Employees	12232057	13067633
Balance with statutory / government Authority	136588747	136652038
Other Loans & Advances	66144061	764352874
<b>Total</b>	<b><u>856597758</u></b>	<b><u>958783156</u></b>
<b>18. REVENUE FROM OPERATION</b>		
<b>Sale of Products</b>		
Finished Goods	2347020196	2123432810
Traded Goods	2400928092	2362839969
Waste	22690100	64480730
	<b><u>4770638388</u></b>	<b><u>4550753510</u></b>
<b>Other operating revenues</b>		
Jobwork Charges	58234942	48209803
Scrap	1366579	1755313
Export Incentives	91914066	124547852
	<b><u>151515587</u></b>	<b><u>174512968</u></b>
<b>Total</b>	<b><u>4922153975</u></b>	<b><u>4725266478</u></b>
<b>i) Sale of products comprises</b>	As at 31st March, 2016	As at 31st March, 2015
<b>Manufactured goods</b>		
Dyed Yarn	285537448	181190933
Cotton Yarn	1738330200	1736390875
Knitted Fabrics	4711988	42819373
Waste	22690100	64480730
Bleached Cotton	230980835	109654907
Garment Sale	9446639	0
Cloth	78013086	53376722
<b>Total - Sale of manufactured goods</b>	<b><u>2369710296</u></b>	<b><u>2187913540</u></b>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
<b>Traded goods</b>		
Cotton Yarn	1643435108	1602280685
Knitted Fabric	17655721	
B Twing Bag	0	3534348
Maize	0	8007643
M S Billet	0	708923719
Tin Free Steel	0	14800118
Readymade Garment	0	61612
Cloth	468093070	0
Rice	0	25231844
Raw Cotton	271744193	0
<b>Total - Sale of traded goods</b>	<b>2400928092</b>	<b>2362839969</b>
<b>Total - Sale of products</b>	<b>4770638388</b>	<b>4550753510</b>
<b>Other operating revenues</b>		
Jobwork Charges	58234942	48209803
Sale of scrap	1366579	1755313
Export Incentives	91914066	124547852
<b>Total - Other operating revenues</b>	<b>4922153975</b>	<b>4725266478</b>
<b>19. OTHER INCOME :</b>		
<b>Interest Income</b>		
Bank Deposits (TDS RS 1,33,157/- Previous Year Rs 3,77,565/-)	1421118	3472757
Others (TDS RS. 67,45,064/- Previous Year Rs. 51,13,812/-)	56899660	51485772
<b>Dividend income</b>		
from long-term investments	2465648	1702371
<b>Net gain on sale of</b>		
Fixed Assets	328892	80000
Investment		
Other non-operating income	3007224	1948555
<b>Total</b>	<b>64122542</b>	<b>58689455</b>
<b>20. COST OF MATERIAL CONSUMED :</b>		
Opening stock	159560857	307581371
Add: Purchases	1773412477	1407159333
Less : Inter Department Transfer	(-207132647)	(-228442497)
	1725840687	1486298207
Less: Closing stock	328261182	159560857
<b>Cost of material consumed</b>	<b>1397579505</b>	<b>1326737350</b>
<b>i) Material consumed comprises</b>		
Raw Cotton	1171522297	1148978859
Cotton Yarn	263593681	281269117
Cotton	9993492	65844326
Cloth	69602682	59087544
	<b>1604712152</b>	<b>1555179847</b>
Less : Inter Department Transfer		
Cotton Yarn	(-113582875)	(-163809483)
Cotton	(-93549772)	(-64633014)
<b>Total</b>	<b>1397579505</b>	<b>1326737350</b>
<b>21. PURCHASE OF TRADED GOODS :</b>		
Cotton Yarn	1561739031	1289728813
Knitted Fabrics	17201760	11645799
B Twing Bag	0	3058017
Maize	0	6852070
M S Billet	0	701501722
Tin Free Steel	0	14390652
Readymade Garment	0	63300
Rice	0	17201363
Raw Cotton	142951749	0
Cloth	631985280	151496988
<b>Total</b>	<b>2353877820</b>	<b>2195938704</b>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)

