

| | | | | |
|------------------------------|---|---|---|---------------------|
| BOARD OF DIRECTORS | : | Mr. Sushil Patwari | — | Chairman |
| | | Mr. Sunil Patwari | — | Managing Director |
| | | Mr. Mahendra Patwari | — | Whole-time Director |
| | | Mr. D. Das Choudhary | — | Whole-time Director |
| | | Mr. Mohan Kishen Ogra | — | Director |
| | | Mr. Bibhuti Charan Talukdar | — | Director |
| | | Mr. Mahabir Prasad Periwal | — | Director |
| | | Mr. Rajendra M. Ruia | — | Director |
| | | Ms. Surabhi Sanganeria | — | Director |
| COMPANY SECRETARY | : | Mr. J. Tiwari | | |
| CHIEF FINANCIAL OFFICER | : | Mr. Kedar Nath Bansal | | |
| CORPORATE IDENTIFICATION NO. | : | L18101WB1989PLC046387 | | |
| BANKERS | : | Canara Bank, Overseas Branch, Kolkata, Mumbai Oriental Bank of Commerce, Overseas Branch, Kolkata State Bank of Patiala, Commercial Branch, Mumbai (Merged with State Bank of India w.e.f. 01.04.2017) 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. 23, R. N. Mukherjee Road 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 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 | | |

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NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Members of Nagreeka Exports Limited, will be held at Bengal National Chamber of Commerce and Industry, 23, R.N. Mukherjee Road, Kolkata - 700 001, on Monday, the 18th day of September, 2017 at 10.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss for the year ended on that date and reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Mahendra Patwari (DIN 00024002), who retires by rotation and being eligible, offers himself for re-appointment.
3. To Appoint Auditors and to fix their remuneration and in this connection to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s B Nath & Co, Chartered Accountants (FRN 307057E), be and are hereby appointed as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of this Annual General Meeting till 33rd Annual General Meeting subject to ratification of their appointment at every Annual General Meeting of the Company and at a remuneration as may be determined by the Board of Directors in consultation with the Auditors."

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board and pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and pursuant to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and subject to such other approvals, as may be necessary, consent of the members of the Company be and is hereby accorded to the reappointment of Mr. Mahendra Patwari (DIN - 00024007), as a Whole-time Director of the Company for a period of 5 (five) years with effect from 1st July, 2017 till 30th June, 2022, upon such terms and conditions as set out in the relevant explanatory statement annexed to the Notice convening this Annual General Meeting."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter and vary the terms and conditions of the appointment and /or remuneration based on the recommendation of the Nomination and Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force).

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be considered necessary, proper or expedient to give effect to the aforesaid resolution."

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

"RESOLVED THAT in terms of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules 2014, including any statutory modifications or re-enactment thereof for the time being in force. M/s V. J. Talati & Co., Cost Accountants in Practice, Mumbai, being Cost Auditors appointed by the Board of Directors of the Company to conduct the cost audit for the financial year ending 31st March, 2018, be paid remuneration as set out in the relevant explanatory statement annexed to the notice convening this Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be considered necessary, proper or expedient to give effect to the aforesaid resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 13(1), 61, 64 and other applicable provision(s), if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded for reclassification

NOTICE (Contd.)

of the Authorised Share Capital of the Company from Rs. 15,00,00,000/- (Rupees Fifteen Crore Only) comprising 3,00,00,000/- (Three Crore) Equity Shares of Rs. 5/- (Rupees Five) each to Rs. 12,00,00,000/- (Rupees Twelve Crore Only) comprising 2,40,00,000 (Two Crore Forty Lakh) Equity Shares of Rs. 5/- (Rupees Five) each and 30,00,000/- (Thirty Lakh) Preference Shares of Rs. 10/- (Rupees Ten) each and consequently the existing Clause V of the Memorandum of Association of the Company be and is hereby amended and be substituted by the following-

The Authorised Share Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores Only) divided into 2,40,00,000/- (Two Crore Forty Lakh) Equity Shares of Rs. 5/- each and 30,00,000/- (Thirty Lakh) Preference Shares of Rs. 10/- each with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company with power to increase and reduce the Capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 or provided by the Articles of Association of the Company for the time being."

"**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as the 'Board') be and are hereby authorised to take all such steps and actions as it may deem necessary, proper or expedient for the purpose of giving effect to the abovesaid resolution."

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 42, 55, 62 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the regulations/guidelines, if any, issued/prescribed by the Government of India, the Securities and Exchange Board of India ("SEBI") and the Reserve Bank of India, the Foreign Exchange Management Act, 2000, and subject to the relevant provisions of the Articles of Association of the Company, approval of the members be and is hereby accorded to the Board of Directors of the Company to create, offer, issue, and allot 25,00,000 (Twenty Five lakh) Redeemable Preference Shares of Rs. 40/- (Rupees Forty) each including a premium of Rs. 30/- (Rupees Thirty) per Redeemable Preference Share, on preferential basis to the following promoter of the Company:

| Sl. No. | Name | Number of Redeemable Preference Shares to be issued |
|---------|--------------------|---|
| a) | Sri Sushil Patwari | 25,00,000 |

in one or more tranches out of the conversion of unsecured loans obtained from him, with the liberty to the Board or Committee thereof to issue and allot the said Redeemable Preference Shares, as and when required and that such Redeemable Preference Shares shall be redeemable at a premium (to be decided later by the Board or a Committee thereof) not later than the expiry of 20 years from the date of their issue, as may be decided by the Board or Committee thereof and entitle the holder for dividend at the rate of 15%, subject to the provisions of the Companies Act, 2013 and on such other terms and conditions as the Board of Directors, in its absolute discretion, may deem fit or proper for such purpose, including to sign all deeds, documents, share certificates and writings, etc. and to settle any questions or difficulties that may arise in regard to the issue, as it may, in its absolute discretion, deem fit and proper and that all or any of the powers conferred on the Board vide this Special resolution may be exercised by a committee of the Board of Directors.

FURTHER RESOLVED THAT the above Redeemable Preference Shares shall be subject to the following conditions:

- The said Redeemable Preference Shares shall rank for dividend in priority to the allotted equity shares of the Company. The dividend will be calculated pro rata i.e. from the date of allotment of such Preference Shares.
- The said Redeemable Preference Shares will have priority for repayment of capital and arrears of dividend, whether declared or not, up to the commencement of the winding up, in priority to the allotted equity shares but shall not be entitled to any further participation in profits or assets.
- The payment of dividend shall be on cumulative basis.

NOTICE (Contd.)

- d) The voting rights of the said Redeemable Preference Shares shall be in accordance with the provisions of Section 47 of the Companies Act, 2013.
- e) The Redeemable Preference Shares will not be listed on any Stock Exchange. However, they shall be transferable inter-se the Promoter Group of the Company.
- f) In the event of further creation and allotment of Preference Shares, the same shall rank pari-passu to the aforesaid Preference Shares.
- g) The issuer will have an option to redeem the preference shares at any time, in one or more tranches but, not later than 20 years from the date of issue thereof.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised on behalf of the Company to take all actions and to do all such acts, deeds, matters and things and perform such actions as it may, in its absolute discretion, deem necessary, proper or desirable for such purpose."

Place: Kolkata
Date: 14.08.2017



By order of the Board
For **NAGREEKA EXPORTS LTD**

JITENDRA TIWARI
COMPANY SECRETARY

NOTICE (Contd.)

NOTE:

1. IN TERMS OF THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014, A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS UPTO AND NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY. FURTHER, A MEMBER HOLDING MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING. A proxy form for the meeting is enclosed.
2. Corporate Members intending to send their authorised representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend the Annual General Meeting, pursuant to the provisions of Section 113 of the Companies Act, 2013, along with their respective specimen signature authorizing the representative on their behalf at the Meeting.
3. Members are requested to bring their Attendance Slips together with their copies of Annual Report to the Meeting. Copies of the Annual Report will not be provided at the Meeting venue.
4. Statement pursuant to section 102(1) of the Companies Act, 2013 is annexed and forms part of this Notice.
5. Brief details of the Directors, who are seeking appointment/ re-appointment, are annexed hereto as per the requirements of Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and clause 1.2.5 of Secretarial Standard 2 issued by ICSI.
6. Pursuant to Section 205C of the erstwhile Companies Act, 1956 all unclaimed or unpaid dividends (if any) upto the financial year ended 31st March, 2009 have been transferred to the Investors Education and Protection Fund established by the Central Government.
7. Pursuant to Section 124 and 125 of the Companies Act, 2013, dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The following are the details of dividends paid by the Company and respective due dates for claim by the shareholders:

| Financial year Ended | Date of declaration of Dividend | Last date for claiming unpaid Dividend | Due date for transfer to IEPF |
|----------------------|---------------------------------|--|-------------------------------|
| 31/03/2011 | 28/09/2011 | 27/09/2018 | 26/10/2018 |
| 31/03/2013 | 24/09/2013 | 23/09/2020 | 22/10/2020 |
| 31/03/2014 | 10/09/2014 | 09/09/2021 | 08/10/2021 |

Members who have not encashed their Dividend Warrants for any one or more of the said financial years are requested to make their claims to the Company or to the Registrar & Transfer Agents, Maheshwari Datamatics (P) Ltd., 23, R.N. Mukherjee Road 5th Floor, Kolkata - 700 001. Phone Nos. 2248-2248, 2243-5809.

8. Pursuant to the provisions of Section 91 of the Companies Act, 2013, and Regulation 42 of the SEBI (LODR) Regulations, 2015 the register of members and share transfer books of the Company will remain closed from **Monday, 11th September, 2017 to Monday, 18th September, 2017, both days inclusive.**
9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in their address as soon as possible. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Shareholders/ Depositories for depositing of dividends.

NOTICE (Contd.)

10. Members holding shares in electronic form are, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or Maheshwari Datamatics Pvt. Ltd., who are the Company's Registrar and Share Transfer Agents.
11. Members holding shares in same name under different folios are requested to apply for the consolidation of such Folios and send the relevant share certificates to Maheshwari Datamatics Pvt. Ltd, Registrar and Share Transfer Agent of the Company.
12. It is observed that few members have still not surrendered their old certificate for Equity Shares of Rs. 10/- each. They are once again requested to surrender the old certificates for Equity Shares at the Registered Office of the Company or to Maheshwari Datamatics Pvt. Ltd., who are the Company's Registrar and Transfer Agent, so as to enable the Company to do the needful.
13. In terms of sections 101 and 136 of the Companies Act, 2013, read with the rules made thereunder, the listed companies may send the notice of Annual General Meeting and the Annual Report, including Financial Statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their email ids with their respective depository participants or with the Registrar and Share Transfer Agent of the Company.
14. To receive shareholders' communications through electronic means, including annual reports and notices, members are requested to kindly register/ update their email address with their respective depository participant, where shares are held in electronic form. If, however shares are held in physical form, members are advised to register their email address with Maheshwari Datamatics Pvt. Ltd.

15. Voting through Electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-voting services. The facility of casting votes as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the Notice of 28th Annual General Meeting of the Company.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The remote e-voting period commences on 14th September, 2017 (9:00 am) and ends on 17th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

- A. Members whose shareholding is in Dematerialised form and whose e-mail address is registered with the Company/ Depository Participant will receive an E-mail from NSDL informing User ID and Password:
 1. Open the attached PDF file "e-Voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your "User ID" and "Password for e-voting". Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
 2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
 3. Click on "Shareholder - Login".

NOTICE (Contd.)

4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com
5. Password change Menu appears. Change the password with new password of your choice with minimum 8 digits/ characters or combination thereof.
6. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
7. Select "EVEN" of **(Nagreeka Exports Limited)**.
8. Now you are ready for "e-Voting" as "Cast Vote" page opens.
9. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
10. Upon confirmation, the message "Vote cast successfully" will be displayed.
11. Once you have voted on a Resolution, you will not be allowed to modify your vote.
12. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail gk.sons@hotmail.com with a copy marked to evoting@nsdl.co.in.
 - B. For Members whose shareholding is in Dematerialised form and whose e -mail address are not registered with the Company. Depository Participants and Members holding physical shares as well as those Members who have requested for physical copy of the Notice and Annual Report, the following instruction may be noted:
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

| REVEN (Remote e-voting Event Number) | USER ID | PASSWORD/PIN |
|--------------------------------------|---------|--------------|
| | | |
 - (ii) Please follow all steps from Sl. No. (2) to Sl. No. (12) above, to cast vote.
 - I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at downloads section of www.evoting.nsdl.com or call on toll free no.:1800-222-990.
 - II. If you are already registered with NSDL for remote e-voting then you can use your existing User ID and Password/ PIN for casting your vote.
 - III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - IV. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 11th September, 2017.

The voting period begins on **14th September, 2017 (9.00 AM)** and ends on **17th September, 2017 (5.00 PM)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e **Monday, 11th September, 2017**, may cast their votes electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the Cut-Off date i.e Monday, 11th September, 2017. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **Monday, 11th September, 2017**, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or compsect.nel@nagreeka.com.

NOTICE (Contd.)

- B. A copy of this notice has been placed on the website of the company and the website of NSDL.
- C. Mr. Hari Ram Agarwal of **M/s. H. R. Agarwal & Associates**, Practicing Chartered Accountant (Membership No. 057625) has been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- D. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of atleast two (2) witnesses not in the employment of the company and make, within a period not exceeding 48 (Forty Eight hours) of conclusion of the meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman.
- E. The results declared along with the Scrutiniser's Report shall be placed on the Company's website at www.nagreeka.com and on the website of NSDL within two (2) days of receiving of the Scrutiniser's Report and shall also be communicated to the BSE Limited and National Stock Exchange of India.
16. Brief details of Directors seeking appointment/Re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (LODR) Regulations, 2015.

Details of the Directors

| | |
|--|---|
| Name of Director | Sri Mahendra Patwari |
| Date of Birth | 15.03.1963 |
| Date of appointment | 01.07.2004 |
| Qualification(s) | B.E. from IIT Powai, Mumbai |
| Expertise in specific Functional area | Industrialist having rich business experience |
| List of other Directorship held excluding foreign companies, Companies under section 8 of the Companies Act, 2013 and Private Companies. | NIL |
| Chairman / Member of the committees of the Board of other Companies in which he is a Director | NOT APPLICABLE |
| Shareholding in the Company | 534900 |

By order of the Board
For **NAGREEKA EXPORTS LTD**

JITENDRA TIWARI
COMPANY SECRETARY

Place: Kolkata
Date: 14.08.2017

NOTICE (Contd.)

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

ITEM NO. 4

Keeping in view the vast experience and knowledge of Mr. Mahendra Patwari and on recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 24/05/2017 subject to approval of the members of the Company, re-appointed him as a Whole-time Director of the Company for a period of 5 (Five) years w.e.f. 1st July, 2017 till 30th June, 2022 on the following terms and conditions:

General Term's and Conditions

- (i) Mr. Mahendra Patwari shall perform such functions and duties as may be assigned to him, from time to time, by the Board.
- (ii) Mr. Mahendra Patwari shall also visit such places from time to time, which may be necessary for the purpose of the business of the Company. He shall be entitled to reimbursement of all travelling, boarding, lodging and incidental expenses, which the may incur for performing his duties.

Remuneration

Rs. 3, 00,000/- per month with effect from 01/07/2017.

With such increments as may be decided by the board of Directors/ Nomination and Remuneration Committee of the Board of Directors, from time to time, subject to maximum salary of Rs. 5,00,000/- per month.

Perquisites:

1) Housing

- i) Residential accommodation or house rent allowance at the rate of 60% of salary.
- ii) Expenses pertaining to electricity will be borne / reimbursed by the Company.
- iii) The Company shall provide such furniture, fixture and furnishings as approved by the Board of Directors (which includes Remuneration Committee of the Board of Directors) from time to time.

2) Medical Expenses

Reimbursement of actual medical expenses incurred in India and/ or abroad and including hospitalization, nursing home and surgical charges for himself and family.

3) Holiday Travel Expenses

Reimbursement of Holiday Travel expenses (like travel fare, lodging, boarding, conveyance and other expenses) incurred on one occasion in a year whether in India or abroad in respect of himself and family, as per Company rules.

4) Club Fees

Reimbursement of membership fee upto maximum of two clubs in India including admission and life membership fee.

5) Personal Accident Insurance

Personal Accident Insurance Policy of such amount as may be decided by the Board of Directors (which includes Nomination and Remuneration Committee), the premium of which shall not exceed Rs. 1,00,000/- per annum.

6) Contribution to Provident Fund, Superannuation Fund and Annuity Fund

The Company's contribution to Provident Fund, Superannuation and Annuity Fund not exceeding 30% of salary in aggregate.

7) Gratuity

As per Gratuity Act, 972.

8) Leave

Leave with full pay or encashment thereof as per the Rules of the Company.

NOTICE (Contd.)

9) Car with Driver

The Company will provide Car with Driver for Company's business.

10) Telephone

Free telephone and fax facilities at residence. The Company will also pay the mobile expenses pertaining to his mobile.

11) Reimbursement of Entertainment/ Travelling Expenses

Reimbursement of all entertainment, traveling, hotel and other expenses incurred by Mr. Mahendra Patwari during the course of his employment in connection with the business of the Company.

12) Sitting Fees

No sitting fees shall be paid to Mr. Mahendra Patwari for attending the meetings of the Board of Directors of the Company or any Committee thereof.

13) Minimum Remuneration

In the event of inadequacy or absence of profits in any financial year during his tenure, Mr. Mahendra Patwari will be entitled to the above remuneration alongwith perquisites / benefits mentioned above as minimum remuneration.

Brief resume of Mr. Mahendra Patwari as required under Regulation 36 of SEBI (LODR) Regulations, 2015 is set out at item no. 16 under the head NOTES to the Notice convening the 28th Annual General Meeting of the Company.

