

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, Mid Corporate Branch, Kolkata State Bank of India, Overseas Branch World Trade Centre, Mumbai Allahabad Bank, Industrial Finance Branch, Kolkata		
AUDITORS	:	M/s. B. Nath & Co. Chartered Accountants Shantiniketan Building, 8 Camac Street 2nd Floor, Room No. 4, Kolkata - 700 017		
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)		

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DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting the 29th Annual Report on the affairs of your Company together with the Audited Statements of Accounts for the Year ended March 31, 2018.

FINANCIAL RESULT

	2017-2018 (Rs. In Lakhs)	2016-2017 (Rs. In Lakhs)
Revenue from Operation	54,744.44	61,388.95
Other Income	212.70	45.02
Total Income	54,957.14	61,433.97
PBIDT	2,421.44	2,295.13
Interest	1,413.39	1,288.94
Depreciation	676.84	670.85
PROFIT BEFORE TAXATION	331.21	335.34
Adjustment of Tax	-91.76	-235.81
PROFIT AFTER TAXATION	239.45	99.53
Profit Brought Forward form Previous Year	2,640.56	2,541.03
PROFIT AVAILABLE FOR APPROPRIATIONS	2,880.01	2,640.56
APPROPRIATIONS		
Proposed Dividend	-	-
Balance carried to Balance Sheet	2,880.01	2,610.56
	2,880.01	2,640.56

DIVIDEND

Your Directors do not recommend payment of any dividend for the year ended 31st March, 2018 with a view to conserving for part of working capital requirement which will increase in the financial year 2018-2019.

INDUSTRY SCENARIO

The spinning industry continues its march ahead amidst increasingly intense competition. The cotton crop for the season 2017-18, again disappointed, this time due to pink ball worms and other pest attacks. The launch of GST in July 2017, disrupted the business in the textile chain, because of large pressure of the unorganized sector in the various parts of the chain.

China continued with its policy to reduce the cotton reserve, resulting in reduced imports of raw cotton and yarn. Your Company has been able to successfully deal with these factors during the year under review and now looks forward to the benefits of the huge reform i.e., GST in the future.

PERFORMANCE REVIEW

Your Company has achieved revenue of Rs. 54,744.44 lakhs (previous year Rs. 61,388.95 lakhs) with profit after tax of Rs. 239.45 lakhs (previous year Rs. 99.53 lakhs).

FUTURE PROSPECTS

Looking forward, growth in India is projected to be about 7.4% in CY 2018 and 7.8% in CY 2019. Also, private consumption is expected to grow as the transitory effects of demonetization and implementation of GST fade. The recent jump in MSP of cotton should improve availability of cotton. Thus, we look forward to an encouraging scenario.

DIRECTORS' REPORT (Contd.)

SHARE CAPITAL

During the year under review, the Company has reclassified its authorized share capital of Rs.15,00,00,000/- (Rupees Fifteen Crore only) comprising 3,00,00,000 (Three Crore) Equity Shares of Rs.5/- each into Rs. 15,00,00,000/- (Rupees Fifteen Crore only) comprising 2,40,00,000 Equity shares of Rs.5/-each and 30,00,000 Preference shares of Rs. 10/- each.

During the year under review, the Company issued and allotted 25,00,000 15% Non-convertible Cumulative Redeemable Preference Shares of Rs.10/- each at a premium of Rs.30/- per preference share on preferential basis. Consequently the paid up share capital of the Company increased to Rs. 8,74,98,500/- as at 31st March, 2018 as detailed below :

1) 1,24,99,700 Equity Shares of Rs. 5/- each	= Rs. 6,24,98,500/-
2) 25,00,000 15% Non-convertible Cumulative Preference Shares of Rs. 10/- each	= Rs. 2,50,00,000/-
Total	Rs. 8,74,98,500/-

DIRECTOR'S & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Debabrata Das Choudhary, DIN 07479334, is liable to retire by rotation and being eligible has offered himself for re-appointment. The company has received declaration from him specifying his eligibility to be re-appointed as such.