	For the year ended 31st March, 2016 Rs.	For the year ended 31st March, 2015 Rs.
<b>22. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE</b>		
<b>Inventories at the end of the year</b>		
Finished goods	167427058	205297482
Stock-in-trade	305127859	263008535
Work-in-progress	33036805	42899037
Waste	13066906	9368997
	<b>518658628</b>	<b>520574051</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	205297482	196646456
Stock-in-trade	271189166	365860338
Work-in-progress	34718406	26926236
Waste	9368997	12006317
	<b>520574051</b>	<b>601439347</b>
<b>Net (increase) / decrease</b>	<b>1915422</b>	<b>80865297</b>
<b>23. EMPLOYEES BENEFIT EXPENSES</b>		
Salaries and wages	175642720	162952634
Contributions to provident and other funds	9409708	8705232
Staff welfare expenses	7132265	7298166
<b>Total</b>	<b>178,956,032</b>	<b>162,395,945</b>
	<b>As at 31st March, 2016 Rs.</b>	<b>As at 31st March, 2015 Rs.</b>
<b>i) Disclosure pursuant to Accounting Standard - 15 : Employee Benefit</b>		
<b>(a) Reconciliation of opening &amp; closing balance of Defined Benefit Obligation</b>		
Defined Benefit obligation at the beginning of the year	27006278	24935096
Current Service Cost	4637519	2099723
Interest cost	2333484	1994808
Acturial (Gain) / Loss	1237979	(-1167031)
Benefit paid	(-860030)	(-856318)
<b>Present value of obligations as at end of year</b>	<b>34355230</b>	<b>27006278</b>
<b>(b) Reconciliation of opening &amp; closing balance of Plan Assets</b>		
Fair value of Plan Assets at the beginning of the year	28578166	23267080
Expected return of Plan Assets	2687587	2164934
Acturial Gain / (Loss) on Plan Assets	0	0
Contribution by Employer	2710399	4002470
Benefit Paid	(-860030)	(-856318)
	<b>33116122</b>	<b>28578166</b>
<b>(c) Reconciliation of Fair Value of Assets &amp; Obligation</b>		
Fair value of Plan Assets	33116122	28578166
Present Value of Obligation	34355230	27006278
<b>Amount Recognised in Balance Sheet</b>	<b>1239108</b>	<b>(-1571888)</b>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)

	As at 31st March, 2016 Rs.	As at 31st March, 2015 Rs.
<b>(d) Acturial (Gain) / Loss Recognised</b>		
AActurial (Gain) / Loss on Obligation	(-1237979)	1167031
Acturial (Gain) / Loss on Plan Assets	0	0
Acturial (Gain) / Loss Recognised during the year.	<b>(-1237979)</b>	<b>1167031</b>
<b>(e) Expenses charged to Profit &amp; Loss Account</b>		
Current service cost	2475252	2099723
Interest Cost	2333484	1994808
Expected Return on Plan Assets	(-2687587)	-2164934
Acturial (Gain) / Loss	1237979	-1167031
	<b>3359128</b>	<b>762566</b>
(f) March' 2016, March'2015 & March'2014 - 100% with Life Insurance Corporation of India Ltd.		
(g) Principle Acturial Assumption as at 31st March, 2016.		
A. Discount Rate (per annum)	8%	8%
B. Expected Rate of Return of Plan Assets (per annum)	8%	8%
C. Salary Escalation	5%	5%
D. Inflation Rate	5%	5%
ii) The Company has also computed and made necessary provisions on account of leave encashment benefits based on actuarial valuation as per Accounting Standard-15 (Revised) "Employee Benefits". The total service eligibility as per the Company's leave rules are estimated and provided in the books as a revenue expenditure after making adjustment towards the benefit paid on this benefit obligation were carried out at 31st March, 2016.		
	<b>For the year ended 31st March, 2016 Rs.</b>	<b>For the year ended 31st March, 2015 Rs.</b>
<b>24. FINANCE COST</b>		
Interest :		
Interest	166156463	185245722
Bank Charges	26730683	26030959
<b>Total</b>	<b>192887147</b>	<b>211276680</b>
<b>25. OTHER EXPENSES</b>		
<b>Manufacturing Expenses</b>		
Consumption of Stores, Spares & Packing Material	137037195	118710972
Power and Fuel	308970582	276697458
Processing Charges	64454232	24313849
Repairs and maintenance - Buildings	8631000	2290446
Repairs and maintenance - Machinery	3589016	12720255
	<b>522682024</b>	<b>434732979</b>
<b>Selling &amp; Distribution Expenses</b>		
Outward Freight	68049917	78732490
Other Export Expenses	35401135	33824939
Commission on Sale	43457121	56844331
Claims & Discounts	4484658	8299580
	<b>151392831</b>	<b>177701340</b>
<b>Eastablishment &amp; Other Expenses</b>		
Rent	1000200	964084
Rates and taxes	2133430	2654612
Communication Charges	6703628	6191444
Travelling and conveyance	26599947	23440358

## NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
Insurance	1676325	1985318
Expenses towards CSR Activities	1503000	1503000
Miscellaneous Expenses	35963091	35150195
	<b>75579621</b>	<b>71889011</b>
<b>Total</b>	<b>749654475</b>	<b>684323330</b>
i) Miscellaneous Expenses includes payment to Statutory Auditor as :		
Statutory Audit Fees	234725	230338
Tax Audit Fees	34350	33708
Other Services	55250	72951
<b>Total</b>	<b>324325</b>	<b>336997</b>
<b>26. CAPITAL COMMITMENTS:</b> Estimated amount of contracts remaining to be executed on Capital Account and not provided for <b>Rs. 289.79 Lacs</b> (Net of advances) (Previous Year Rs. NIL ).		
<b>27. CORPORATE SOCIAL RESPONSIBILITY :</b> As per Section 135 of the Companies Act 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The Company is working primarily in the field of woman empowerment and promoting women education and tribal education. The funds were primarily transferred to the trust for the said purpose. Amount to be spent on CSR : Rs. 14,02,650/- Amount actually spent on CSR : Rs. 15,03,000/-.		
<b>28. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :</b>		
i. Bills discounted with Banks <b>Rs. 2411.07 Lacs</b> (Previous Year Rs. 2669.52 lacs).		
ii. Bank Guarantees of <b>Rs. 325.15 Lacs</b> (Previous Year Rs. 325.15 lacs) issued in favour of Custom, Central Excise & Other Government Authorities.		
iii. Disputed Statutory Dues :-		
a) a) The Income Tax Assessment of the Company have been completed up to Assessment Year 2013-2014. Disputed Income Tax Liabilities for which appeal is pending before different appellate authorities for Assessment Year <b>2005-2006, 2006-2007, 2010-2011 &amp; 2011-2012 are Rs. 332.85 Lacs</b>		
b) Disputed Sales Tax liability for which appeal is pending before Sales Tax authorities relating to financial year from <b>2009-2010 is Rs. 40.29 Lacs</b>		
c) Disputed Central Service Tax liability for which appeal is pending before different Service Tax authorities relating to financial year <b>2010-2011 is Rs. 3.71 Lacs</b> Based on the decision of the Appellate authorities and the interpretations of the other relevant provisions, the Company has been legally advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision has been made.		
<b>29.</b> As per Accounting Standard 28 issued by the Institute of Chartered Accountants of India, the Company has assessed recoverable value of generating unit based on value in used method which has worked out to be much higher than corresponding book value of net assets thereby not warranting further exercise of arriving at their net selling price. This further confirms absence of exigency of making any provision for impairment of asset(s)		
<b>30</b> The Company has only one business segment i.e. Textiles and thus no further disclosure are required in accordance with Accounting Standard 17 notified by Companies (Accounting Standards) Rules, 2006 (As amended) of Companies Act, 2013.		
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
Geographical Segments		
Export Revenues (Including Export Benefits)	3102246018	3456940452
Domestic Revenues (Net of Excise Duty)	1819907957	1268326026
<b>Total</b>	<b>4922153975</b>	<b>4725266478</b>

## NOTES forming part of the Financial Statements for the year ended 31st March, 2016 (Contd.)

	For the year ended 31st March, 2016	For the year ended 31st March, 2015
	Rs.	Rs.
<b>31. Basic and diluted earning per share (EPS) of the face value of Rs.5/- each is calculated as under:-</b>		
Net profit as per Profit and Loss Account available for Equity Share Holder (In Rs.)	25391590	50502718
Weighted average number of Equity Shares for Basis Earning Per Share	12499700	12499700
Basic / Diluted Earning Per Share (Weighted Average) - in Rs.	2.03	4.04
<b>32. DIRECTORS REMUNERATIONS</b>		
Salary	11820000	11220000
Other Perquisites	120000	120000
Directors Sitting fees	119000	94000
<b>33. Related parties with whom transactions have taken place during the year</b>		
<b>Key Management personnel's</b>		
Sri Sushil Patwari : Chairman		
Sri Sunil Patwari : Vice Chairman and Managing Director		
Sri K.C. Purohit : Whole Time Director		
Sri Mahendra Patwari : Whole Time Director		
<b>Relatives of Key Management Personnel's &amp; Others :</b>		
Patwari Properties		
Smt. Minakshi Patwari		
Smt. Anita Patwari		
	(Rs. in Lacs) 2015-2016	(Rs. in Lacs) 2014-2015
<b>Nature of Transaction &amp; with Whom</b>		
Rent to Relatives of Key Management Personnel's & Other	1.8	4.2
Rent to Key Management Personnel	1.2	1.2
Remuneration to Key Management Personnels	118.2	112.2
Outstanding Balances as on 31.03.2016	0	0
Deposit / Loans & Advances : Key Management Personnels	176	176

34. The Previous Year figures has been re-grouped / re-arranged wherever necessary to conform to the current year presentation

As per our annexed report of even date.

For **DAS & PRASAD**  
Chartered Accountants

(**CA. A. K. AGARWALA**)  
Partner  
M. No. 062368

Place : Kolkata

Date : 25th May, 2016

For and on behalf of the Board of Directors

**SUSHIL PATWARI** Chairman

**M. K. OGRA** Director

**J. TIWARI** Company Secretary

**K. N. BANSAL** Chief Financial Officer