The above may be treated as extract of the terms of reappointment of Mr. Mahendra Patwari as a Whole-time Director of the Company as per Section 190 of the Companies Act, 2013.

The Draft Service Agreement between the Company and Mr. Mahendra Patwari is available for inspection by the Member of the Company at its Registered Office between 11.00 A.M. and 1.00 P.M. on any working day of the Company.

The proposed Resolution being item No. 4 in the Notice convening this AGM is intended for the purpose. The Board of Directors recommends the resolutions set out at Item No. 4 for approval of the shareholders as an Ordinary Resolution.

Save and except Mr. Mahendra Patwari, Mr. Sunil Patwari and Mr. Sushil Patwari none of the Directors and the Key Managerial Personnel of the Company including their relatives, is concerned or interested in aforesaid Ordinary Resolution.

ITEM NO. 5

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual Cost Accountant in practice or a firm of Cost Accountants in practice, as Cost Auditor on the recommendation of the Audit Committee. The remuneration, recommended by Audit Committee and approved by the Board of Directors is required to be ratified by the members.

On recommendation of the Audit Committee at its meeting held on 24th May, 2017, the Board approved the re- appointment of M/s V. J. Talati & Co., Cost Accountants in practice, Mumbai, to conduct the Cost Audit for the financial year ending on 31st March, 2018, at a remuneration to be decided by the Board in consultation with the Cost Auditors.

The proposed Resolution being item No. 5 in the Notice convening this AGM is intended for the purpose. The Board of Directors recommends the resolutions set out at Item No. 5 for approval of the shareholders as an Ordinary Resolution.

None of the Directors and the Key Managerial Personnel of the Company including their relatives, is concerned or interested in aforesaid Ordinary Resolution.

NOTICE (Contd.)

ITEM NO. 6

In light of the above referred proposed allotment of preference shares, it is proposed to reclassify the existing Authorised Share Capital of the Company from Rs. 15,00,00,000/- (Rupees Fifteen Crore only) comprising 3,00,00,000 (Three Crore) Equity Shares of Rs. 5/- (Rupees Five) each to Rs. 12,00,00,000/- (Rupees Twelve Crore only) comprising 2,40,00,000 (Two Crore Forty Lakh) Equity Shares of Rs. 5/- each and 30,00,000 (Thirty Lakh) Preference Shares of Rs. 10/- (Rupees Ten) each.

Consequently, it is proposed to make appropriate alterations in the Memorandum of Association of the Company, by substituting the existing Clause V by the proposed one, to reflect the changes in the Authorised Share Capital of the Company.

The proposed resolution being item No. 6 in the Notice convening this AGM is intended for the purpose.

The Board of Directors believes that the proposed issue of Preference Shares is in the best interest of the Company and recommends the resolutions set out at item No. 6 for approval of the Members of the Company as an Ordinary Resolution.

Save and except Mr. Sushil Patwari, Mr. Sunil Patwari and Mr. Mahendra Patwari, none of the Directors and the Key managerial Personnel of the Company including their relatives, are in any way concerned or interested, financially or otherwise in the proposed Ordinary resolution, set out at item no. 6 of the Notice.

Item No. 7

The Company is pursuing several growth opportunities in its existing scale of business. Your company is trying to maximize the shareholders value by accelerating the growth in pace with the opportunities. To augment the long term resources of the Company and in order to meet the growth opportunities and as per the stipulation of lenders, your board intends to mobilize funds through issue of preference shares by way of preferential allotment out of conversion of unsecured loan. The 25,00,000 (Twenty Five Lakh) Redeemable Preference Shares proposed to be issued to the proposed promoters/ Promoters group of the Company on preferential basis.

Disclosure as required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014, are as under :

1. **The Size of Issue :** 25,00,000 Preference Shares of Rs. 40/- (Rupees Forty) each including a premium of Rs. 30/- (Rupees Thirty) per Redeemable Preference Shares.
2. **Nature of such Shares :** Cumulative Non-Convertible Redeemable Preference Shares.
3. **Object of the issue :** Object of this issue to convert partly unsecured loan into capital to improve debt equity ratio of the Company and to meet long term capital requirements.
4. **Manner of the issue/Securities to be issue :** The resolution set out in the notice at item no. 7, entitling the Board to issue and allot preference shares on preferential basis entitling to apply for preference shares as may be deemed appropriate in the best interest of the Company.
5. **Pricing :** The said Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each shall be issued at a premium of Rs. 30/- (Rupees Thirty) each.
6. **Basis on which the price has been arrived :** Price has been determined on the basis of valuation Report.
7. **Terms of issue :** Preference shares shall be issued out of conversion of unsecured loan which will carry 15% dividend.
8. **Manner and Mode and terms of Redemption:** Preference Shares shall be redeemable not later than 20 years from the date of issue thereof out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption as the case may be in one or more tranches.

NOTICE (Contd.)

9. **Relevant Date:** Not Applicable.
10. **The class or classes of person to whom the allotment is proposed to be made:** Allotment is being made to existing shareholders of the Company belonging to Promoter.
11. **The names of the proposed offerees and the percentage of post preferential offer capital that may be held by them, are as under:**

| Name of Offerees | Number of preference Shares to be offered | % holding post preferential offer |
|-----------------------|---|-----------------------------------|
| a) Sri Sushil Patwari | 25,00,000 | 100% |

12. **Completion of Allotment :** The proposed time limit within which the allotment shall be completed is 12 (Twelve) months from the date of passing the Special Resolution by the Members of the Company, approving the issue.
13. **Expected Dilution in Equity Share Capital/Change in Control:** The subject Redeemable Preference Shares shall not be converted into equity shares and therefore there is no question of any change in the Shareholding pattern, resulting from this subject issue of Redeemable Preference shares.
14. **The number of persons to whom allotments on preferential basis have already been made during the year, in terms of number of securities as well as price :** No allotment has been made during the year.
15. **Shareholding Pattern :** Percentage of pre and post preferential offer capital that may be held by the offerees, as per special resolution under item No. 7 of the Notice, are as under :

| Sl. No. | Category & Name of the Shareholders | Pre-Preferential Offer of Redeemable Preference Share | | Post-Preferential offer of Redeemable Preference Shares | | | |
|--|--------------------------------------|---|---|---|---|------------------------------------|--|
| | | No. of fully paid up equity shares held | Shareholding as a % of total no. of equity shares | No. of fully paid up equity shares held | Shareholding as a % of total no. of equity shares | No. of Redeemable Preference Share | Shareholding as a % of total no. of Redeemable Preference Shares |
| A | Promoters' Holding | | | | | | |
| (1) | Indian | | | | | | |
| (a) | Individuals / Hindu undivided Family | 4472800 | 35.78 | 4472800 | 35.78 | 2500000 | 100 |
| (b) | Other Body Corporate | 2105186 | 16.84 | 2105186 | 16.84 | | |
| (2) | Foreign Promoters | | | | | | |
| Total Shareholding of Promoter and Promoter Group (A) | | 6577986 | 52.63 | 6577986 | 52.63 | 2500000 | 100 |
| B | Non-Promoters' Holding | | | | | | |
| (1) | Institutional Investors | | | | | | |
| (a) | Mutual Funds | 3300 | 0.03 | 3300 | 0.03 | - | - |
| (b) | Financial Institutions/Banks | 300 | 0.00 | 300 | 0.00 | - | - |
| (c) | Any Other (specify) | 300 | 0.00 | 300 | 0.00 | - | - |
| Sub Total (B) (1) | | 3900 | 0.03 | 3900 | 0.00 | - | - |

NOTICE (Contd.)

| | | | | | | | |
|---|---|----------|--------|----------|--------|---------|-----|
| (2) | Non-Institutional Investors | | | | | | |
| (a)(i) | Individuals - i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs | 2875486 | 23.00 | 2875486 | 23.00 | - | - |
| (a)(ii) | ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs | 387124 | 3.10 | 387124 | 3.10 | - | - |
| (b) | Others (Including NRIs) | 2655204 | 21.24 | 2655204 | 21.24 | - | - |
| Sub-Total (B)(2) | | 5917814 | 47.34 | 5917814 | 47.34 | - | - |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | | 5921714 | 47.37 | 5921714 | 47.37 | - | - |
| Total (A+B) | | 12499700 | 100.00 | 12499700 | 100.00 | 2500000 | 100 |

16. **Lock-in** : The preference shares issued under the above Preferential Issue shall not be listed on the stock exchange(s) and do not require lock-in requirement.

The proposed Resolution being Item No. 7 in the Notice convening this AGM is intended for the purpose. The Board of Directors recommends the resolutions set out at Item No. 7 for approval of the shareholders as a Special Resolutions.

Save and except Mr. Sushil Patwari, Mr. Sunil Patwari and Mr. Mahendra Patwari none of the Directors and the Key Managerial Personnel of the Company including their relatives, is concerned or interested in aforesaid resolution.

Place: Kolkata
Date: 14.08.2017

By order of the Board
For **NAGREEKA EXPORTS LTD**

JITENDRA TIWARI
COMPANY SECRETARY

DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 28th Annual Report on the affairs of your Company together with the Audited Statements of Account for the Year ended March 31, 2017.

FINANCIAL RESULT

| | 2016-2017 (Rs. In Lakhs) | 2015-2016 (Rs. In Lakhs) |
|--|---|---|
| Revenue from operation | 61562.08 | 49221.54 |
| Other Income | 45.02 | 25.02 |
| | <u>61607.10</u> | <u>49279.56</u> |
| PBIDT | 2302.45 | 2150.96 |
| Interest | 1290.28 | 1169.19 |
| Depreciation | 670.85 | 630.11 |
| PROFIT BEFORE TAXATION | 341.32 | 351.66 |
| Adjustment of Tax | -237.99 | -97.74 |
| PROFIT AFTER TAXATION | 103.33 | 253.92 |
| Profit Brought Forward from Previous Year | 2557.55 | 2303.63 |
| PROFIT AVAILABLE FOR APPROPRIATIONS | <u>2660.88</u> | <u>2557.55</u> |
| APPROPRIATIONS | | |
| Proposed Dividend | 0 | 0 |
| Balance carried to Balance Sheet | <u>2660.88</u> | <u>2557.55</u> |
| | <u>2660.88</u> | <u>2557.55</u> |

DIVIDEND

Your Directors do not recommend payment of any dividend for the year ended 31st March, 2017 with a view to conserve liquidity.

INDUSTRIAL SCENARIO

The Financial Year 2016-17 was not smooth for the cotton yarn and textile industry. The expectations of a better yield leading to a bigger cotton crop were hit by an erratic monsoon.

The demonetization in early November, 2016, disrupted the arrival of the crop in the markets due to reluctance of farmers to accept modes of payment other than cash. Thus, the prices of cotton stayed much higher than the projections.

Other costs such as power and man power were also increased more than normal by certain regulatory changes & decisions on open access for power, payment of bonus & applicability of ESIC.

The emergence of substantial new spinning capacity in Vidharbha and Gujarat on the back of very substantial incentives has made competition very intense. Added to, this is competition from low cost economics such as Bangladesh, Vietnam, Pakistan, who also enjoy preferential duties and access to US and EU.

China continued its policy of reducing reserves of cotton and produced more yarn & imported less cotton and yarn. The total exports of the country were also below target.

Your Company was able to successfully deal with all these to achieve a growth in turnover of more than 20%.

PERFORMANCE REVIEW

Your company's performance can be judged on a positive note. The revenue from operation was Rs. 61562.08 lakh as against Rs. 49221.54 lakh in the Previous Year. However, The profit after tax for the year 2016-17 has been Rs. 103.33 lakh as against Rs. 253.92 lakh in the Previous Year.

DIRECTORS' REPORT (Contd.)

FUTURE PROSPECTS

The central textile ministry has announced Rs. 6000 Cr package for the garments sector in June 2016. This package is expected to benefit the textile industry immensely. Further, the economy of EU Countries and also USA will pick up soon, which consequently will boost textile export from India. All these will create higher demand for the Company's products.

FIRE AT KAGAL UNIT

A Fire broke out at Kagal plant on 5th March, 2017. Extensive damage occurred. However, the company has filed claim with the Insurance Company against loss for damage to fixed Assets and Inventory. The claim is under process. However, the work restarted at the said division from 18th March, 2017 and now operation is running smoothly.

DIRECTOR'S & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Mahendra Patwari, DIN 00024002, 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.

Mr. Mahendra Patwari's office of Whole-time Director, is upto 30/06/2017. He is proposed to be re-appointed for a period of 5 years w.e.f. 01/07/2017.

Mr. K.C. Purohit, Whole-time Director, resigned from the Directorship w.e.f. 25/05/2016 and Mr. Debabrata Das Choudhary was promoted as a Whole-time Director of the Company w.e.f. 25/05/2016.

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 elements of remuneration package of Individual Director is provided in the extract of the Annual Return as per Section 92(3) of the Companies Act, 2013, and is annexed as Annexure - D, 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 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 2017-18, 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 "Independent Director of the Company".

MANAGEMENT DISCUSSION AND ANALYSIS

As per Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the statement on Management Discussion and Analysis is annexed hereto and marked as Annexure - "B".

CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate report on Corporate Governance, is annexed 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)(E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to the report of Corporate Governance.

DIRECTORS' REPORT (Contd.)

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.

MEETINGS OF THE BOARD OF DIRECTORS

Four Board meetings were held during the year 2016-17. The Company has held at least one Board meeting in every quarter and the maximum time gap between any two meetings was not more than one hundred and twenty days, thereby complying with applicable statutory requirements. Further, the detail of the meeting of the Board of Directors held during the year is stated in Corporate Governance report which forms part of this Report.

BOARD EVALUATION

Evaluation of performance of all Directors is undertaken annually. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Board of Directors has expressed its satisfaction with the evaluation process.

One separate meeting of Independent Directors was held during 2016-17 which reviewed the performance of the Non - Independent Directors and the Chairman of the Board. It also reviewed the performance of the Board as a whole and to assess the quality, quantity and timeliness of flow of information between the company management and the Board and its members that is necessary for the board to effectively and reasonably perform their duties.

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, Your Directors state that:

- (a) In the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed with no material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual financial statements on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

MATERIAL CHANGES AFFECTING THE COMPANY

There were no material changes and commitments affecting the financial position of the Company.

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.

VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism / Whistle Blower Policy are 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 Internal Complaints Committee which has been set up to redress complaints regarding sexual harassment. The following is the summary of sexual harassment complaints received and disposed off during the year:

- i) No. of complaints received : Nil
- ii) No. of complaints disposed off : Nil

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

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

Pursuant to the compliance of Section 139(2) of the Companies Act, 2013, M/s. Das & Prasad (FRN 303054E), Chartered Accountants, Kolkata the existing Statutory Auditors of the Company, expressed in writing of their unwillingness to be re-appointment at the ensuing Annual General Meeting of the Company as they have completed their tenure as the Statutory Auditors of the Company as specified under the aforesaid section.

Your Directors recommend the appointment of M/s. B.Nath & Co., (FRN 307057E), Chartered Accountants, Kolkata, in the forthcoming Annual General Meeting of your Company to be held on 18th September, 2017, as the Statutory Auditors of the Company, for a block of 5 years to hold office till the conclusion of 33rd Annual General Meeting of the Company, subject to ratification by the shareholders every year as per the provisions of Section 139 of the Companies Act, 2013, read with The Companies (Audit & Auditors) Rules, 2014. A written consent from M/s. B.Nath & Co., (FRN 307057E), Chartered Accountants, Kolkata has been received along with a certificate that their appointment, if made, shall be in accordance with the conditions prescribed under Section 141 of the Companies Act, 2013 and Regulation 33(1)(d) of the SEBI(Listing Obligations and Disclosure Requirement) Regulations, 2015.

AUDITORS' REPORT

The Auditors' Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended March 31, 2017. The statements made by the Auditors in their Report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company has appointed M/s M.K. Sharma & Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company. The Secretarial Audit

DIRECTORS' REPORT (Contd.)

Report is annexed as Annexure "E" and forms an integral part of this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

COST AUDITORS

Pursuant to provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Cost Audit Report issued for 2015-16 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. 2017-18.

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

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.8.50 Lacs per month or Rs.102.00 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 to section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of the Employees of the Company in detailed is separately attached as Annexure "D" to this report.

ACKNOWLEDGEMENT

Your Directors acknowledge the significant contribution made by the employees of the company at all levels towards its overall success. The Directors also take this opportunity to place on record their appreciation of all the stakeholders, bankers and members for their continued support to the Company.

By order of the Board

Sd/-

Sushil Patwari

Chairman

Place: Kolkata

Date: 24th May, 2017

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.

Form - A

Form for disclosure of particulars with respect to conservation of energy

| | Year Ended 31.03.2017 | Year Ended 31.03.2016 |
|---|--------------------------|--------------------------|
| 1. Power Consumption | | |
| i Electricity | | |
| a Purchased units (in lacs) | 384.01 | 370.27 |
| Total amount (Rs. In lacs) | 2352.28 | 2,218.21 |
| Rate per unit (Rs.) | 6.13 | 5.99 |
| b Own Generation | | |
| Through Diesel Generator | | |
| Total Unit Generated (In Lacs) | 2.84 | 2.03 |
| Unit per litre of Diesel Oil | 5.12 | 5.81 |
| Cost per Unit (Rs.) | 13.11 | 12.67 |
| ii Coal | Nil | Nil |
| iii Furnance Oil | Nil | Nil |
| iv Other Internal Generation | Nil | Nil |
| 2 Consumption per unit of production | | |
| i Electricity unit per kgs. Of yarn | 3.28 | 4.16 |
| 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 31.03.2017 | Year Ended 31.03.2016 |
|---------|--------------------------|--------------------------|
| Earning | 3,667,111,731 | 2,688,746,054 |
| Outgo | 71,358,699 | 54,578,613 |

By order of the Board

Sd/-

Sushil Patwari
Chairman

Place: Kolkata
Date: 24th May, 2017

ANNEXURE "B" TO DIRECTORS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(1) Economic Scenario

(a) Global Economy

Global economic growth continued to be slow following slow trades, low investments and policy uncertainties in advanced economies. Major global events during the year including United Kingdom's decision to leave the European Union and the outcome of presidential election in United States of America are expected to have long term effects on the global economy. Global growth in 2016 was estimated at 3.1% and is projected to rise to 3.5% in 2017. Growth, in emerging markets and developing economies, is expected to pick up in 2017 on the back of fiscal stimulus measures in developed economies and narrowing of divergence between commodity exporters and importers. The main factors that could possibly weigh on the medium- term growth prospects across many emerging markets and developing economies are weak investments, below par levels of productivity coupled with heightened policy uncertainty, and protectionist pressures.