Further, the term of appointment of Mr. Sunil Patwari (DIN-00024007) as Managing Director of the Company will end on 31st August, 2018. The Board of Directors of the Company at the meeting held on 26th May, 2018, has re-appointed Mr. Sunil Patwari (DIN 00024007) as Managing Director of the Company for further period of 5 years w.e.f 1st September, 2018 based on the recommendation of Nomination and Remuneration Committee, subject to approval of the members of the Company at the ensuing Annual General Meeting. Mr. Sunil Patwari expressed his willingness to be reappointed as Managing Director.

Furthermore, the term of appointment of Mr. Bibhuti Charan Talukdar (DIN 00024015), Mr. Mohan Kishen Ogra (DIN 01081215), Mr. Mahabir Prasad Periwal (DIN 00008112) and Mr. Rajendra Mahavir Prasad Ruia (DIN 01300823) will end on 31st March, 2019 and based on the recommendation of Nomination and Remuneration Committee at its meeting held on 25.05.2018, recommended their respective appointment for further period of 5 years with effect from 01st April, 2019 to 31st March, 2024 subject to approval of the members of the Company at the ensuing Annual General Meeting. The Directors have expressed their willingness to be re-appointed as Independent Directors.

The brief resume of the Directors seeking appointment/re-appointment in the ensuing 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, have been given in the notice convening the aforesaid Annual General Meeting.

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 hereto and marked as Annexure "D", in the prescribed Form MGT-9 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 also 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 respective declaration with the Company, at the beginning of the Financial Year 2018-19, 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".

DIRECTORS' REPORT (Contd.)

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. B. Nath & Co. 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.

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. However, your Company was not required to spend any sum on CSR for the financial year 2017-2018 in accordance with the provisions of Section 135 (1) of the Companies Act, 2013.

MEETINGS OF THE BOARD OF DIRECTORS

Six (6) Board meetings were held during the year 2017-18. 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. All the results were satisfactory.

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

One separate meeting of Independent Directors was held during the year 2017-18 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 assessed 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, 2018, 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, 2018 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.

DIRECTORS' REPORT (Contd.)

MATERIAL CHANGES AFFECTING THE COMPANY

There were no material change and commitment made, affecting the financial position of the Company, between 1st April, 2018 and 26th May, 2018 which is the date of the report.

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.

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

At the 28th Annual General Meeting held on 18th September, 2017, M/s. B. Nath & Co., (FRN 307057E), Chartered Accountants, Kolkata were appointed as the Statutory Auditors for a period of 5 years from the conclusion of 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting to be held in the year 2022.

Your Directors have to state that as per the recent notification dated 7th May, 2018 issued by the Ministry of Corporate affairs, Government of India, now the matter relating to ratification of appointment of Statutory Auditors is not required. The above notification has come into force with effect from 7th May, 2018.

AUDITORS' REPORT

The Auditors' Report does not contain any qualification, reservation or adverse remark on the financial statements for the year ended March 31, 2018. The statements made by the Auditors in their Report are self-explanatory and do not call for any comments.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company had appointed M/s M. K. Sharma & Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company. The Secretarial Audit Report is annexed hereto and marked as Annexure "E" and forms 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 2017-18 by M/s. V.J Talati & Co., Cost Accountants was filed with the MCA Portal. The Cost Audit Report does not contain any qualification, reservation or adverse remark. 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. 2018-19.

DIRECTORS' REPORT (Contd.)

ANNUAL RETURN EXTRACT

Pursuant to Section. 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 and Marked 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 annexed hereto and Marked as Annexure "A" to this report.

PARTICULARS OF EMPLOYEES

None of the employees are drawing remuneration exceeding Rs.8.50 Lakhs per month or Rs.102.00 Lakhs 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 and Marked as Annexure "D" to this report.

HEALTH AND SAFETY MEASURES

The Company's primary objectives, are to ensure the safety and health of the company's Employees, and to protect company property. The Company strives to provide safe and healthful working environment for all Company Employees

The Company provides health and safety advisory to all workers and employees of the Company. A safe working environment is based on how well the people, in both management and on the factory floor, adhere to -- and communicate about -- safety standards. Safety Rules have been developed in consultation will all the concerned workers/Employees.

SECRETARIAL STANDARDS

The Company has followed the applicable provisions of Secretarial Standard 1 and Secretarial Standard 2 of the Institute of Company Secretaries of India.

RISK MANAGEMENT

The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

RELATED PARTY TRANSACTIONS

The Company has formulated a Policy on dealing with Related Party Transactions. The Policy is disclosed on the website of the Company.