(b) Indian Economy

India emerged as a "bright spot" in an otherwise subdued world economy when it overtook China in 2015-16 as the fastest growing major economy in the world. Though India's fundamentals still remain strong, the recent demonetization initiative undertaken by the Indian government is expected to lower India's GDP growth from 7.6% in FY16 to 6.8% in FY17. The IMF mentioned that this cash shortage and slow private consumption would only be a temporary disruption and the otherwise, healthy economy will return to growth post the predicted slowdown in FY17. The Indian government's decisive policy manoeuvres towards ensuring fiscal consolidation and pegging back inflation will help it maintain economic stability in the years ahead. India's eight core infrastructure Industries- coal, crude oil, natural gas, refinery products, fertilizers, steel, cement and electricity registered cumulative growth of 4.9% during the April- November 2016 period compared to 2.5% a year ago.

(2) Industry Structure and Development

The Indian Textiles Industry is one of the oldest and biggest Industries of the Country. The Textile Industry has two broad segments. First, the unorganized sector consisting of handloom, powerloom, handicrafts and sericulture and the second is, the organized sector consisting of spinning, weaving, knitting, garments and home textiles segments. The industry has major contribution to the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. The sector contributes 14% to industrial production, 4% to India's Gross Domestic Product (GDP) and 15% to the country's export earnings. It is the second largest employment provider in the country employing nearly 51 million people directly and 68 million people indirectly in 2016-2017.

The Central Textiles Ministry, Government of India has announced Rs 6000 Cr package for the textile sector in June, 2016. The mode and modality thereof have since been formulated. This will have favourable fallout in very near future.

(3) Opportunities and Threats

Exports have been core feature of India's textile sector. The Indian textiles exports market estimated at \$18 billion is expected to grow at a CAGR of 4% as compared to the global CAGR of 3% over 2016-2026. The Indian Textile Industry is currently estimated at around US\$ 108 billion and is expected to reach US\$ 223 billion by 2021. The Indian textiles and yarn industries are expected to reach very high levels of performance at least in the next 4 to 5 years. Favourable demographics and rising incomes level in India are expected to stimulate textile demand.

The Indian Textiles and yarn industry may face threats from constraints in domestic supplies and cheaper availability of good quality cotton overseas. The cotton acreage is likely to fluctuate which will be detrimental to textiles and yarn industries. Though, in 2017-18 the area is projected to grow substantially.

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

(4) Outlook

The Indian Cotton textile industry will continue to grow alongwith growing consumption of textile and yarn products in India as well as abroad. Geography wise, while the textile market is stable and dominated by European Union and the U.S, countries like China, India and Russia are emerging as future destination for textile and yarn consumption. The high growth is expected to be primarily driven by increase in consumption as well as per-capita apparel spending of the already large population in these countries including India.

(5) Management perception of Risk Concern

It is to be noted that the cotton textile and yarn industries carry some inherit risk in as much as the raw material is seasonal in character. Moreover, total cotton acreage fluctuates depending on price parity. India is now largest grower of cotton in the world. Further, the yields are way below Global levels and there is an opportunity to improve yields and have bigger production of cotton, which will be helpful to Indian cotton textile industry to compete grow globally.

(6) 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 organization. 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.

(7) 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 programme 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.

(8) 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 to 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

REPORT ON CORPORATE GOVERNANCE

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 CORPORATE GOVERNANCE

The Company believes that good Corporate Governance strengthens the investors trust and ensures long term relationship with other stakeholders which help the Company to achieve its objectives. The core values of Company's governance process include independence, integrity, accountability, transparency, responsibility and fairness. The Company is committed to learn and adopt the best practices of corporate governance. The Company aims to attain the highest standards of corporate governance practices to enhance its value and value of its stakeholders.

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 numbers 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 total number of Directors. The Company has one Woman Director on the 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 4 times, on the following dates, during the financial year 2016-17 :

| | | | |
|------------|------------|------------|------------|
| 25/05/2016 | 10/08/2016 | 10/11/2016 | 14/02/2017 |
|------------|------------|------------|------------|

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 31.03.2017 are given below:

| Name | Category | No. of Board Meeting held during the Financial Year | No. of Board Meetings attended during 16-17 | Whether Attended AGM held on 29.09.16 | 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 31.03.2017 |
|-----------------------|--------------------|---|---|---------------------------------------|---|---|--------|--|
| | | | | | | Chairman | Member | |
| Mr. Sushil Patwari | Promoter Executive | 4 | 4 | Yes | 4 | 1 | 3 | 791900 |
| Mr. Sunil Patwari | Promoter Executive | 4 | 4 | No | 2 | 0 | 2 | 934900 |
| Mr. Mahendra Patwari | Promoter Executive | 4 | 3 | No | 0 | 0 | 0 | 534900 |
| Mr. D. Das Choudhary | Executive | 4 | 3 | No | 0 | 0 | 0 | Nil |
| Mr. M. K. Ogra | Independent | 4 | 4 | Yes | 4 | 2 | 0 | Nil |
| Mr. B. C. Talukdar | Independent | 4 | 3 | Yes | 2 | 0 | 2 | Nil |
| Mr. M.P. Periwal | Independent | 4 | 2 | No | 4 | 0 | 0 | Nil |
| Mr. R. M. Ruia | Independent | 4 | 3 | No | 1 | 0 | 0 | 18034 |
| Ms. Surabhi Sangneria | Independent | 4 | 4 | No | 1 | 0 | 1 | Nil |

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

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 14th February, 2017, to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, quantity 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 Four Directors viz. Mr. M. K. Ogra as Chairman of the Committee, Mr. Sunil Patwari, Mr. B. C. Talukdar and Ms. Surabhi Sanganeria 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 2016-17:

| | | | |
|------------|------------|------------|------------|
| 25/05/2016 | 10/08/2016 | 10/11/2016 | 11/02/2017 |
|------------|------------|------------|------------|

ATTENDANCE OF THE AUDIT COMMITTEE MEETING:

| Name of the Directors | Category | Number of Meeting Held | Number of Meeting Attended |
|--------------------------|----------------------------|------------------------|----------------------------|
| Mr. M.K.Ogra - Chairman | Non-Executive, Independent | 4 | 4 |
| Mr. B.C.Talukdar | Non-Executive, Independent | 4 | 4 |
| Mr. Sunil Patwari | Executive | 4 | 2 |
| Ms. Surabhi Sanganeria** | Non-Executive, Independent | 4 | NIL |

**Inducted to the Audit Committee w.e.f. 14/02/2017, vide Board Resolution.

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:

| Name of Directors | Category |
|------------------------------|---------------|
| 1. Mr. M. K. Ogra - Chairman | Non-Executive |
| 2. Mr. Sushil Patwari | Executive |
| 3. Mr. Sunil Patwari | Executive |

The Committee met three times on the following dates during the financial year 2016-17:

| | | |
|------------|------------|------------|
| 25/05/2016 | 10/08/2016 | 10/11/2016 |
|------------|------------|------------|

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 2016-17 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. | 1 |
| Number of Complaints resolved | 1 |
| Number of Complaints pending as on 31.03.2017 | 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 25th May, 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 | Non Executive - Independent |
| 2. Mr. Bibhuti Charan Talukdar | Non Executive - Independent |
| 3. Mr. Mahabir Prasad Periwal | Non Executive - Independent |

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 2016-17

| Name of Directors | Sitting Fees (Rs.) | Salary (Rs.) | Perquisites (Rs.) | Commission (for 2016-17 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. Debabrata Das Choudhary* | NIL | 1388000/- | NIL | NIL |
| 5. Mr. Mohan Kishen Ogra | 58,000/- | NIL | NIL | NIL |
| 6. Mr. Bibhuti Charan Talukdar | 38,500/- | NIL | NIL | NIL |
| 7. Mr. Rajendra Mahavir Prasad Ruia | 22,500/- | NIL | NIL | NIL |
| 8. Mr. Mahavir Prasad Periwal | 15000/- | NIL | NIL | NIL |
| 9. Ms. Surabhi Sangneria | 30,000/- | NIL | NIL | NIL |
| 10. Mr. Kailash Chandra Purohit** | NIL | 1,53548/- | NIL | NIL |

* Mr.D. Das Choudhary appointed as Whole-time Director w.e.f. 25/05/2016

** Mr. K.C. Purohit resigned from the Directorship w.e.f. 25.05.2016

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 | Executive |
| 2. Mr. Sunil Patwari | Member | Executive |
| 3. Mr. Mohan Kishen Ogra | Member | Independent Director |

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

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

- (i) Work actively in areas of Eradication of extreme hunger and poverty;
- (ii) Provide opportunity and financial assistance for the Promotion of education;
- (iii) Promoting gender equality and empowering women;
- (iv) 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 14/02/2017 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 . 6,03,84,719, /-

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

The Company was required to spend Rs. 12,07,695 /-

Details of CSR spent during the financial year:

- (a) Total amount spent for the financial year 2016-17 is Rs. 12,08,000/-
- (b) Amount unspent, if any is : NIL
- (c) Amount spent in excess of required , if any : Rs.305 /-
- (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 2016-2017 | Cumulative expenditure Upto to the reporting period | Amount spent Directly or through Implementing Agency |
|--------------|------------------------------------|--|---|---|--|---|--|
| 1 | Women empowerment & education | Education | Srimadhapur, Sikar, Rajasthan | | 4,55,000 | 4,55,000 | Nagreeka Foundation on account of GDML Patwari PG College for Girls. |
| 2. | Rural development | Education & Rural development | Alipurduar, West Bengal | | 3,00,000 | 3,00,000 | Friends of Tribal Society for One Teacher School. |
| 3. | Promoting Preventive Health Care | Health Care | Mumbai, Maharastra | | 1,10,000 | 2,03,000 | Rotary Club of Bombay Queen City Foundation |
| | | | Mumabi, Maharastra | | 68,000 | | Rotary Foundation |
| | | | Kolkata, West Bengal | | 25,000 | | Tata Medical Centre Trust |
| 4. | Animal Welfare | Environmental Sustainability | | | 2,50,000 | 2,50,000 | Dawoo Baldawoo Gopal Goshala |
| TOTAL | | | | | | 12,08,000 | |

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.

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 relevant 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 / RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING:

| | |
|--|---|
| Name of Director | Mr. Mahendra Patwari |
| DIN No. | 00024002 |
| Date of Birth | 15.03.1963 |
| Date of appointment | 01.07.2004 |
| Qualification | B.E. From IIT Powai, Mumbai |
| Expertise in specific Functional area | Industrialist having rich business experience |
| List of other Directorship held excluding foreign companies, companies under section 8 of the Companies Act, 2013 and Private Companies. | NIL |
| Chairman / Member of the committees of the Board of other Companies in which he is a Director | NIL |
| Shareholding in the Company | 534900 |

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. | 2015-16 | Bengal National Chamber of Commerce and Industry, 23, R. N. Mukherjee Road Kolkata - 700 001 | 27th A.G.M | 28.09.15 | Monday | 10.30 am | NIL |
| 2. | 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 |
| 3. | 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 |

No item was passed by any resolution through postal ballot during the financial year 2016-17.

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

- (i) There are no materially significant related party transactions made by the Company with its Promoters, Directors or Management Stuffs 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.
- (ii) 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.
- (iii) All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
- (iv) 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.
- (v) 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.
- (vi) 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/CFO 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 17(8) of the SEBI (LODR) Regulations, 2015 was placed before the Board, who took the same on record.

12. GENERAL SHAREHOLDER INFORMATION:

I. 28TH ANNUAL GENERAL MEETING

| | |
|---------------------|---|
| Day, Date, and Time | Monday, 18th September, 2017 at 10.30 A.M. |
| Venue | Bengal National Chamber of Commerce & Industry. |

II. FINANCIAL YEAR AND TENTATIVE FINANCIAL CALENDER

The Financial Year of the Company is 1st April, 2016 to 31st March, 2017
Tentative Financial Reporting for the Financial Year 2016-17 is as under:

| | |
|---|---------------------------------|
| Result of Quarter ending June 30, 2016 | On or before August 14, 2016 |
| Result of Quarter ending September 30, 2016 | On or before November 14, 2016 |
| Result of Quarter ending December 31, 2016 | On or before February 14, 2017 |
| Result of Quarter ending March 31, 2017 | On or before May 30, 2017 |
| Annual General Meeting for the year ending March 31, 2017 | On or before September 30, 2017 |

III. BOOK CLOSURE DATE

The Register of members and share Transfer books will remain closed from 11th September, 2017 to 18th September, 2017 (Both days Inclusive) for the purpose of Annual General Meeting.

13. LISTING ON STOCK EXCHANGES

| Name of Stock Exchange | Code |
|--|------------|
| Bombay Stock Exchange Limited | 521109 |
| National Stock Exchange of India Limited | NAGREEKEXP |

The Company has paid the annual listing fees for the year 2017-18 to the above said stock exchanges.

14. PLANT LOCATION

| Plant No. | ADDRESS |
|-----------|--|
| 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, Panki Site 1, Kanpur, Uttar Pradesh |

15. MEANS FOR COMMUNICAION

The quarterly results are published in the leading English daily Newspaper (The Echo of India) and Bengali Newspapers (Arthik Lipi).

16. DEMATERIALISATION OF SHARES

As on 31st March, 2017, 95.73% of the Share Capital comprising 11966146 shares are in dematerialized form. Under the depository system the International Securities Identification Number (ISIN) allotted to the company's shares is INE123B01028. The Company has not issued any Share during the period under reporting.

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

17. ADDRESS FOR CORRESPONDENCE

For any assistance regarding transfer or transmissions of shares, change of address, non-receipt of dividends and Annual report, issue of duplicate share certificates, dematerialization and other query relating Shares of the Company investor may please write on the following address given below:

| | |
|--|--|
| Maheshwari Datamatics (P) Ltd., Unit : Nagreeka Exports Ltd 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700 001. Phone Nos. 2248-2248, 2243-5029, Fax No. (033) 2248-4787, E-mail ID: mdpldc@yahoo.com Website: www.mdpl.in | The Company Secretary 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 Website : www.nagreeka.com |
|--|--|

DISTRIBUTION OF SHARE HOLDING PATTERN BY SIZE AS ON 31.03.2017

| Category | No. of Shareholders | Percentage | No. of Shares | Percentage |
|-------------------|---------------------|---------------|-----------------|---------------|
| 1) 1 to 50 | 1034 | 9.966 | 24889 | 0.199 |
| 2) 51 to 100 | 6627 | 63.875 | 660097 | 5.281 |
| 3) 101 to 150 | 110 | 1.060 | 15189 | 0.121 |
| 4) 151 to 250 | 1007 | 9.706 | 203652 | 1.629 |
| 5) 251 to 500 | 808 | 7.788 | 319653 | 2.557 |
| 6) 501 to 5000 | 676 | 6.516 | 1016772 | 8.134 |
| 7) 5001 and Above | 113 | 1.089 | 10259448 | 82.078 |
| TOTAL | 10375 | 100.00 | 12499700 | 100.00 |

DISTRIBUTION OF SHARE HOLDING BY VALUE AS ON 31.03.2017

| Nominal Value of (Rs.) | No. of Shareholders | Percentage | Amount | Percentage |
|------------------------|---------------------|---------------|-----------------|---------------|
| 1) Upto 5000 | 9967 | 96.067 | 7721630 | 12.355 |
| 2) 5001 to 10000 | 157 | 1.513 | 1221165 | 1.954 |
| 3) 10001 to 20000 | 113 | 1.089 | 1684600 | 2.695 |
| 4) 20001 to 30000 | 35 | 0.337 | 848450 | 1.358 |
| 5) 30001 to 40000 | 15 | 0.145 | 536310 | 0.858 |
| 6) 40001 to 50000 | 18 | 0.173 | 850735 | 1.361 |
| 7) 50001 to 100000 | 24 | 0.232 | 1793165 | 2.869 |
| 8) Above 100000 | 46 | 0.443 | 47842445 | 76.550 |
| TOTAL | 10375 | 100.00 | 62498500 | 100.00 |

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

CATEGORY OF SHAREHOLDERS AS ON 31.03.2017:

| Category | No. of Shares Held | Percentage of shareholding |
|---|--------------------|----------------------------|
| A. PROMOTER'S HOLDING | | |
| (a) Individual / Huf | 4472800 | 35.7833 |
| (b) Bodies Corporate | 2105186 | 16.8419 |
| Sub-Total(A) | 6577986 | 52.6252 |
| B. PUBLIC HOLDING | | |
| 1. INSTITUTIONS | | |
| (a) Mutual Funds and UTI | 3300 | 0.0264 |
| (b) Banks/ Financial Institutions | 300 | 0.0024 |
| (c) FIs | 300 | 0.0024 |
| (d) Qualified Foreign Investor | | |
| Sub- Total(B)(1) | 3900 | 0.0312 |
| 2. NON-INSTITUTIONALS | | |
| (a) Bodies Corporate | 2354392 | 18.8356 |
| (b) Individuals | | |
| (i) Individual shareholders holding nominal share capital Upto Rs. 2 Lakh. | 2707928 | 21.6639 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs.2 Lakh | 484510 | 3.8762 |
| (c) Any Other | | |
| (i) Non- Resident Individuals | 210282 | 1.6103 |
| (ii) Clearing Member | 169702 | 1.3576 |
| Sub-Total(B)(2) | 5917814 | 47.3438 |
| Grand Total (A+B+C) | 12499700 | 100.00 |

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'2016 | 29.00 | 24.05 | 28.45 | 24.15 |
| May'2016 | 32.70 | 25.35 | 32.70 | 25.25 |
| Jun'2016 | 35.95 | 24.50 | 35.85 | 24.80 |
| Jul'2016 | 42.00 | 32.25 | 41.80 | 32.00 |
| Aug'2016 | 39.95 | 33.15 | 40.10 | 33.00 |
| Sep'2016 | 40.00 | 31.50 | 40.00 | 33.15 |
| Oct'2016 | 43.50 | 32.00 | 43.00 | 35.00 |
| Nov'2016 | 44.40 | 28.40 | 44.20 | 28.55 |
| Dec'2016 | 37.00 | 30.50 | 36.85 | 30.10 |
| Jan'2017 | 38.50 | 31.80 | 38.45 | 32.00 |
| Feb'2017 | 40.00 | 31.50 | 38.00 | 31.55 |
| Mar'2017 | 40.00 | 28.45 | 40.50 | 28.40 |

For & on behalf of the Board
Sd/-

Place: Kolkata
Date: 24.05.2017

Mr. Sushil Patwari
Chairman

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

DECLARATION ON CODE OF CONDUCT

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, 2017.

For & on behalf of the Board

Place: Kolkata
Date: 24.05.2017

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, 2017, as per the relevant provisions of Securities and Exchange Board (Listing Obligations and Disclosures Requirements) Regulation, 2015 [SEBI (LODR) Regulations, 2015].

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. S. K. RAJGARHIA)
Partner
M. No. 068270

Place : Kolkata
Date : 24th May, 2017

COMPLIANCE CERTIFICATE

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

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, 2017 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, 2017 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 : 24th May, 2017

Sd/-
Sushil Patwari
Chairman

Sd/-
Kedar Nath Bansal
Chief Financial Officer

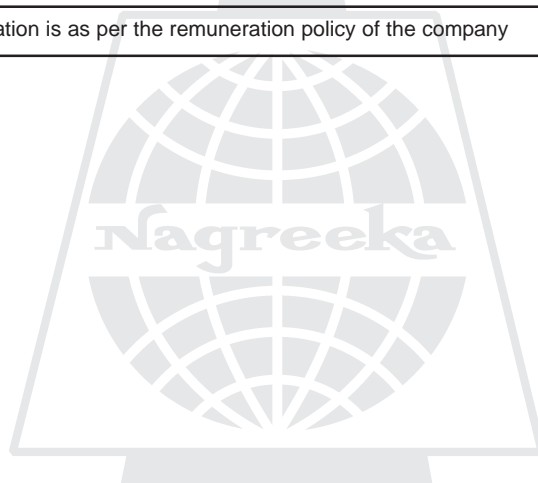
ANNEXURE "D" TO DIRECTORS' REPORT

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 2016-17 | Mr. Sushil Patwari Mr. Sunil Patwari Mr. Mahendra Patwari Mr. D. Das Choudhary* Mr. K. C. Purohit | 28.16 : 1 28.63 : 1 28.63 : 1 10.86 : 1 1.20 : 1 | | |
| Note | * Mr. D Das Choudhary appointed as a Whole-time Director of the Company w.e.f. 25/05/2016 ** Mr. K. C. Purohit resigned from the Directorship of the Company w.e.f. 25/05/2016 | | | | |
| (ii) | The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, in the financial year 2016-17 Director : Mr. Sushil Patwari, Ex. Chairman Mr. Sunil Patwari, MD Mr. Mahendra Patwari, WTD Mr. D. Das Choudhary, WTD C.F.O. : Mr. Kedar Nath Bansal C.S. : Mr. Jitendra Tiwari | | Unchanged Unchanged Unchanged Unchanged Unchanged | | |
| (iii) | The percentage increase in the median remuneration of employees in the financial year; | | 13.16% | | |
| (iv) | The number of permanent employees on the rolls of company | | 857 | | |
| (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 % | 25.02% 7.04% -2.94% -59.23% -59.11% | | |
| (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 | Financial Year ended | Closing Price (NSE) | Market Capitalisation | Price Earning Ratio |
| | | 31/03/2017 | 39.40 | 492488180 | 47.47 |
| | | 31/03/2016 | 25.45 | 318117365 | 12.54 |
| | | Financial Year ended | Closing Price (BSE) | Market Capitalisation | Price Earning Ratio |
| | | 31/03/2017 | 39.35 | 491863195 | 47.41 |
| | | 31/03/2016 | 25.45 | 318117365 | 12.54 |
| | 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 as % on 2016-17 | Revenue change as % over 2016-17 | EBIDTA change as % over 2016-17 | PAT change as % over 2016-17 |
|-------|--|---------------------------|---------------------------------|----------------------------------|---------------------------------|------------------------------|
| | | Mr. Sushil Patwari, EC | NIL | | | |
| | | Mr. Sunil Patwari, MD | NIL | | | |
| | | Mr. Mahendra Patwari, WTD | NIL | 25.02 | 7.04 | -59.23 |
| | | Mr. D. Das Choudhary, WTD | NIL | | | |
| | | 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, 2017

[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, the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that the Company has, during the audit period covering the financial year ended on 31st March, 2017, 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, 2017 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, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;; (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; and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (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 Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period).
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)
 - i. The other regulations of the Securities & Exchange Board of India as may be applicable to the Company;

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

VI. Other laws applicable to the Company namely:-

- a. The Factories Act, 1948
- b. The Employee Provident Fund Act (EPF) Act, 1952
- c. Payment of Bonus Act, 1965
- d. The Maharashtra Labour Welfare Fund Act, 1953
- e. The Maharashtra Shops & Establishment Act, 1948

6. The Maharashtra Value Added Tax, 2002

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

- i. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with BSE Limited and National Stock Exchange of India Limited.
- ii. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

During the period under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all directors, 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.

As per the minutes of the meetings duly recorded and signed by the chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

We further report that during the audit period no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc

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

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

Place : Kolkata

Date : May 24, 2017

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

ANNEXURE - "A"

To,
The Members,
Nagreeka Exports Limited,
18, R. N. Mukherjee Road
6thFloor, 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 24, 2017

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., 23, R. N. Mukherjee Road 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 | 13119 | 77.12% |
| 2 | Fabric Knitting | 13911 | 12.91% |

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-2016) | | | | No. of Shares held at the end of the year (As on 31-March-2017) | | | | % change during the year |
|--------------------------|---|----------|---------|-------------------|---|----------|---------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| 1. Indian | | | | | | | | | |
| a) Individual/ HUF | 4472800 | 0 | 4472800 | 35.7833 | 4472800 | 0 | 4472800 | 35.7833 | 0.0000 |
| 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) | 6577986 | 0 | 6577986 | 52.6252 | 6577986 | 0 | 6577986 | 52.6252 | 0.0000 |

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) | 6577986 | 0 | 6577986 | 52.6252 | 6577986 | 0 | 6577986 | 52.6252 | 0.0000 |
| 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) FIs | 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 | 0 | 0 | 0 | 0.0000 | 0 | 0 | 0 | 0.0000 | 0.0000 |
| Sub-total(B)(1):- | 1200 | 2700 | 3900 | 0.0312 | 1200 | 2700 | 3900 | 0.0312 | 0.0000 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 2212132 | 1701 | 2213833 | 17.7111 | 2352691 | 1701 | 2354392 | 18.8356 | 1.1245 |
| ii) Overseas | | | | | | | | | |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 2025036 | 414253 | 2439289 | 19.5148 | 2043332 | 409253 | 2452585 | 19.6212 | 0.1064 |
| ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 1019818 | 0 | 1019818 | 8.1587 | 739853 | 0 | 739853 | 5.9190 | -2.2397 |

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

| | | | | | | | | | |
|---|-----------------|---------------|-----------------|----------------|-----------------|---------------|-----------------|----------------|---------------|
| c) Others (Specify) | | | | | | | | | |
| Non Resident Indians | 90879 | 121400 | 212279 | 1.6983 | 81382 | 119900 | 201282 | 1.6103 | -0.0880 |
| Qualified Foreign Investor | | | | | | | | | |
| Custodian of Enemy Property | | | | | | | | | |
| Foreign Nationals | | | | | | | | | |
| Clearing Members | 32595 | 0 | 32595 | 0.2608 | 169702 | 0 | 169702 | 1.3576 | 1.0968 |
| Trusts | | | | | | | | | |
| Foreign Bodies-D R | | | | | | | | | |
| Sub-total(B)(2):- | 5380460 | 537354 | 5917814 | 47.3437 | 5386960 | 530854 | 5917814 | 47.3437 | 0.0000 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 5381660 | 540054 | 5921714 | 47.3749 | 5388160 | 533554 | 5921714 | 47.3749 | 0.0000 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 11959646 | 540054 | 12499700 | 100.000 | 11966146 | 533554 | 12499700 | 100.001 | 0.0001 |

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 | DADRA EXMIP PVT. LTD* | 940270 | 7.5223 | 0.0000 | 2105186 | 16.8119 | 0.000 | 9.3196 |
| 2 | SUNIL PATWARI | 934900 | 7.4794 | 0.0000 | 934900 | 7.4794 | 0.000 | 0.0000 |
| 3 | SUSHIL PATWARI | 791900 | 6.3354 | 0.0000 | 791900 | 6.3254 | 0.000 | 0.0000 |
| 4 | MAHENDRA PATWARI | 534900 | 4.2793 | 0.0000 | 534900 | 4.2793 | 0.000 | 0.0000 |
| 5 | SATISH PATWARI | 533000 | 4.2641 | 0.0000 | 533000 | 4.2641 | 0.000 | 0.0000 |
| 6 | MINAKSHI PATWARI | 389600 | 3.1169 | 0.0000 | 389600 | 3.1169 | 0.000 | 0.0000 |
| 7 | ISHWARLAL MAHENDRA KUMAR (HUF) | 262500 | 2.1001 | 0.0000 | 262500 | 2.1001 | 0.000 | 0.0000 |
| 8 | ISHWAR LAL SATISH KUMAR (HUF) | 195000 | 1.5600 | 0.0000 | 195000 | 1.5600 | 0.000 | 0.0000 |
| 9 | ISHWARLAL PATWARI & SONS (HUF) | 155000 | 1.2400 | 0.0000 | 195000 | 1.5600 | 0.000 | 0.0000 |
| 10 | SUSHIL PATWARI | 150000 | 1.2000 | 0.0000 | 150000 | 1.2000 | 0.000 | 0.0000 |
| 11 | RASHI SARAF | 100000 | 0.8000 | 0.0000 | 100000 | 0.8000 | 0.000 | 0.0000 |

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

| | | | | | | | | |
|----|----------------------------------|----------------|----------------|---------------|----------------|----------------|--------------|---------------|
| 12 | ANITA PATWARI | 90000 | 0.7200 | 0.0000 | 90000 | 0.7200 | 0.000 | 0.0000 |
| 13 | USHA PATWARI | 86000 | 0.6880 | 0.0000 | 86000 | 0.6880 | 0.000 | 0.0000 |
| 14 | ISHWARLAL SUSHIL KUMAR (HUF) | 70000 | 0.5600 | 0.0000 | 70000 | 0.5600 | 0.000 | 0.0000 |
| 15 | SUNIL PATWARI | 70000 | 0.5600 | 0.0000 | 70000 | 0.5600 | 0.000 | 0.0000 |
| 16 | SARITA PATWARI | 70000 | 0.5600 | 0.0000 | 70000 | 0.5600 | 0.000 | 0.0000 |
| 17 | RAHUL PATWARI | 20000 | 0.1600 | 0.0000 | 20000 | 0.1600 | 0.000 | 0.0000 |
| 18 | PRATYUSH PATWARI | 20000 | 0.1600 | 0.0000 | 20000 | 0.1600 | 0.000 | 0.0000 |
| 19 | INDIA OVERSEAS EXPORTS PVT. LTD. | 580000 | 4.6401 | 0.0000 | 0 | 0.0000 | 0.0000 | -4.6401 |
| 20 | NAGREEKA FOILS LTD. | 584916 | 4.6794 | 0.0000 | 0 | 0.0000 | 0.000 | -4.6794 |
| | TOTAL | 6577986 | 52.6252 | 0.0000 | 6577986 | 52.6252 | 0.000 | 0.0000 |

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

| Sl. No. | Name | Shareholding at the beginning 01.04.16 end of the year 31.03.17 | | Shareholding during the year [01.04.16 to 31.03.17] | |
|---------|--|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1 | INDIA OVERSEAS EXPORTS PRIVATE LIMITED | | | | |
| | 01-04-16 | 580000 | 4.6401 | 0 | 0.0000 |
| | 17/06/2016-Transfer | -580000 | 4.6401 | 0 | 0.0000 |
| | 31-03-17 | 0 | | | |
| 2 | NAGREEKA FOILS LIMITED | | | | |
| | 01-04-16 | 584916 | 4.6794 | | |
| | 31/03/2017-Transfer | -584916 | 4.6794 | 0 | 0.0000 |
| | 31-03-17 | 0 | 00000 | 0 | 0.0000 |
| 3 | DADRA EXIMP PVT LIMITED* | | | | |
| | 01-04-16 | 940270 | 7.5223 | | |
| | 17/06/2016-Transfer | 580000 | 4.6401 | 1520270 | 12.1625 |
| | 31/03/2017-Transfer | 584916 | 4.6794 | 2105186 | 16.8419 |

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

| | | | | | |
|-----|---------------------------------|--------|--------|--------|--------|
| 4 | ISHWAR LAL SATISH KUMAR (HUF) | | | | |
| | 01-04-16 | 195000 | 1.5600 | | |
| | 31-03-17 | 195000 | 1.5600 | 195000 | 1.5600 |
| 5 | ISHWAR LAL MAHENDRA KUMAR (HUF) | | | | |
| | 01-04-16 | 262500 | 2.1001 | | |
| | 31-03-17 | 262500 | 2.1001 | 262500 | 2.1001 |
| 6 | ISHWAR LAL & SONS (HUF) | | | | |
| | 01-04-16 | 155000 | 1.2400 | | |
| | 31-03-17 | 155000 | 1.2400 | 155000 | 1.2400 |
| 7 | ISHWAR LAL SUSHIL KUMAR (HUF) | | | | |
| | 01-04-16 | 70000 | 0.5600 | | |
| | 31-03-17 | 70000 | 0.5600 | 70000 | 0.5600 |
| 8 | USHA PATWARI | | | | |
| | 01-04-16 | 86000 | 0.6880 | | |
| | 31-03-17 | 86000 | 0.6880 | 86000 | 0.6880 |
| 9 | SUSHIL PATWARI | | | | |
| | 01-04-16 | 150000 | 1.2000 | | |
| | 31-03-17 | 150000 | 1.2000 | 150000 | 1.2000 |
| 10 | SUNIL PATWARI | | | | |
| | 01-04-16 | 70000 | 0.5600 | | |
| | 31-03-17 | 70000 | 0.5600 | 70000 | 0.5600 |
| 11. | MINAKSHI PATWARI | | | | |
| | 01-04-16 | 389600 | 3.1169 | | |
| | 31-03-17 | 389600 | 3.1169 | 389600 | 3.1169 |
| 12 | SUSHIL PATWARI | | | | |
| | 01-04-16 | 791900 | 6.3354 | | |
| | 31-03-17 | 791900 | 6.3354 | 791900 | 6.3354 |
| 13 | SATISH PATWARI | | | | |
| | 01-04-16 | 533000 | 4.2641 | | |
| | 31-03-17 | 533000 | 4.2641 | 533000 | 4.2641 |

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

| | | | | | |
|-----|------------------|--------|--------|--------|--------|
| 14 | MAHENDRA PATWARI | | | | |
| | 01-04-16 | 534900 | 4.2793 | | |
| | 31-03-17 | 534900 | 4.2793 | 534900 | 4.2793 |
| 15 | ANITA PATWARI | | | | |
| | 01-04-16 | 90000 | 0.7200 | | |
| | 31-03-17 | 90000 | 0.7200 | 90000 | 0.7200 |
| 16 | SUNIL PATWARI | | | | |
| | 01-04-16 | 934900 | 7.4794 | | |
| | 31-03-17 | 934900 | 7.4794 | 934900 | 7.4794 |
| 17 | SARITA PATWARI | | | | |
| | 01-04-16 | 70000 | 0.5600 | | |
| | 31-03-17 | 70000 | 0.5600 | 70000 | 0.5600 |
| 18 | RASHI SARAF | | | | |
| | 01-04-16 | 100000 | 0.8000 | | |
| | 31-03-17 | 100000 | 0.8000 | 100000 | 0.8000 |
| 19 | RAHUL PATWARI | | | | |
| | 01-04-16 | 20000 | 0.1600 | | |
| | 31-03-17 | 20000 | 0.1600 | 20000 | 0.1600 |
| 20. | PRATYUSH PATWARI | | | | |
| | 01-04-16 | 20000 | 0.1600 | | |
| | 31-03-17 | 20000 | 0.1600 | 20000 | 0.1600 |

*Name has been changed from Nagreeka Synthetics Pvt. Ltd. to Dadra Eximp Pvt. Ltd. vide Special Resolution passed in the EGM dated 18.03.2015