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the year were in the ordinary course of business and on an arms-length basis. There were no material significant related party transactions made by the Company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large and thus Form AOC-2 is not applicable to the Company.

Audit Committee reviews and approves all the related party transactions and based thereon final approval of the Board is obtained.

ACKNOWLEDGEMENT

Your Directors acknowledge the remarkable 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.

For & on behalf of Board of Directors

Date: 26.05.2018

Place: Kolkata

Sushil Patwari

Chairman - 00023980

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 31.03.2018	Year Ended 31.03.2017
1. Power Consumption		
i Electricity		
a Purchased units (in lacs)	362.84	384.01
Total amount (Rs. In lacs)	2202.89	2352.28
Rate per unit (Rs.)	6.07	6.13
b Own Generation		
Through Diesel Generator		
Total Unit Generated (In Lacs)	2.01	2.84
Unit per litre of Diesel Oil	4.33	5.12
Cost per Unit (Rs.)	12.60	13.11
ii Coal	275.12	234.34
iii Furnance Oil	Nil	Nil
iv Other Internal Generation	Nil	Nil
2 Consumption per unit of production		
i Electricity unit per kgs. Of yarn	4.06	3.28
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 31.03.2018	Year Ended 31.03.2017
Earning	3,036,032,443	3,667,111,731
Outgo	1,140,92,475	71,358,699

For & on behalf of Board of Directors

Date: 26.05.2018
Place: Kolkata

Sushil Patwari
Chairman - 00023980

ANNEXURE “B” TO DIRECTORS’ REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(1) Economic Scenario

(a) Global Economy

Global GDP grew by 3.8% in 2017, which was the fastest since 2011. The growth was driven by an investment recovery in advanced economies, strong growth in emerging Asia, an upswing in emerging Europe and signs of recovery in several commodity exporters.

The growth in volumes of world trade in goods and services of 4.7% in 2017 compared to 2.5% in 2016 and the benefit of upswing in demand and prices of commodities in 2017 have resulted in this broad based recovery.

(b) Indian Economy

The Indian economy grew @ 6.7% in FY 2018 and emerged as the fastest growing major economy in the world. With average GDP growth @ 7.3% p.a. over the economies in the world.

However, FY 2018 has seen an increase in inflation trend with CPI inflation ending the year at 4.28%.

The transitory effect of demonetization and implementation of GST should fade away. The efficiency related to GST in terms of reducing internal barriers to trade, increased logistical effaces and better tax compliances will reflect in boost in future growth momentum.

(2) Industry Structure and Development

India's textiles sector is one of the oldest industries in India dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 13 per cent of total exports of India. The textile industry is labour intensive and is one of the largest employers.

The Indian textile industry contributes around 4% to country's gross domestic product (GDP), 14% to industrial production and 13% to total exports earnings. The industry is also the second-largest employer in the country after agriculture, providing employment to over 51 million people directly and 68 million people indirectly, including unskilled women. The textile industry is expected to reach US\$ 223 billion by the year 2021.

It is to be noted that in the financial year 2017-18 textile exports grew 4% to Rs. 2.28 Lac crores under new taxation regime. Intense competitive pressures in the global market and uncertainty in neighboring markets particularly in the gulf region, cast a shadow on the exports of textile. This adversely affected the yarn industry in India also. Moreover, the uncertainty, engulfing the world economy because of several political and economic factors, will adversely affect the textile and yarn trade in India also.

(3) Opportunities and Threats

It is expected that in 2018-19, there will be more acreage of land for cotton because of favorable rains in the states producing cotton. Therefore, availability of cotton/yarn may not at all be difficult. The added impetus will be the increase in MSP for cotton, thus inducing farmers to grow more cotton. However, increase in MSP of cotton will consequently increase the input cost of cotton/yarn producing Companies. The final product may not remain competitive.

However, because of Increase in farm income of farmers due to increase in MSP will subsequently increase the disposable income of rural population. They will go for more clothing purchase.

On global front, the trade tariff war among U.S.A, China and EU Countries and now currency war, which has started of late will have an adverse impact on the global economy. There are possibilities that 2018-19 and also 2019-20, will face recession and unemployment. Thus, the purchasing power will get reduced.