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 [01/Apr/16]/end of the year [31/Mar/17] | | Shareholding during the year [01/Apr/16 to 31/Mar/17] | |
|---------|-------------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1 | MMD SECURITIES PVT LTD* | | | | |
| | 01-04-16 | 0 | 0 | | |
| | 30/06/2016 - Transfer | 7509 | 0.0601 | 7509 | 0.0601 |
| | 08/07/2016 - Transfer | 28025 | 0.2242 | 35534 | 0.2843 |
| | 15/07/2016 - Transfer | 4670 | 0.0374 | 40204 | 0.3216 |
| | 22/07/2016 - Transfer | 2189 | 0.0175 | 42393 | 0.3392 |
| | 05/08/2016 - Transfer | 5 | 0.0000 | 42398 | 0.3392 |
| | 12/08/2016 - Transfer | 1952 | 0.0156 | 44350 | 0.3548 |
| | 19/08/2016 - Transfer | 1333 | 0.0107 | 45683 | 0.3655 |
| | 25/08/2016 - Transfer | 20415 | 0.1633 | 66098 | 0.5288 |
| | 02/09/2016 - Transfer | 2201 | 0.0176 | 68299 | 0.5464 |
| | 16/09/2016 - Transfer | 125 | 0.0010 | 68424 | 0.5474 |
| | 23/09/2016 - Transfer | 1130 | 0.0090 | 69554 | 0.5564 |
| | 07/10/2016-Transfer | -9933 | 0.0795 | 59621 | 0.4770 |
| | 21/10/2016-Transfer | 2000 | 0.0160 | 61621 | 0.4930 |
| | 28/10/2016-Transfer | 16963 | 0.1357 | 78584 | 0.6287 |
| | 04/11/2016-Transfer | 10352 | 0.0828 | 88936 | 0.7115 |
| | 18/11/2016-Transfer | 8997 | 0.0720 | 97933 | 0.7835 |
| | 28/11/2016-Transfer | 4180 | 0.0334 | 102113 | 0.8169 |
| | 02/12/2016-Transfer | 100 | 0.0008 | 102213 | 0.8177 |
| | 06/01/2017-Transfer | 245 | 0.0020 | 102458 | 0.8197 |
| | 02/02/2017-Transfer | 688 | 0.0055 | 103146 | 0.8252 |
| | 03/03/2017-Transfer | 296 | 0.0024 | 103442 | 0.8276 |
| | 10/03/2017-Transfer | 90 | 0.0007 | 103532 | 0.8283 |
| | 31/03/2017-Transfer | 40 | 0.0003 | 103572 | 0.8286 |
| 2 | HITESH RAMJI JAVERI | | | | |
| | 01-04-16 | 111844 | 0.8948 | | |
| | 31-03-17 | 111844 | 0.8948 | 111844 | 0.8948 |

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

| | | | | | |
|---|-------------------------------|---------|--------|--------|--------|
| 3 | MEENAKSHI N RUIA # | | | | |
| | 01-04-16 | 51000 | 0.4080 | | |
| | 08-07-16-Transfer | -2000 | 0.0160 | 49000 | 0.3920 |
| | 22-07-16-Transfer | -2000 | 0.0160 | 47000 | 0.3760 |
| | 29-07-16-Transfer | -4000 | 0.0320 | 43000 | 0.3440 |
| | 12-08-16-Transfer | -2000 | 0.0160 | 41000 | 0.3280 |
| | 26-08-16-Transfer | -2000 | 0.0160 | 39000 | 0.3120 |
| | 02-09-16-Transfer | -1000 | 0.0080 | 38000 | 0.3040 |
| | 09-09-16-Transfer | -4000 | 0.0320 | 34000 | 0.2720 |
| | 30-09-16-Transfer | -9500 | 0.0760 | 24500 | 0.1960 |
| | 07-10-16-Transfer | -6000 | 0.0480 | 18500 | 0.1480 |
| | 21-10-16-Transfer | -2000 | 0.0160 | 16500 | 0.1320 |
| | 04-11-16-Transfer | -2000 | 0.0160 | 14500 | 0.1160 |
| | 06-01-17-Transfer | -3500 | 0.0280 | 11000 | 0.0880 |
| | 03-02-17-Transfer | -2000 | 0.0160 | 9000 | 0.0720 |
| | 31-03-17 | 9000 | 0.0720 | 9000 | 0.0720 |
| 4 | ALPS VINIYOG PRIVATE LIMITED | | | | |
| | 01-04-16 | 421756 | 3.3741 | | |
| | 31-03-17 | 421756 | 3.3741 | 421756 | 3.3741 |
| 5 | AGARWAL GALVANISING P LTD | | | | |
| | 01-04-16 | 814823 | 6.5187 | | |
| | 08/04/2016-Transfer | 600 | 0.0048 | 815423 | 6.5235 |
| | 05/04/2016-Transfer | -814823 | 6.5187 | 600 | 0.0048 |
| | 22/04/2016-Transfer | -600 | 0.0048 | 0 | 0.000 |
| | 29/04/2016-Transfer | 600 | 0.0048 | 600 | 0.0048 |
| | 31/03/2017 | 600 | 0.0048 | 600 | 0.0048 |
| 6 | SHREE VINIYOG PRIVATE LIMITED | | | | |
| | 01-04-16 | 348400 | 2.7873 | | |
| | 31-03-17 | 348400 | 2.7873 | 348400 | 2.7873 |
| 7 | SHAREKHAN LIMITED | | | | |
| | 01-04-16 | 883 | 0.0071 | | |
| | 08/04/2016 - Transfer | 160 | 0.0013 | 1043 | 0.0083 |
| | 15/04/2016 - Transfer | -160 | 0.0013 | 883 | 0.0071 |
| | 22/04/2016 - Transfer | -100 | 0.0008 | 783 | 0.0063 |

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

| | | | | |
|-----------------------|--------|--------|-------|--------|
| 29/04/2016 - Transfer | 670 | 0.0054 | 1453 | 0.0116 |
| 06/05/2016 - Transfer | -170 | 0.0014 | 1283 | 0.0103 |
| 13/05/2016 - Transfer | -125 | 0.0010 | 1158 | 0.0093 |
| 20/05/2016 - Transfer | 95 | 0.0008 | 1253 | 0.0100 |
| 27/05/2016 - Transfer | 700 | 0.0056 | 1953 | 0.0156 |
| 03/06/2016 - Transfer | -375 | 0.0030 | 1578 | 0.0126 |
| 10/06/2016 - Transfer | -125 | 0.0010 | 1453 | 0.0116 |
| 17/06/2016 - Transfer | 182 | 0.0015 | 1635 | 0.0131 |
| 24/06/2016 - Transfer | 3 | 0.0000 | 1638 | 0.0131 |
| 30/06/2016 - Transfer | 2978 | 0.0238 | 4616 | 0.0369 |
| 08/07/2016 - Transfer | -2098 | 0.0168 | 2518 | 0.0201 |
| 15/07/2016 - Transfer | -720 | 0.0058 | 1798 | 0.0144 |
| 22/07/2016 - Transfer | 85 | 0.0007 | 1883 | 0.0151 |
| 29/07/2016 - Transfer | 1505 | 0.0120 | 3388 | 0.0271 |
| 05/08/2016 - Transfer | -1537 | 0.0123 | 1851 | 0.0148 |
| 12/08/2016 - Transfer | -564 | 0.0045 | 1287 | 0.0103 |
| 19/08/2016 - Transfer | -250 | 0.0020 | 1037 | 0.0083 |
| 26/08/2016 - Transfer | -150 | 0.0012 | 887 | 0.0071 |
| 02/09/2016 - Transfer | 480 | 0.0038 | 1367 | 0.0109 |
| 09/09/2016 - Transfer | -574 | 0.0046 | 793 | 0.0063 |
| 16/09/2016 - Transfer | -576 | 0.0046 | 217 | 0.0017 |
| 23/09/2016 - Transfer | 2015 | 0.0161 | 2232 | 0.0179 |
| 30/09/2016 - Transfer | 86 | 0.0007 | 2318 | 0.0185 |
| 07/10/2016 - Transfer | 324 | 0.0026 | 2642 | 0.0211 |
| 14/10/2016 - Transfer | -290 | 0.0023 | 2352 | 0.0188 |
| 21/10/2016 - Transfer | 10145 | 0.0812 | 12497 | 0.1000 |
| 28/10/2016 - Transfer | 45543 | 0.3644 | 58040 | 0.4643 |
| 04/11/2016 - Transfer | -55303 | 0.4424 | 2737 | 0.0219 |
| 11/11/2016 - Transfer | -401 | 0.0032 | 2336 | 0.0187 |
| 18/11/2016 - Transfer | 71 | 0.0006 | 2407 | 0.0193 |
| 25/11/2016 - Transfer | 962 | 0.0077 | 3369 | 0.0270 |
| 02/12/2016 - Transfer | -1082 | 0.0087 | 2287 | 0.0183 |
| 09/12/2016 - Transfer | -100 | 0.0008 | 2187 | 0.0175 |
| 16/12/2016 - Transfer | 550 | 0.0044 | 2737 | 0.0219 |

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

| | | | | | |
|----|-------------------------------------|--------|--------|--------|--------|
| | 23/12/2016 - Transfer | 245 | 0.0020 | 2982 | 0.0239 |
| | 30/12/2016 - Transfer | -70 | 0.0006 | 2912 | 0.0233 |
| | 06/01/2017 - Transfer | 349 | 0.0028 | 3261 | 0.0261 |
| | 13/01/2017 - Transfer | -845 | 0.0068 | 2416 | 0.0193 |
| | 20/01/2017 - Transfer | -1945 | 0.0156 | 471 | 0.0038 |
| | 27/01/2017 - Transfer | 945 | 0.0076 | 1416 | 0.0113 |
| | 10/02/2017 - Transfer | 200 | 0.0016 | 1616 | 0.0129 |
| | 17/02/2017 - Transfer | -50 | 0.0004 | 1566 | 0.0125 |
| | 10/03/2017 - Transfer | 2360 | 0.0189 | 3926 | 0.0314 |
| | 17/03/2017 - Transfer | 90 | 0.0007 | 4016 | 0.0321 |
| | 24/03/2017 - Transfer | 1260 | 0.0101 | 5276 | 0.0422 |
| | 31/03/2017 - Transfer | -1151 | 0.0092 | 4125 | 0.0330 |
| 8 | SRI KRISHNA VINIYOG PRIVATE LIMITED | | | | |
| | 01-04-16 | 454636 | 3.6372 | | |
| | 31-03-17 | 454636 | 3.6372 | 454636 | 3.6372 |
| 9 | HARSHA HITESH JAVERI | | | | |
| | 01-04-16 | 100000 | 0.8000 | | |
| | 31-03-17 | 100000 | 0.8000 | 100000 | 0.8000 |
| 10 | LAKECITY VENTURES PVT LTD * | | | | |
| | 01/04/2016 | 0 | 0.0000 | | |
| | 15/04/2016 - Transfer | 814823 | 6.5187 | 814823 | 6.5187 |
| | 3/31/2017 | 814823 | 6.5187 | 814823 | 6.5187 |
| 11 | ASHOK KUMAR JAIN * | | | | |
| | 01/04/2016 | 0 | 0.0000 | | |
| | 24/06/2016 - Transfer | 5011 | 0.0401 | 5011 | 0.0401 |
| | 30/06/2016 - Transfer | 4320 | 0.0346 | 9331 | 0.0746 |
| | 08/07/2016 - Transfer | 11837 | 0.0947 | 21168 | 0.1693 |
| | 15/07/2016 - Transfer | 313 | 0.0025 | 21481 | 0.1719 |
| | 12/08/2016 - Transfer | 9000 | 0.0720 | 30481 | 0.2439 |
| | 26/08/2016 - Transfer | 392 | 0.0031 | 30873 | 0.2470 |
| | 02/09/2016 - Transfer | 148 | 0.0012 | 31021 | 0.2482 |
| | 09/09/2016 - Transfer | 464 | 0.0037 | 31485 | 0.2519 |
| | 23/09/2016 - Transfer | 706 | 0.0056 | 32191 | 0.2575 |
| | 21/10/2016 - Transfer | 1440 | 0.0115 | 33631 | 0.2691 |
| | 28/10/2016 - Transfer | 12405 | 0.0992 | 46036 | 0.3683 |
| | 04/11/2016 - Transfer | 12726 | 0.1018 | 58762 | 0.4701 |
| | 23/12/2016 - Transfer | 69 | 0.0006 | 58831 | 0.4707 |
| | 31/03/2017 | 58831 | 0.4707 | 58831 | 0.4707 |

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

| | | | | | |
|-----|---------------------------------|--------|--------|--------|--------|
| 12 | Gopal Jhunjhunwala # | | | | |
| | 01-04-16 | 45000 | 0.3600 | | |
| | 31-03-17 | 45000 | 0.3600 | 45000 | 0.3600 |
| 13 | SARITA R RUIA | | | | |
| | 01-04-16 | 64510 | 0.5161 | | |
| | 08/07/2016 - Transfer | -2000 | 0.0160 | 62510 | 0.5001 |
| | 22/07/2016 - Transfer | -2000 | 0.0160 | 60510 | 0.4841 |
| | 29/07/2016 - Transfer | -4000 | 0.0320 | 56510 | 0.4521 |
| | 12/08/2016 - Transfer | -2000 | 0.0160 | 54510 | 0.4361 |
| | 26/08/2016 - Transfer | -2000 | 0.0160 | 52510 | 0.4201 |
| | 02/09/2016 - Transfer | -1000 | 0.0080 | 51510 | 0.4121 |
| | 09/09/2016 - Transfer | -4000 | 0.0320 | 47510 | 0.3801 |
| | 30/09/2016 - Transfer | -9500 | 0.0760 | 38010 | 0.3041 |
| | 07/10/2016 - Transfer | -6000 | 0.0480 | 32010 | 0.2561 |
| | 21/10/2016 - Transfer | -2000 | 0.0160 | 30010 | 0.2401 |
| | 04/11/2016 - Transfer | -2000 | 0.0160 | 28010 | 0.2241 |
| | 06/01/2017 - Transfer | -3500 | 0.0280 | 24510 | 0.1961 |
| | 03/02/2017 - Transfer | -2000 | 0.0160 | 22510 | 0.1801 |
| | 31/03/2017 | 22510 | 0.1801 | 22510 | 0.1801 |
| 14. | DILIPKUMAR H PARMAR | | | | |
| | 01/04/2016 | 204766 | 1.6382 | | |
| | 08/07/2016 - Transfer | -7000 | 0.0560 | 197766 | 1.5822 |
| | 26/08/2016 - Transfer | -15000 | 0.1200 | 182766 | 1.4622 |
| | 02/09/2016 - Transfer | -23080 | 0.1846 | 159686 | 1.2775 |
| | 23/09/2016 - Transfer | -2977 | 0.0238 | 156709 | 1.2537 |
| | 07/10/2016 - Transfer | -6000 | 0.0480 | 150709 | 1.2057 |
| | 18/11/2016 - Transfer | -6000 | 0.0480 | 144709 | 1.1577 |
| | 03/03/2017 - Transfer | -5111 | 0.0409 | 139598 | 1.1168 |
| | 17/03/2017 - Transfer | -13500 | 0.1080 | 126098 | 1.0088 |
| | 24/03/2017 - Transfer | -10100 | 0.0808 | 115998 | 0.9280 |
| | 31/03/2017 | 115998 | 0.9280 | 115998 | 0.9280 |
| 15 | SANJAYKUMAR CHIMANBHAI MACWAN * | | | | |
| | 01/04/2016 | 55323 | 0.4426 | | |
| | 08/04/2016 - Transfer | 1550 | 0.0124 | 56873 | 0.4550 |
| | 15/04/2016 - Transfer | -9500 | 0.0760 | 47373 | 0.3790 |
| | 29/04/2016 - Transfer | -162 | 0.0013 | 47211 | 0.3777 |
| | 06/05/2016 - Transfer | 1075 | 0.0086 | 48286 | 0.3863 |
| | 13/05/2016 - Transfer | -2228 | 0.0178 | 46058 | 0.3685 |
| | 20/05/2016 - Transfer | -2929 | 0.0234 | 43129 | 0.3450 |

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

| | | | | | |
|----|-----------------------|--------|--------|--------|--------|
| | 27/05/2016 - Transfer | -2532 | 0.0203 | 40597 | 0.3248 |
| | 10/06/2016 - Transfer | -21000 | 0.1680 | 19597 | 0.1568 |
| | 17/06/2016 - Transfer | 10900 | 0.0872 | 30497 | 0.2440 |
| | 24/06/2016 - Transfer | 8756 | 0.0700 | 39253 | 0.3140 |
| | 30/06/2016 - Transfer | -1000 | 0.0080 | 38253 | 0.3060 |
| | 22/07/2016 - Transfer | -5000 | 0.0400 | 33253 | 0.2660 |
| | 30/09/2016 - Transfer | -7628 | 0.0610 | 25625 | 0.2050 |
| | 07/10/2016 - Transfer | -1300 | 0.0104 | 24325 | 0.1946 |
| | 14/10/2016 - Transfer | -4700 | 0.0376 | 19625 | 0.1570 |
| | 21/10/2016 - Transfer | -5757 | 0.0461 | 13868 | 0.1109 |
| | 04/11/2016 - Transfer | 4972 | 0.0398 | 18840 | 0.1507 |
| | 18/11/2016 - Transfer | 5000 | 0.0400 | 23840 | 0.1907 |
| | 27/01/2017 - Transfer | -3000 | 0.0240 | 20840 | 0.1667 |
| | 03/02/2017 - Transfer | -3500 | 0.0280 | 17340 | 0.1387 |
| | 03/03/2017 - Transfer | -10000 | 0.0800 | 7340 | 0.0587 |
| | 10/03/2017 - Transfer | -3472 | 0.0278 | 3868 | 0.0309 |
| | 17/03/2017 - Transfer | -3868 | 0.0309 | 0 | 0.0000 |
| | 31/03/2017 - Transfer | 5000 | 0.0400 | 5000 | 0.0400 |
| 16 | ALKA JAIN * | | | | |
| | 01/04/2016 | 0 | 0.0000 | | |
| | 24/06/2016 - Transfer | 27907 | 0.2233 | 27907 | 0.2233 |
| | 08/07/2016 - Transfer | 25356 | 0.2029 | 53263 | 0.4261 |
| | 15/07/2016 - Transfer | 474 | 0.0038 | 53737 | 0.4299 |
| | 29/07/2016 - Transfer | 6015 | 0.0481 | 59752 | 0.4780 |
| | 02/09/2016 - Transfer | 2175 | 0.0174 | 61927 | 0.4954 |
| | 09/09/2016 - Transfer | 21780 | 0.1742 | 83707 | 0.6697 |
| | 30/09/2016 - Transfer | 15318 | 0.1225 | 99025 | 0.7922 |
| | 07/10/2016 - Transfer | 8259 | 0.0661 | 107284 | 0.8583 |
| | 28/10/2016 - Transfer | 15156 | 0.1213 | 122440 | 0.9795 |
| | 04/11/2016 - Transfer | 1677 | 0.0134 | 124117 | 0.9930 |
| | 02/12/2016 - Transfer | 10243 | 0.0819 | 134360 | 1.0749 |
| | 10/02/2017 - Transfer | 107 | 0.0009 | 134467 | 1.0758 |
| | 17/02/2017 - Transfer | -45629 | 0.3650 | 88838 | 0.7107 |
| | 24/02/2017 - Transfer | -12410 | 0.0993 | 76428 | 0.6114 |
| | 10/03/2017 - Transfer | -14972 | 0.1198 | 61456 | 0.4917 |
| | 31/03/2017 - Transfer | -9619 | 0.0770 | 51837 | 0.4147 |

* Not in the list of Top 10 shareholders as on 01/04/2016 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2017.