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

(4) Outlook

The outlook for textile and yarn Industries in India is muted for 2018-19. If the Indian Economy stabilizes in 2018-19, the natural consequence will be increase in demand for textile and garments and consequently the demand for yarn will also increase. Falling rupee value will increase the top line of textile and yarn companies. However, the fear that the trade deficit will widen and push up input cost of textile and yarn Industries is a real danger to textile and yarn Industries. Further, it is expected that cost of operation will increase in 2018-19 and that availability of Bank finance will be difficult. The settling down of the refund process of GST and depreciation of the Rupee should help in growth of export.

(5) Management perception of Risk Concern

It is to be noted that the cotton textile and yarn industries carry some inherent risk in as much as the raw material is seasonal in character. Moreover, total cotton acreage fluctuates depending on price parity. India is now the largest grower of cotton in the world. However, the yields are way below Global levels. This has impacted the cost of input of textile and yarn industries. Consequently, it will be difficult for these industries to compete in the global markets. As it is, India is facing grave challenge from Bangladesh and Vietnam. Another area of concern is unavailability of skilled and semi skilled workers and also their erratic absenteeism.

(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 supportive 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 about 20 years of experience across the trade. Performance management is the key word for the company. Your Company also conducts in house training program at various levels. Industrial relations have been very smooth throughout the year. Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation on the shop floors of the various plants.

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

ANNEXURE “C” TO DIRECTORS’ REPORT

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 to 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 assimilate 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 6 times, on the following dates, during the financial year 2017-18

24/05/2017	14/08/2017	14/09/2017	26/09/2017	14/11/2017	14/02/2018
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The names and categories of Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting and also the number of Directorships and committee positions as held by them in other Public Limited Companies as on 31.03.2018 are given below:

Name	Category	No. of Board Meeting held during the Financial Year	No. of Board Meetings attended during 17-18	Whether Attended AGM held on 18.09.18	No. of Directorship in Public Companies (Including this company)	No. of Committee Positions held in Public Companies (including this Company)*		No. of Shares held in the Company as at 31.03.2018
						Member	Chairman	
Mr. Sushil Patwari	Promoter Executive	6	6	Yes	5	4	2	793900
Mr. Sunil Patwari	Promoter Executive	6	5	No	3	3	1	934900
Mr. Mahendra Patwari	Promoter Executive	6	5	No	1	0	0	534900
Mr. D. Das Choudhary	Executive	6	5	No	1	0	0	Nil
Mr. M. K. Ogra	Independent	6	6	Yes	5	4	4	Nil
Mr. B. C. Talukdar	Independent	6	6	Yes	3	5	1	Nil
Mr. M.P. Periwal	Independent	6	3	No	5	0	0	Nil
Mr. R. M. Ruia	Independent	6	5	No	2	0	0	18034
Ms. Surabhi Sangneria	Independent	6	6	No	3	4	0	Nil

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

*Only covers Membership/Chairman of Audit Committee and Stakeholders’ Relationship Committee of other Public Companies including this company.

Policy for familiarization of Independent Directors with the Company objectives 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, 2018, 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 and met five times during the year, the details of which are given below. 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 2017-18:

24/05/2017	14/08/2017	14/09/2017	14/11/2017	14/02/2018
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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	5	5
Mr. B.C.Talukdar	Non-Executive, Independent	5	5
Mr. Sunil Patwari	Executive	5	5
Ms. Surabhi Sanganeria	Non-Executive, Independent	5	5

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 Stakeholders’ Relationship Committee comprises of Three Directors and met four times during the year, the details of which are given below. The terms of reference of the said Committee are as contained in Regulation 20 of the SEBI (LODR) Regulations, 2015. The Committee comprises of:

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

The Committee met three times on the following dates during the financial year 2017-18:

24/05/2017	14/08/2017	14/11/2017	14/02/2018
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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 2017-18 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.	6
Number of Complaints resolved	6
Number of Complaints pending as on 31.03.2018	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 24th May, 2017.