Ceased to be in the list of Top 10 shareholders as on 31/03/2017. The same is reflected above Since the shareholder was one of the Top 10 shareholders as on 01/04/2016.

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 [01/Apr/16]/end of the year [31/Mar/17] | | Cumulative Shareholding during the year [01/Apr/16 to 31/Mar/17] | |
|---------|--|---|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1 | RAJENDRA MAHAVIR RUIA | | | | |
| | 1/4/2016 | 19934 | 0.1595 | | |
| | 03/03/2017 - Transfer | -1900 | 0.0152 | 18034 | 0.1443 |
| | 31/03/2017 | 18034 | 0.1443 | 18034 | 0.1443 |
| 2 | SUSHIL PATWARI | | | | |
| | 4/1/2016 | 791900 | 6.3354 | | |
| | 31/03/2017 | 791900 | 6.3354 | 791900 | 6.3354 |
| 3. | MAHENDRA PATWARI | | | | |
| | 1/4/2016 | 534900 | 4.2793 | | |
| | 31/03/2017 | 534900 | 4.2793 | 534900 | 4.2793 |
| 4. | SUNIL PATWARI | | | | |
| | 1/4/2016 | 934900 | 7.4794 | | |
| | 31/03/2017 | 934900 | 7.4794 | 934900 | 7.4794 |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. in Lakhs)

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 19282.54 | - | - | 19282.54 |
| ii) Interest due but not paid | - | - | - | NIL |
| iii) Interest accrued but not due | - | - | - | NIL |
| Total (i+ii+iii) | 19282.54 | - | - | 19282.54 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | - | 1119 | - | 1119 |
| • Reduction | 1696.90 | - | - | 1696.90 |
| Net Change | 1696.90 | 1119 | - | (577.90) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 17585.64 | - | - | 18704.64 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 17585.64 | - | - | 18704.64 |

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 : (Rs. in Lakhs)

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/Manager | | | | | Total Amount |
|---------|---|------------------------|-----------------------|---------------------------|----------------------|-------------------------|---------------|
| | | Mr. Sushil Patwari | Mr. Sunil Patwari, MD | Mr. Mahendra Patwari, WTD | Mr. D. Das Choudhary | 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 | 36.00 | 36.00 | 36.00 | 13.88 | 1.53 | 123.41 |
| | | - | 0.60 | 0.60 | - | - | 1.20 |
| 2. | Stock Option | - | - | - | - | - | |
| 3. | Sweat Equity | - | - | - | - | - | |
| 4. | Commission - as % of profit - others, specify... | - | - | - | - | - | |
| 5. | Others, please specify | - | - | - | - | - | |
| | Total (A) | 36.00 | 36.60 | 36.60 | 13.88 | 1.53 | 124.61 |
| | Ceiling as per the Act | 84.00 | 84.00 | 84.00 | 84.00 | 84.00 | 420.00 |

** Mr. K. C. Purohit resigned from the Board w.e.f. 25th May, 2016

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 | 0.58 | 0.3850 | 0.2250 | 0.15 | 0.30 | 1.64 |
| | | - | - | - | - | - | - |
| | | - | - | - | - | - | - |
| | Total (1) | 0.58 | 0.3850 | 0.2250 | 0.15 | 0.30 | 1.64 |
| 4. | Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify | - | - | - | - | - | - |
| | | - | - | - | - | - | - |
| | | - | - | - | - | - | - |
| | Total (2) | - | - | - | - | - | - |
| | Total (B)=(1+2) | 0.58 | 0.3850 | 0.2250 | 0.15 | 0.30 | 1.64 |
| | 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) |
|-------------------------------------|------------------------------|-------------------|--|----------------------------|-------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

By order of the Board
Sushil Patwari
 (Chairman)

Place : Kolkata
 Date : 24.05.2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF "NAGREEKA EXPORTS LIMITED"

Report on the Financial Statements

We have audited the accompanying financial statements of Nagreeka Exports Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2017, 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, 2017, and its profit and its cash flows for the year ended on that date.

Others Matters

Attention is drawn to Note no 34 in standalone financial statement with regard to fire accident at Kagal Plant on 5th March'2017, the company has filed claim with insurance company valuing Rs 14,93,28,762/- against loss for damage to Fixed Assets &

INDEPENDENT AUDITORS' REPORT (Contd.)

inventories and the final claim is yet to be assessed by the Insurer. Accordingly the affected inventory has been valued and adjusted at cost and claim for the same has been shown under insurance claim receivable.

Pending the final assessment by the surveyor, no devaluation has been carried out in the block of asset against the said damage. The amount spent as preliminary cost for re - start of operations have been shown as receivable from insurance Company in the books.

Our opinion is not modified in respect of above matter.

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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 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. S. K. RAJGARHIA)

Partner

M. No. 068270

Place : Kolkata

Date : 24th May, 2017

ANNEXURE - "A" TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2017, 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) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 of the Act, with respect to the loans and investments made.
- 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 2017 for a period of more than six months from the date they become payable;
- b) The disputed statutory dues aggregating Rs 120.88 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 |
| | | | 0.36 | 2005-2006 | ITAT |
| | | | 4.62 | 2011-2012 | CIT (Appeals) |
| | | | 1.99 | 2012-2013 | CIT (Appeals) |
| | | | 11.59 | 2013-2014 | CIT (Appeals) |
| 2 | Finance Act, 1994 | Service Tax | 3.71 | 2010-2011 | CCE (Appeals) |
| 3 | MVAT Rules 2005 | Sales Tax | 80.13 | 2009-2010 | JC Sales Tax |
| | | | 13.09 | 2011-2012 | JC Sales Tax |

- (viii) The Company has not defaulted in repayment of dues to financial institutions, bank during the year.
- (ix) According to information and explanation given to us, the Company has applied its term loan for the purpose for which the loan was obtained.
- (x) 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;
- (xi) 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;
- (xii) 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;
- (xiii) 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;
- (xiv) 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;
- (xv) 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;
- (xvi) 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. S. K. RAJGARHIA)
Partner
M. No. 068270

Place : Kolkata
Date : 24th May, 2017

ANNEXURE - "B" TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Nagreeka Exports Limited ("the Company") as of 31 March 2017 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

ANNEXURE - "B" TO THE AUDITORS' REPORT

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 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Kolkata
Date : 24th May, 2017

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

(CA. S. K. RAJGARHIA)
Partner
M. No. 068270

BALANCE SHEET AS AT 31ST MARCH, 2017

| | Note No. | Rs. | As at 31st March, 2017 Rs. | Rs. | As at 31st March, 2016 Rs. |
|--------------------------------|----------|--------------------|-----------------------------|--------------------|-----------------------------|
| EQUITY AND LIABILITIES | | | | | |
| Shareholders' funds | | | | | |
| Share Capital | 3 | 62,550,000 | | 62,550,000 | |
| Reserves and Surplus | 4 | <u>961,229,502</u> | 1,023,779,502 | <u>950,877,902</u> | 1,013,427,902 |
| Non Current Liabilities | | | | | |
| Long-term Borrowings | 5 | 508,682,867 | | 540,934,594 | |
| Deferred tax liabilities (net) | 6 | <u>212,816,449</u> | 721,499,316 | <u>189,036,483</u> | 729,971,077 |
| Current Liabilities | | | | | |
| Short term borrowings | 7 | 1,361,780,644 | | 1,387,319,528 | |
| Trade Payables | 8 | 457,202,529 | | 334,664,227 | |
| Other Current Liabilities | 9 | 171,240,652 | | 142,023,530 | |
| Short term Provisions | 10 | <u>16,491,897</u> | 2,006,715,722 | <u>14,942,252</u> | 1,878,949,536 |
| Total | | | <u>3,751,994,541</u> | | <u>3,622,348,515</u> |
| ASSETS | | | | | |
| Non Current Assets | | | | | |
| Fixed Assets | | | | | |
| Tangible Assets | 11 | 1,337,932,966 | | 1,300,863,179 | |
| Capital Work in progress | 11 | <u>1,667,450</u> | | <u>36,738,027</u> | |
| | | 1,339,600,416 | | 1,337,601,206 | |
| Non current Investments | 12 | 179,128,015 | | 179,128,015 | |
| Long Term Loans & Advances | 13 | <u>54,586,310</u> | 1,573,314,741 | <u>47,541,778</u> | 1,564,270,999 |
| Current Assets | | | | | |
| Inventories | 14 | 900,361,010 | | 878,460,339 | |
| Trade Receivables | 15 | 527,277,612 | | 298,630,674 | |
| Cash & Bank Balances | 16 | 36,346,758 | | 24,388,745 | |
| Short-term loans & advances | 17 | <u>714,694,420</u> | 2,178,679,800 | <u>856,597,758</u> | 2,058,077,515 |
| Total | | | <u>3,751,994,541</u> | | <u>3,622,348,515</u> |

Significant Accounting Policies and Notes on Accounts

1 TO 35

The above Balance Sheet should be read in conjunction with accompanying notes

As per our separate report attached.

For **DAS & PRASAD**
Chartered Accountants
FRN 303054E
(CA. S. K. RAJGARHIA)
Partner
M. No. 068270

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 : 24th May, 2017

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

| | Note No. | As at 31st March, 2017 Rs. | As at 31st March, 2016 Rs. |
|---|----------|----------------------------------|----------------------------------|
| INCOME | | | |
| Revenue from operation | 18 | 6,156,207,634 | 4,922,153,975 |
| Other Income | 19 | 4,501,914 | 5,801,764 |
| Total Revenue | | <u>6,160,709,548</u> | <u>4,927,955,739</u> |
| EXPENDITURE | | | |
| Cost of Material Consumed | 20 | 1,400,302,161 | 1,397,579,505 |
| Purchase of Traded Goods | 21 | 3,561,845,135 | 2,353,877,820 |
| Change in inventories of Finished Goods, Stock in Process and Stock in Trade | 22 | (10,615,414) | 1,915,422 |
| Employees Benefit expenses | 23 | 241,219,490 | 192,184,693 |
| Finance Costs | 24 | 129,027,817 | 116,918,719 |
| Depreciation | 11 | 67,085,435 | 63,011,078 |
| Other Expenses | 25 | 737,713,357 | 767,302,124 |
| Total Expenses | | <u>6,126,577,981</u> | <u>4,951,110,140</u> |
| Profit before tax | | 34,131,566 | 35,166,377 |
| Tax expenses | | | |
| Current Tax | | (6,788,800) | (6,550,000) |
| Deferred Tax (Liability) / Assets | | (23,779,966) | (9,776,981) |
| MAT Credit Entitlement | | 6,788,800 | 6,550,000 |
| Taxes for earlier years | | - | 2,195 |
| Profit / (Loss) for the year | | <u>10,351,600</u> | <u>25,391,591</u> |
| Basic / Diluted Earnings Per Share (of Rs. 5 Each) | | 0.83 | 2.03 |

Significant Accounting Policies and

Notes on Accounts

1 TO 35

The above Statement of Profit & Loss should be read in conjunction with accompanying notes

As per our separate report attached.

For **DAS & PRASAD**

Chartered Accountants

FRN 303054E

(CA. S. K. RAJGARHIA)

Partner

M. No. 068270

Place : Kolkata

Date : 24th May, 2017

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, 2017

| | As at 31st March, 2017 Rs. | As at 31st March, 2016 Rs. |
|---|----------------------------------|----------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit Before extra ordinary items and tax | 34,131,566 | 35,166,377 |
| Additions : | | |
| Depreciation and amortization | 67,085,435 | 63,011,078 |
| Loss on sale / write off of assets | (63,082) | (328,892) |
| Finance Cost | 105,644,301 | 94,279,474 |
| Dividend Income | (836,374) | (2,465,648) |
| Operating Profit Before Working Capital | 205,961,847 | 189,662,389 |
| Adjusted for : | | |
| (Increase) / Decrease in Trade and other Receivables | 87,683,704 | 37,976,538 |
| (Increase) / Decrease in Inventories | (21,900,671) | (164,542,108) |
| (Increase) / Decrease in Trade and other Payables | 153,305,073 | 107,261,985 |
| Cash Generated from Operation | 249,682,544 | 170,358,804 |
| Direct Taxes Paid / Refund Received | (6,104,428) | (16,576,026) |
| Net Cash Flow from / (used in) Operating Activities | 243,578,117 | 153,782,778 |
| B. CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Capital Expenditure on Fixed Assets, Including Capital Advances | (69,799,247) | (86,296,739) |
| Sale of Fixed Assets | 777,681 | 333,694 |
| Purchase of Current Investments | - | (36,693,780) |
| Dividend Received | 836,374 | 2,465,648 |
| Net Cash Flow from / (used in) Investing Activities | (68,185,192) | (120,191,177) |
| C. CASH FLOW FROM FINANCEING ACTIVITIES : | | |
| Net Increase / (decrease) in Long Term borrowings | (32,251,727) | (112,756,504) |
| Net increase / (decrease) in working capital borrowings | (25,538,884) | 183,009,838 |
| Finance Cost | (105,644,301) | (94,279,474) |
| Net Cash Flow from / (used in) Financing Activities | (163,434,912) | (24,026,140) |
| Net Increase / (Decrease) in cash & cash Equivalents (A+B+C) | (11,958,012) | 9,565,461 |
| Cash & Cash equivalents at the beginning of the year | 24,388,745 | 14,823,284 |
| Cash & Cash equivalents at the end of the year | 36,346,757 | 24,388,745 |

The Accompanying notes are forming part of the Financial Statements

As per our separate report attached.
For **DAS & PRASAD**
Chartered Accountants
FRN 303054E
(CA. S. K. RAJGARHIA)
Partner
M. No. 068270

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 : 24th May, 2017

NOTES forming part of the Financial Statements for the year ended 31st March, 2017

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 & Bombay 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 dyeing 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 :

- i) 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.
- ii) Lease Hold Land is being amortized over the lease period.

f) INVESTMENTS :

- i) Quoted Investments are stated at Cost. Provision for diminution in long term investment is made only, if such a decline is other than temporary.
- ii) 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"). |

Finished goods :

- 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 | : At Cost or NEt Realisable Value whichever is lower (Cost is Computed Using "FIFO Method") |
| 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, 2017 (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 / INSURANCE CLAIM:

Government grants / subsidies / Insurance Claims 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, 2017 (Contd.)

| | As at 31st March, 2017 | | As at 31st March, 2016 | | |
|---|---------------------------|-------------------------------|---------------------------|-------------------------------|----------|
| | Rs. | Rs. | Rs. | Rs. | |
| 3. SHARE CAPITAL : | | | | | |
| Authorised Share Capital | | | | | |
| 3,00,00,000 Equity shares of Rs.5/- each (3,00,00,000) | | 150,000,000 | | 150,000,000 | |
| | | <u>150,000,000</u> | | <u>150,000,000</u> | |
| Issued | | | | | |
| 1,25,10,000 Equity shares of Rs. 5/- each (1,25,10,000) | | 62,550,000 | | 62,550,000 | |
| | | <u>62,550,000</u> | | <u>62,550,000</u> | |
| Subscribed and paid up | | | | | |
| 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) | <u>51,500</u> | <u>62,550,000</u> | <u>51,500</u> | <u>62,550,000</u> | |
| | | <u>62,550,000</u> | | <u>62,550,000</u> | |
| i) Reconciliation of number of Equity Shares and amount Outstanding | | 2016-17 | | 2015-16 | |
| | Number | Rs. | Number | Rs. | |
| Shares Outstanding as at April 1,2016 | 12,499,700 | 62,498,500 | 12,499,700 | 62,498,500 | |
| Shares Outstanding as at March 31, 2017 | 12,499,700 | 62,498,500 | 12,499,700 | 62,498,500 | |
| ii) The details of Shareholders holding more than 5% shares :- Name of the Shareholders | | 2016-2017 | | 2015-2016 | |
| | Number | % | Number | % | |
| Sushil Patwari | 791,900 | 6.34% | 791,900 | 6.34% | |
| Sunil Patwari | 934,900 | 7.48% | 934,900 | 7.48% | |
| Dadra Exmip P. Ltd. (Previously Nagreeka Synthetics Pvt. Ltd.) | 2,105,186 | 16.84% | 940,270 | 7.48% | |
| Agarwal Galvanising P. Ltd | - | - | 815,423 | 6.52% | |
| Lakecity Ventures P. Ltd. | 814,823 | 6.52% | - | - | |
| 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. | | | | | |
| 4. RESERVES AND SURPLUS : | | As at 31st March, 2017 | | As at 31st March, 2016 | |
| Capital Reserve : | | Nos. | % | Nos. | % |
| As per last Balance Sheet | | 3,000,000 | | 3,000,000 | |
| Share Preimum Reserve | | | | | |
| As per Last Account | | 143,363,589 | | 143,363,589 | |
| General Reserve | | | | | |
| As per Last Account | | 548,655,966 | | 548,655,966 | |
| Share Forfeiture Reserve | | | | | |
| As per Last Account | | 103,000 | | 103,000 | |
| Profit & Loss Account | | | | | |
| As per last account | 255,755,346 | | 230,363,755 | | |
| Add: Profit / (Loss) for the year | <u>10,351,600</u> | <u>266,106,946</u> | <u>25,391,590</u> | <u>255,755,346</u> | |
| Total | | <u>961,229,502</u> | | <u>950,877,902</u> | |

NOTES forming part of the Financial Statements for the year ended 31st March, 2017 (Contd.)

| | As at 31st March, 2017 | | As at 31st March, 2016 | |
|--|---------------------------|-----------------------------------|---------------------------|-----------------------------------|
| | Rs. Non Current | Rs. Current | Rs. Non Current | Rs. Current |
| 5. LONG TERM BORROWINGS : | | | | |
| Secured | | | | |
| Term Loan From Bank | 261,223,024 | 135,559,843 | 388,326,594 | 152,608,000 |
| Unsecured Loan | 111,900,000 | - | - | - |
| Loan from Directors | <u>373,123,024</u> | <u>135,559,843</u> | <u>388,326,594</u> | <u>152,608,000</u> |
| i) MATURITY PROFILE | Within 1-2 Yr. | Within 2-3 Yr. | Within 3-4 Yr. | Beyond 4 Yr. |
| Term Loans from Bank | 83,796,909 | 82,536,000 | 79,661,694 | 15,228,421 |
| 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, Maharashtra 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, Maharashtra | | | | |
| (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, Maharashtra 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, 2017 | | As at 31st March, 2016 |
| | | Rs. | | Rs. |
| 6. DEFERRED TAX LIABILITY (NET) | | | | |
| Deferred Tax Liability Fixed Assets - Depreciation | | 216,765,140 | | 192,320,143 |
| Deferred Tax Assets | | | | |
| Disallowance under Income Tax Act, 1961 | | 3,948,691 | | 3,283,660 |
| Total | | <u>212,816,449</u> | | <u>189,036,483</u> |
| 7. SHORT TERM BORROWING : | | | | |
| Secured Loans | | | | |
| Working Capital Loans from Bank | | 1,361,780,644 | | 1,387,319,528 |
| Total | | <u>1,361,780,644</u> | | <u>1,387,319,528</u> |
| 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 pari pasu with each other participating working capital banks.
- (b) Second charge on all the fixed assets of the company, both present and future ranking pari passu with each other participating working capital banks.
- (c) Personal guarantee of some of the Directors of the Company.

| | As at 31st March, 2017 | As at 31st March, 2016 |
|---|---------------------------|---------------------------|
| | <u>Rs.</u> | <u>Rs.</u> |
| 8. TRADE PAYABLES :- | | |
| Others | 457,202,529 | 334,664,227 |
| Total | <u>457,202,529</u> | <u>334,664,227</u> |
| 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. | | |
| 9. OTHER CURRENT LIABILITIES | | |
| Unpaid dividends | 620,585 | 621,485 |
| Statutory remittances | 3,784,086 | 1,465,955 |
| Payables on purchase of fixed assets | 7,454,297 | 2,418,510 |
| Advances from customers | 38,290,569 | 40,092,315 |
| Book Overdraft on Reconciliation | 121,091,117 | 97,425,266 |
| Total | <u>171,240,652</u> | <u>142,023,530</u> |
| 10. SHORT TERM PROVISIONS | | |
| Provision for employee benefits | 13,876,103 | 11,113,968 |
| Provision for Gratuity | 2,615,794 | 3,828,284 |
| | <u>16,491,897</u> | <u>14,942,252</u> |
| Provision - Others | - | - |
| Total | <u>16,491,897</u> | <u>14,942,252</u> |
| Provision for Tax (net of Advance Tax Rs. NIL and Tax Deducted at Source & Tax Collected a Source Rs. 59,04,428/- (As at 31st March 2016 net of advance tax Rs. NIL and Tax deducted at Source Rs. 68,78,221/-) | - | - |
| | - | - |
| Total | <u>16,491,897</u> | <u>14,942,252</u> |

NOTES forming part of the Financial Statements for the year ended 31st March, 2017 (Contd.)

NOTE NO. : 11

TANGIBLE ASSETS

(Amount in Rs.)

| PARTICULARS | GROSS BLOCK (At Cost) | | | | DEPRECIATION | | | | NET BLOCK | |
|--------------------------|-----------------------|--------------------------|-----------------------------|-----------------------|----------------------|--------------------|--------------------------|----------------------|-----------------------|-----------------------|
| | As at 31st March 2016 | Addition during the year | Adjustment/ Disposed/ Sales | As at 31st March 2017 | Upto 31st March 2016 | For the Year | Adjustment For Deduction | Upto 31st March 2017 | As at 31st March 2017 | As at 31st March 2016 |
| Land & Site Development | 26,35,829 | - | - | 26,35,829 | - | - | - | - | 26,35,829 | 26,35,829 |
| Land (Lease Hold) | 7,08,83,082 | - | - | 7,08,83,082 | 26,82,264 | 5,75,006 | - | 32,57,271 | 6,76,25,811 | 6,82,00,818 |
| Office Premises | 1,42,68,713 | - | - | 1,42,68,713 | 47,70,455 | 2,24,842 | - | 49,95,297 | 92,73,416 | 94,98,258 |
| Factory Building | 36,19,52,962 | 32,697 | - | 36,19,85,659 | 9,93,45,659 | 1,12,09,455 | - | 11,05,55,114 | 25,14,30,545 | 26,26,07,303 |
| Godown | 72,75,714 | - | - | 72,75,714 | 16,75,967 | 2,27,650 | - | 19,03,617 | 53,72,097 | 55,99,747 |
| Plant & Machinery | 1,67,52,54,185 | 9,12,67,532 | 7,24,454 | 1,76,57,97,263 | 74,82,76,677 | 4,97,27,762 | 6,88,230 | 79,73,16,209 | 96,84,81,055 | 92,69,77,508 |
| Furniture & Fixtures | 1,50,72,792 | 75,77,190 | - | 2,26,49,983 | 91,25,171 | 16,50,107 | - | 1,07,75,278 | 1,18,74,705 | 59,47,621 |
| Air Conditioner | 30,00,806 | 9,87,533 | - | 39,88,339 | 15,68,681 | 2,72,155 | - | 18,40,836 | 21,47,504 | 14,32,126 |
| Vehicles | 1,79,63,433 | 36,40,412 | 36,07,288 | 1,79,96,557 | 84,99,419 | 18,81,920 | 29,28,912 | 74,52,427 | 1,05,44,130 | 94,64,014 |
| Computer | 49,40,968 | 3,33,657 | - | 52,74,625 | 39,35,864 | 6,26,683 | - | 45,62,547 | 7,12,078 | 10,05,105 |
| Office Equipments | 41,36,845 | 3,30,604 | - | 44,67,449 | 32,04,970 | 3,77,108 | - | 35,82,079 | 8,85,370 | 9,31,875 |
| Non-Factory Building | 74,45,058 | 6,55,209 | - | 81,00,267 | 12,79,606 | 3,02,060 | - | 15,81,666 | 65,18,601 | 61,65,452 |
| Refrigerator | 1,04,322 | 44,990 | - | 1,49,312 | 99,107 | 10,685 | - | 1,09,792 | 39,520 | 5,215 |
| Old Machine in Hand | 3,92,306 | - | - | 3,92,306 | - | - | - | - | 3,92,306 | 3,92,306 |
| Grand Total | 2,18,53,27,016 | 10,48,69,824 | 43,31,742 | 2,28,58,65,098 | 88,44,63,839 | 6,70,85,435 | 36,17,142 | 94,79,32,131 | 1,33,79,32,967 | 1,30,08,63,177 |
| Previous Year | 2,11,43,11,561 | 7,15,11,969 | 4,96,515 | 2,18,53,27,015 | 82,19,44,471 | 6,30,11,078 | 4,91,712 | 88,44,63,837 | 1,30,08,63,177 | |
| Capital Work in Progress | | | | | | | | | 16,67,450 | 3,67,38,027 |

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.
- Life of Plant & Machinery has been considered as per management.

NOTES forming part of the Financial Statements for the year ended 31st March, 2017 (Contd.)

| | As at 31st March, 2017 Rs. | As at 31st March, 2016 Rs. |
|--|----------------------------------|----------------------------------|
| 11. FIXED ASSETS : | | |
| Tangible Assets | 1,337,932,966 | 1,300,863,179 |
| Annexure Attached | | |
| 12. NON CURRENT INVESTMENTS | | |
| Unquoted : | | |
| 47,975 Sundaram BNP Paribas Equity Multiplier Fund | 479,753 | 479,753 |
| 5,00,000 Sundaram BNP Paribas Select Small Cap | 500,000 | 500,000 |
| 50,000 SBI Gold Fund | 500,000 | 500,000 |
| 62,500 Tirumala Mart P. Ltd | 5,000,000 | 5,000,000 |
| 12,966 Jaidka Motor Co. Ltd of Rs. /- each (Previous Year (NIL)) | 36,693,780 | 36,693,780 |
| Quoted: | | |
| 1,15,600 Nagreeka Capital & Infrastructure Ltd of Rs. 5/- each | 578,000 | 578,000 |
| 82 Bajaj Finance Ltd of Rs. 10/- each | 90,200 | 90,200 |
| 4,77,600 Vedanta Ltd of Rs. 1/- each (Previsouly known as Sesa Sterlite Ltd) | 135,286,282 | 135,286,282 |
| | 179,128,015 | 179,128,015 |
| Aggregate Book value of: | | |
| a) Quoted Investments | 172,648,262 | 172,648,262 |
| b) Unquoted Investments | 6,479,753 | 6,479,753 |
| Aggregate market value of quoted investments: | 133,601,126 | 44,745,960 |
| | As at 31st March, 2017 | As at 31st March, 2016 |
| 13. LONG TERM LOANS & ADVANCES | | |
| (Unsecured, considered goods) | | |
| Security Deposit | 4,433,154 | 4,177,422 |
| Security Deposit to Related Parties | 17,600,000 | 17,600,000 |
| MAT Credit Entitlement | 32,553,156 | 25,764,356 |
| | 54,586,310 | 47,541,778 |
| 14. INVENTORIES | | |
| Raw Material | 337,229,593 | 328,261,182 |
| Work-in-progress | 37,476,178 | 33,036,805 |
| Finished Goods | 171,683,374 | 167,427,058 |
| Stock-in-Trade | 298,243,459 | 305,127,859 |
| Stores, Spares, Packing Material & Fuel | 33,857,375 | 31,540,529 |
| Waste Cotton | 21,871,031 | 13,066,906 |
| | 900,361,010 | 878,460,339 |
| 15. TRADE RECEIVABLES | | |
| (Unsecured, considered good) | | |
| Over Six Months | 4,451,210 | 4,887,649 |
| Others | 522,826,402 | 293,743,025 |
| Total | 527,277,612 | 298,630,674 |
| 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, 2017 (Contd.)

| | As at 31st March, 2017 Rs. | As at 31st March, 2016 Rs. |
|--------------------------------------|----------------------------------|----------------------------------|
| 16. CASH AND CASH EQUIVALENTS | | |
| Cash in Hand | 1,815,984 | 1,410,893 |
| Balances with banks | | |
| (i) In current accounts | 11,914,083 | 14,295,660 |
| (ii) In deposit accounts | 21,996,106 | 806,070 |
| (iii) Unpaid dividend accounts | 620,585 | 621,485 |
| Total | <u>36,346,758</u> | <u>24,388,745</u> |

Details of Specified Bank Notes (SBN) held and transacted during Demonitisation period from 09.11.16 to 30.12.16

| Particulars | SBN's | Other Denomination | Total |
|-------------------------------|---------|--------------------|-----------|
| Closing cash as on 08.11.2016 | 840,500 | 938,303 | 1,778,803 |
| (+) Permitted Receipts | - | 2,553,661 | 2,553,661 |
| (-) Permitted Payments | - | 2,390,353 | 2,390,353 |
| (-) Amount Deposited in Bank | 840,500 | - | 840,500 |
| Closing cash as on 30.12.2016 | - | 1,101,611 | 1,101,611 |

| | | |
|---|---------------------------|---------------------------|
| 17. SHORT TERM LOANS AND ADVANCES | | |
| Security Deposits | 14,115,368 | 11,440,004 |
| Advance Income Tax (Net of Provision of Taxation) | 28,304,745 | 29,006,407 |
| Prepaid Interest & Expenses | 9,168,709 | 5,889,583 |
| Advances to Employees | 12,891,253 | 12,232,057 |
| Balance with statutory / government Authority | 117,986,024 | 136,588,747 |
| Other Loans & Advances | 532,228,320 | 66,144,061 |
| Total | <u>714,694,419</u> | <u>856,597,758</u> |

| | | |
|-----------------------------------|-----------------------------|-----------------------------|
| 18. REVENUE FROM OPERATION | | |
| Sale of Products | | |
| Finished Goods | 2,271,922,816 | 2,347,020,196 |
| Traded Goods | 3,659,463,497 | 2,400,928,092 |
| Waste | 38,475,694 | 22,690,100 |
| | <u>5,969,862,007</u> | <u>4,770,638,388</u> |
| Other operating revenues | | |
| Jobwork Charges | 59,625,811 | 58,234,942 |
| Scrap | 1,633,260 | 1,366,579 |
| Export Incentives | 125,086,556 | 91,914,066 |
| | 186,345,627 | 151,515,587 |
| Total | <u>6,156,207,634</u> | <u>4,922,153,975</u> |

| | As at 31st March, 2016 | As at 31st March, 2015 |
|---|-----------------------------|-----------------------------|
| i) Sale of products comprises | | |
| Manufactured goods | | |
| Dyed Yarn | 358,737,177 | 285,537,448 |
| Cotton Yarn | 1,557,153,828 | 1,738,330,200 |
| Knitted Fabrics | 30,965,373 | 4,711,988 |
| Waste | 38,475,694 | 22,690,100 |
| Bleached Cotton | 256,202,415 | 230,980,835 |
| Garment Sale | - | 9,446,639 |
| Cloth | 68,864,023 | 78,013,086 |
| Total - Sale of manufactured goods | <u>2,310,398,510</u> | <u>2,369,710,296</u> |

NOTES forming part of the Financial Statements for the year ended 31st March, 2017 (Contd.)

| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
|--|--|--|
| | Rs. | Rs. |
| Traded goods | | |
| Cotton Yarn | 2,188,129,547 | 1,643,435,108 |
| Knitted Fabric | 329,023,171 | 17,655,721 |
| M S Billet | 49,182,203 | - |
| Ingots | 111,873,720 | - |
| Cloth | 201,112,295 | 468,093,070 |
| Rice | 22,731,897 | - |
| Fancy Fabric | 366,191,644 | - |
| Raw Cotton | 391,219,021 | 271,744,193 |
| Total - Sale of traded goods | <u>3,659,463,497</u> | <u>2,400,928,092</u> |
| Total - Sale of products | <u>5,969,862,007</u> | <u>4,770,638,388</u> |
| Other operating revenues | | |
| Jobwork Charges | 59,625,811 | 58,234,942 |
| Sale of scrap | 1,633,260 | 1,366,579 |
| Export Incentives | 125,086,556 | 91,914,066 |
| Total - Other operating revenues | <u>6,156,207,634</u> | <u>4,922,153,975</u> |
| 19. OTHER INCOME : | | |
| Dividend income from long-term investments | 836,374 | 2,465,648 |
| Net gain on sale of Fixed Assets | 63,082 | 328,892 |
| Other non-operating income | 3,602,458 | 3,007,224 |
| Total | <u>4,501,914</u> | <u>5,801,764</u> |
| 20. COST OF MATERIAL CONSUMED : | | |
| Opening stock | 328,261,182 | 159,560,857 |
| Add: Purchases | 1,151,810,309 | 1,773,412,477 |
| Less : Inter Department Transfer | 257,460,263 | (207,132,647) |
| | <u>1,737,531,754</u> | <u>1,725,840,687</u> |
| Less: Closing stock | 337,229,593 | 328,261,182 |
| Cost of material consumed | <u>1,400,302,161</u> | <u>1,397,579,505</u> |
| i) Material consumed comprises | | |
| Raw Cotton | 1,118,047,941 | 1,171,522,297 |
| Cotton Yarn | 325,195,938 | 263,593,681 |
| Cotton | 158,712,789 | 99,993,492 |
| Cloth | 55,805,755 | 69,602,682 |
| | <u>1,657,762,423</u> | <u>1,604,712,152</u> |
| Less : Inter Department Transfer | | |
| Cotton Yarn | (139,100,556) | (113,582,875) |
| Cotton | (118,359,707) | (93,549,772) |
| Total | <u>1,400,302,160</u> | <u>1,397,579,505</u> |
| 21. PURCHASE OF TRADED GOODS : | | |
| Cotton Yarn | 2,138,264,241 | 1,561,739,031 |
| Knitted Fabrics | 481,831,006 | 17,201,760 |
| B Twing Bag | 461,624 | - |
| M S Ingots | 104,953,668 | - |
| M S Billet | 47,020,450 | - |
| Fancy Fabric | 366,120,778 | - |
| Rice | 19,765,200 | - |
| Raw Cotton | 387,134,072 | 142,951,749 |
| Cloth | 16,294,096 | 631,985,280 |
| Total | <u>3,561,845,135</u> | <u>2,353,877,820</u> |