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	Non Executive - Independent	Chairman
2. Mr. Bibhuti Charan Talukdar	Non Executive - Independent	Member
3. Mr. Mahabir Prasad Periwal	Non Executive - Independent	Member

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 2017-18

Name of Directors	Sitting Fees (Rs.)	Salary (Rs.)	Perquisites (Rs.)	Commission (for 2017-18 paid during the year) (Rs.)
1. Mr. Sushil Patwari	NIL	36,00,000/-	NIL	NIL
2. Mr. Sunil Patwari	NIL	36,00,000/-	NIL	NIL
3. Mr. Mahendra Patwari	NIL	36,00,000/-	NIL	NIL
4. Mr. Debabrata Das Choudhary	NIL	16,65,000/-	NIL	NIL
5. Mr. Mohan Kishen Ogra	85,000/-	NIL	NIL	NIL
6. Mr. Bibhuti Charan Talukdar	69,000/-	NIL	NIL	NIL
7. Mr. Rajendra Mahavir Prasad Ruia	37500/-	NIL	NIL	NIL
8. Mr. Mahavir Prasad Periwal.	26500/-	NIL	NIL	NIL
9. Ms. Surabhi Sanganeria	65000/-	NIL	NIL	NIL

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

D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

1. Mr. Sushil Patwari	Chairman	Executive
2. Mr. Sunil Patwari	Member	Executive
3. Mr. Mohan Kishen Ogra	Member	Non-executive Independent

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

The main focus of the Company in the CSR activities is 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 Committee members met once on 14/02/2018 to review the policy and implementations and monitoring the implementation procedures of the CSR activities undertaken by the Company.

In fact, the Company was not hit by any of the criteria as stated in Section 135 of the Companies Act, 2013 and hence your Company did not spend any sum on CSR related activities in 2017-18.

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 INDIAN ACCOUNTING STANDARDS (IND AS) IN PREPARATION OF FINANCIAL STATEMENTS

The Company has for the first time adopted Indian Accounting Standard (IND AS) commencing from 1st April, 2017. Accordingly, the Audited Financial Statements for the year ended 31st March, 2018 have been drawn up in accordance with the Indian Accounting Standards (IND AS) Rules, 2015 with a transition date of 1st April, 2016. For all period upto and including the year ended 31st March, 2017 the company had prepared its financial statement in accordance with the previously applicable Indian GAAP. The financial statement for the year ended 31st March, 2017 have been restated in line with the requirements of the IND AS, Rules, 2015.

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 GENERAL MEETINGS

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

Sl. No.	Year	Location	AGM / EGM	Date	Day	Time	No. of Special Resolution Passed
1.	2016-17	Bengal National Chambers of Commerce and Industry, 23, R. N. Mukherjee Road, Kolkata - 700 001	28th A.G.M	18.09.17	Monday	10.30 am	1
2.	2015-16	Bengal National Chambers of Commerce and Industry, 23, R. N. Mukherjee Road, Kolkata - 700 001	27th A.G.M	29.09.16	Thursday	10.30 am	NIL
3.	2014-15	Bengal National Chambers of Commerce and Industry, 23, R. N. Mukherjee Road, Kolkata - 700 001	26th A.G.M	28.09.15	Monday	10.30 am	Nil

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

No item was passed by any resolution through postal ballot during the financial year 2017-18.

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

8. 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.34 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.

9. 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.

10. CEO/ CFO CERTIFICATION

A Certificate duly signed by the Mr. Sunil Patwari, Managing Director (DIN 00024007) and Mr. Kedar Nath Bansal, CFO of the Company, 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, which took the same on record.

11. GENERAL SHAREHOLDER INFORMATION:

I. 29th ANNUAL GENERAL MEETING

Day, Date, and Time	Thursday ,20th September,2018 at 10.30 AM
Venue	Bengal National Chamber of Commerce & Industry 23, R N Mukerjee Road,Kolkata-700001

II. FINANCIAL YEAR AND TENTATIVE FINANCIAL CALENDER

The Financial Year of the Company is April 1 to March 31.

Tentative Financial Reporting for the Financial Year 2018-19 is as under:

Result of Quarter ending June 30, 2018	On or before August 14, 2018
Result of Quarter ending September 30, 2018	On or before November 14, 2018
Result of Quarter ending December 31, 2018	On or before February 14, 2019
Result of Quarter ending March 31, 2019	On or before May 30, 2019
Annual General Meeting for the year ending March 31, 2019	On or before September 30, 2019

III. BOOK CLOSURE DATE

The Register of members and share Transfer books will remain closed from 14th September, 2018 to 20th September, 2018 (Both days Inclusive) for the purpose of Annual General Meeting.