NOTES forming part of the Financial Statements for the year ended 31st March, 2017 (Contd.)

| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
|--|--|--|
| | Rs. | Rs. |
| 22. CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE | | |
| Inventories at the end of the year | | |
| Finished goods | 171,683,374 | 167,427,058 |
| Stock-in-trade | 298,243,459 | 305,127,859 |
| Work-in-progress | 37,476,178 | 33,036,805 |
| Waste | 21,871,031 | 13,066,906 |
| | 529,274,042 | 518,658,628 |
| Inventories at the beginning of the year: | | |
| Finished goods | 167,427,058 | 205,297,482 |
| Stock-in-trade | 305,127,859 | 271,189,166 |
| Work-in-progress | 33,036,805 | 34,718,406 |
| Waste | 13,066,906 | 9,368,997 |
| | 518,658,628 | 520,574,051 |
| | Net (increase) / decrease | 1,915,422 |
| | (10,615,414) | |
| 23. EMPLOYEES BENEFIT EXPENSES | | |
| Salaries and wages | 226,522,966 | 175,642,720 |
| Contributions to provident and other funds | 11,103,537 | 9,409,708 |
| Staff welfare expenses | 3,592,987 | 7,132,265 |
| Total | 241,219,490 | 192,184,693 |
| | As at | As at |
| | 31st March, 2017 | 31st March, 2016 |
| | Rs. | Rs. |
| i) Disclosure pursuant to Accounting Standard - 15 : Employee Benefit | | |
| (a) Reconciliation of opening & closing balance of Defined Benefit Obligation | | |
| Defined Benefit obligation at the beginning of the year | 34,355,230 | 27,006,278 |
| Current Service Cost | 2,698,487 | 4,637,519 |
| Interest Cost | 2,748,418 | 2,333,484 |
| Actuarial (Gain) / Loss | 2,593,490 | 1,237,979 |
| Benefit paid | (1,163,925) | (860,030) |
| Present value of obligations as at end of year | 41,231,700 | 34,355,230 |
| (b) Reconciliation of opening & closing balance of Plan Assets | | |
| Fair value of Plan Assets at the beginning of the year | 33,116,122 | 28,578,166 |
| Expected return of Plan Assets | 2,834,667 | 2,687,587 |
| Actuarial Gain / (Loss) on Plan Assets | - | - |
| Contribution by Employer | 3,845,741 | 2,710,399 |
| Benefit Paid | (1,163,925) | (860,030) |
| | 38,632,605 | 33,116,122 |
| (c) Reconciliation of Fair Value of Assets & Obligation | | |
| Fair value of Plan Assets | 38,632,605 | 33,116,122 |
| Present Value of Obligation | 41,231,700 | 34,355,230 |
| Amount Recognised in Balance Sheet | 2,599,095 | 1,239,108 |

NOTES forming part of the Financial Statements for the year ended 31st March, 2017 (Contd.)

| | As at 31st March, 2017 Rs. | As at 31st March, 2016 Rs. |
|---|--|--|
| (d) Acturial (Gain) / Loss Recognised | | |
| Acturial (Gain) / Loss on Obligation | (2,593,490) | (1,237,979) |
| Acturial (Gain) / Loss on Plan Assets | - | - |
| Acturial (Gain) / Loss Recognised during the year. | <u><u>(2,593,490)</u></u> | <u><u>(1,237,979)</u></u> |
| (e) Expenses charged to Profit & Loss Account | | |
| Current service cost | 2,698,487 | 2,475,252 |
| Interest Cost | 2,748,418 | 2,333,484 |
| Expected Return on Plan Assets | (2,834,667) | (2,687,587) |
| Acturial (Gain) / Loss | <u>2,593,490</u> | <u>1,237,979</u> |
| | <u><u>5,205,728</u></u> | <u><u>3,359,128</u></u> |
| (f) March' 2016, March'2015 & March'2014 - 100% with Life Insurance Corporation of India Ltd. | | |
| (g) Principle Acturial Assumption as at 31st March, 2017. | | |
| 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, 2017. | | |
| | For the year ended 31st March, 2017 Rs. | For the year ended 31st March, 2016 Rs. |
| 24. FINANCE COST | | |
| Interest & Finance Charges : | | |
| Interest | 153,112,623 | 152,600,252 |
| Less : Interest Received | <u>47,468,322</u> | <u>58,320,778</u> |
| Interest Charges (Net) | 105,644,301 | 94,279,474 |
| Finance Charges | <u>23,383,516</u> | <u>22,639,245</u> |
| Total | <u><u>129,027,817</u></u> | <u><u>116,918,719</u></u> |
| 25. OTHER EXPENSES | | |
| Manufacturing Expenses | | |
| Consumption of Stores, Spares & Packing Material | 138,936,814 | 137,037,195 |
| Power and Fuel | 275,206,106 | 308,970,582 |
| Processing Charges | 22,072,558 | 64,454,232 |
| Repairs and maintenance - Buildings | 3,443,620 | 3,589,016 |
| Repairs and maintenance - Machinery | 10,755,562 | 86,31,000 |
| | <u>450,414,660</u> | <u>522,682,024</u> |
| Selling & Distribution Expenses | | |
| Outward Freight | 99,405,767 | 68,049,917 |
| Other Export Expenses | 44,478,771 | 36,074,232 |
| Commission on Sale | 47,477,968 | 43,457,121 |
| Claims & Discounts | 17,312,201 | 13,148,813 |
| | <u>208,674,707</u> | <u>160,730,083</u> |
| Establishment & Other Expenses | | |
| Rent | 594,000 | 1,000,200 |
| Rates and taxes | 1,629,533 | 2,133,430 |
| Communication Charges | 6,475,536 | 6,703,628 |
| Travelling and conveyance | 24,062,677 | 26,599,947 |

NOTES forming part of the Financial Statements for the year ended 31st March, 2017 (Contd.)

| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
|---------------------------------|--|--|
| | Rs. | Rs. |
| Insurance | 11,230,624 | 9,986,722 |
| Expenses towards CSR Activities | 1,208,000 | 1,503,000 |
| Miscellaneous Expenses | <u>33,423,620</u> | <u>35,963,091</u> |
| | <u>78,623,990</u> | <u>63,890,018</u> |
| Total | <u>737,713,357</u> | <u>767,302,124</u> |

i) Miscellaneous Expenses includes payment to Statutory Auditor as :

| | | |
|----------------------|-----------------------|-----------------------|
| Statutory Audit Fees | 235,750 | 234,725 |
| Tax Audit Fees | 34,500 | 34,350 |
| Other Services | 72,446 | 55,250 |
| Total | <u>342,696</u> | <u>324,325</u> |

26 CAPITAL COMMITMENTS: Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. NIL (Net of advances) (Previous Year Rs. 289.79 Lacs).

27 CORPORATE SOCIAL RESPONSIBILITY : 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. 12,07,695/-, Amount actually spent on CSR : Rs. 12,08,000/-.

28 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF :

- i. Bills discounted with Banks Rs. 3426.52 Lacs (Previous Year Rs. 2411.07 lacs).
- ii. Bank Guarantees of Rs. 158.11 Lacs (Previous Year Rs. 325.15 lacs) issued in favour of Custom, Central Excise & Other Government Authorities.
- iii. Disputed Statutory Dues :-
 - a) The Income Tax Assessment of the Company have been completed up to Assessment Year 2014-2015. Disputed Income Tax Liabilities for which appeal is pending before different appellate authorities for Assessment Year 2005-2006, 2006-2007, 2012-2013, 2013-2014 & 2014-2015 are Rs. 23.997 Lacs
 - b) Disputed Sales Tax liability for which appeal is pending before Sales Tax authorities relating to financial year from 2009-2010 & 2011-2012 Rs. 93.17 Lacs
 - c) Disputed Central Service Tax liability for which appeal is pending before different Service Tax authorities relating to financial year 2010-2011 is Rs. 3.71 Lacs

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.

29 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)

30 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 the Companies Act, 2013.

| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
|---|--|--|
| | Rs. | Rs. |
| Geographical Segments | | |
| Export Revenues (Including Export Benefits) | 3,792,198,287 | 3,102,246,018 |
| Domestic Revenues (Net of Excise Duty) | 2,364,009,347 | 1,819,907,957 |
| Total | <u>6,156,207,634</u> | <u>4,922,153,975</u> |

NOTES forming part of the Financial Statements for the year ended 31st March, 2017 (Contd.)

| | For the year ended 31st March, 2017 | For the year ended 31st March, 2016 |
|--|--|--|
| | Rs. | Rs. |
| 31. Basic and diluted earning per share (EPS) of the face value of Rs.5/- each is calculated as under:- | | |
| Net profit as per Profit and Loss Account available for Equity Share Holder (In Rs.) | 1,03,51,600 | 2,53,91,590 |
| Weighted average number of Equity Shares for Basis Earning Per Share | 1,24,99,700 | 1,24,99,700 |
| Basis / Diluted Earning Per Share (Weighted Average) - in Rs. | 0.83 | 2.03 |
| 32 DIRECTORS REMUNERATIONS | | |
| Salary | 1,26,35,548 | 1,18,20,000 |
| Other Perquisites | 1,20,000 | 1,20,000 |
| Directors Sitting fees | 1,64,000 | 1,19,000 |
| 33 Related parties with whom transactions have taken place during the year | | |
| Key Management personnel's | | |
| Sri Sushil Patwari : Chairman | | |
| Sri Sunil Patwari : Vice Chairman and Managing Director | | |
| Sri K.C. Purohit : Whole Time Director (upto 25th May 2016) | | |
| Sri Mahendra Patwari : Whole Time Director | | |
| Sri Debrata Das Choudhary : Whole Time Director (From 25th May 2016) | | |
| Relatives of Key Management Personnel's & Others : | | |
| Patwari Properties | | |
| Smt. Minakshi Patwari | | |
| Smt. Anita Patwari | | |
| | (Rs. in Lacs) | (Rs. in Lacs) |
| | 2016-2017 | 2015-2016 |
| Nature of Transaction & with Whom | | |
| Rent to Relatives of Key Management Personnel's & Other | 1.80 | 1.80 |
| Rent to Key Management Personnel | 1.20 | 1.20 |
| Remuneration to Key Management Personnels | 136.59 | 128.43 |
| Outstanding Balances as on 31.03.2017 | - | - |
| Deposit / Loans & Advances : | | |
| Key Management Personnels | 176.00 | 176.00 |
| 34 On 5th March, 2017 there was a fire occurred at Bleaching and Dying Unit situated at Kagal (Kolhapur). Total loss was estimated at Rs. 14,93,28,762/- which includes damage to fixed assets and inventory. As Final claim is yet to be assessed by the Insurer hence the inventory loss is being considered at adjusted cost rate & same is being taken under insurance claim receivable & no loss is being effected into Profit & loss A/c as the Inventory & Fixed assets are fully insured. The Company has filed the claim with Insurance Company and matter is under process. | | |

The management has taken immediate steps to procure necessary inventory and make preliminary & essential repairs to restart the operations and operation have resumed on 18th March, 2017.

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

As per our separate report attached.

For **DAS & PRASAD**
Chartered Accountants

(CA. S. K. RAJGARHIA)
Partner
M. No. 068270

Place : Kolkata
Date : 24th May, 2017

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

NAGREEKA EXPORTS LIMITED

REGISTERED OFFICE: 18, R.N. MUKHERJEE ROAD, KOLKATA - 700 001, INDIA
Phone : 2210-8828, 2248-4922/4943, Email: sushil@nagreeka.com, Website : www.nagreeka.com
CIN: L18101WB1989PLC046387

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

| | |
|------------|--|
| D.P.ID* | |
| Client ID* | |

| | |
|-------------------|--|
| Ledger Folio No. | |
| No.of Shares held | |

Full Name of the Member (IN BLOCK LETTERS) : _____

Full Name of Proxy (IN BLOCK LETTERS) : _____
(to be filled in if Proxy attends instead of the Member)

I / We hereby record my/our presence at the **28th Annual General Meeting of the Company held at Bengal National Chamber of Commerce and Industry**, 23, R.N. Mukherjee Road, Kolkata-700 001, on Monday, the 18th September, 2017 at 10.30 a.m.

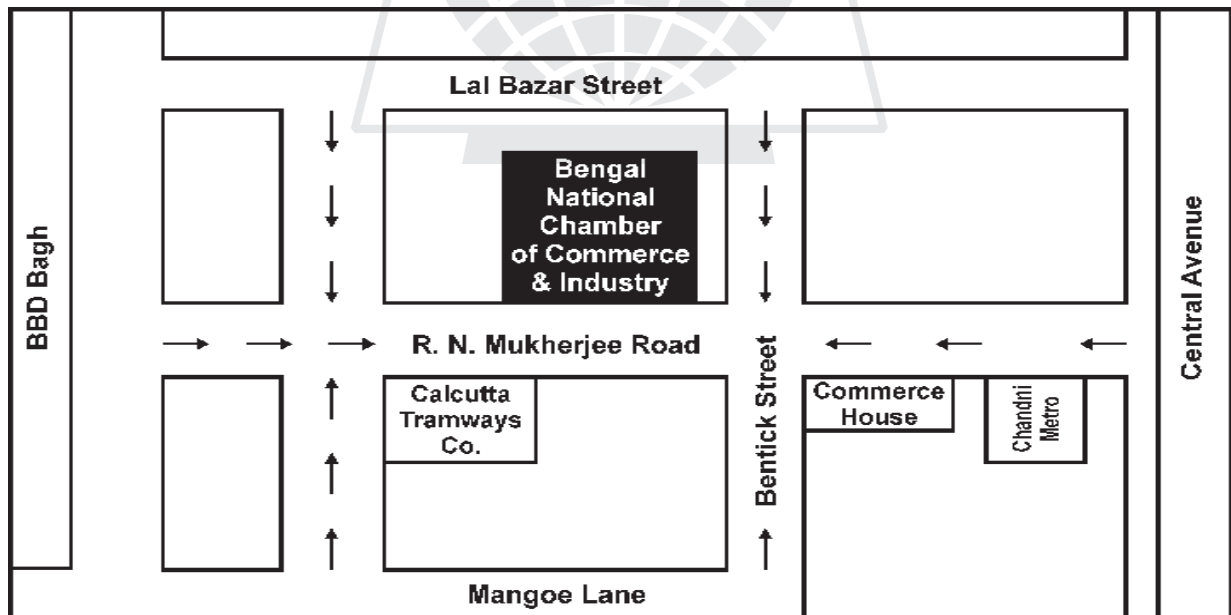
(Signature of the Member/ Proxy)

(To be signed at the time of handing over this slip)

***Applicable to Members holding shares in electronic form.**

Note: Members are requested to bring their copies of the Annual Report to the Meeting.

Route map of AGM Venue



NAGREEKA EXPORTS LIMITED

REGISTERED OFFICE: 18, R.N. MUKHERJEE ROAD, KOLKATA - 700 001, INDIA
Phone : 2210-8828, 2248-4922/4943, Email: sushil@nagreeka.com, Website : www.nagreeka.com
CIN: L18101WB1989PLC046387

PROXY FORM FORM NO. MGT-11

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

CIN : L18101WB1989PLC046387
Name of the Company : NAGREEKA EXPORTS LIMITED
Registered office : 18, R.N. Mukherjee Road, Kolkata- 700 001.

| | |
|-----------------------------|--|
| Name of member(s) | |
| Registered Address | |
| E-mail ID | |
| Folio No./ Client ID/ DP ID | |
| DPID | |

I/We, being the member(s) of _____ shares of the above named company, here by appoint:

- (1) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or falling him;
- (2) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or falling him;
- (3) Name : _____ Address : _____
E-mail Id : _____ Signature : _____ or falling him;

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the TWENTY EIGHT Annual General Meeting of the Company, to be held on the **Monday, the 18th September, 2017** at 10.30 a.m. at Bengal National Chamber of Commerce and Industry, 23, R.N. Mukherjee Road, Kolkata-700 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolutions |
|----------------------------|--|
| Ordinary Business : | |
| 1. | Adoption of Financial statements for the year ended 31st March 2017 and the Directors' and Auditors' Report thereon. |
| 2. | To appoint a Director in place of Mr. Mahendra Patwari, who retires by rotation and being eligible, offers himself for re-appointment. |
| 3. | Appointment of M/s. B Nath & Co. Chartered Accountants, as Statutory Auditors of the Company. |
| Special Business : | |
| 4. | Approval of the reappointment of Mr. Mahendra Patwari as a Whole-time Director of the Company for a period of 5 years w.e.f. 01/07/2017. |
| 5. | Approval of the terms of appointment of the Cost Auditors. |
| 6. | Reclassification of Authorised Share Capital of the Company. |
| 7. | Issue of Non Convertible Redeemable Preference Shares. |

Signed this _____ day of _____ 2017

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Affix
Revenue
Stamp

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
- Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