12. LISTING ON STOCK EXCHANGES

Name of Stock Exchange	Code
BSE Limited	521109
National Stock Exchange of India Limited	NAGREEKEXP

The Company has paid the annual listing fees for the year 2018-19 to the above said stock exchanges.

13. 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)

14. MEANS FOR COMMUNICAION

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

15. DEMATERIALISATION OF SHARES

As on 31st March, 2018, 95.82 % of the Share Capital comprising 1,19,77,746 shares are in dematerialized form. Under the depository system the International Securities Identification Number (ISIN) allotted to the company's shares is INE 123B01028. The Company has issued and allotted 25,00,000, 15% Non Convertible Redeemable Preference Shares during the year under reporting but the same were not listed in any stock Exchange.

16. 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.,	The Company Secretary
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	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

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

DISTRIBUTION OF SHARE HOLDING PATTERN BY SIZE AS ON 31.03.2018

Category	No. of Shareholders	Percentage	No. of Shares	Percentage
1) 1 to 50	1275	11.5835	29983	0.2399
2) 51 to 100	6557	59.5712	651632	5.2132
3) 101 to 150	194	1.7625	26464	0.2117
4) 151 to 250	1095	9.9482	221441	1.7716
5) 251 to 500	942	8.5582	375628	3.0051
6) 501 to 5000	828	7.5225	1250657	10.0055
7) 5001 and Above	116	1.0539	9943895	79.5531
TOTAL	11007	100.00	12499700	100.00

DISTRIBUTION OF SHARE HOLDING BY VALUE AS ON 31.03.2018

Nominal Value of (Rs.)	No. of Shareholders	Percentage	Amount	Percentage
1) Upto 5000	10536	95.7209	8500290	13.6008
2) 5001 to 10000	195	1.7716	1526380	2.4423
3) 10001 to 20000	116	1.0539	1712040	2.7393
4) 20001 to 30000	60	0.5451	1471810	2.3550
5) 30001 to 40000	16	0.1454	563505	0.9016
6) 40001 to 50000	14	0.1272	667085	1.0674
7) 50001 to 100000	28	0.2544	2202005	3.5233
8) Above 100000	42	0.3816	45855385	73.3704
TOTAL	11007	100.00	62498500	100.00

CATEGORY OF SHAREHOLDERS AS ON 31.03.2018:

Category	No. of Shares Held	Percentage of shareholding
A. PROMOTER'S HOLDING		
(a) Individual / Huf	4474800	35.7993
(b) Bodies Corporate	2105186	16.8419
Sub-Total(A)	6579986	52.6412
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

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

CATEGORY OF SHAREHOLDERS AS ON 31.03.2017:

Category	No. of Shares Held	Percentage of shareholding
2. NON-INSTITUTIONALS		
(a) Bodies Corporate (Including NBFC Registered RBI)	2328319	18.6270
(b) Individuals		
(i) Individual shareholders holding nominal share capital Upto Rs. 2 Lakh.	3157147	25.2578
(ii) Individual shareholders holding nominal share capital in excess of Rs.2 Lakh	134472	1.0758
(c) Any Other		
(i) Non- Resident Individuals	224434	1.7955
(ii) Clearing Member	71442	0.5715
Sub-Total(B)(2)	5915814	47.3276
Sub-Total(B-B1+B2)	5919714	47.3588
Grand Total (A+B+C)	12499700	100.00

16. MARKET PRICE DATA (Rs.)

MONTH	Bombay Stock Exchange Limited		National Stock Exchange of India Limited	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr'2017	45.00	37.50	44.00	40.65
May'2017	40.00	28.00	40.00	39.00
Jun'2017	35.00	26.50	34.15	31.50
Jul'2017	33.95	28.00	32.90	30.20
Aug'2017	32.00	27.00	32.00	30.80
Sep'2017	37.30	27.10	37.40	29.20
Oct'2017	40.00	28.55	39.80	34.00
Nov'2017	60.05	33.20	61.20	56.65
Dec'2017	55.00	41.35	54.00	47.50
Jan'2018	46.00	37.75	47.20	43.65
Feb'2018	39.55	32.65	40.35	36.60
Mar'2018	37.85	26.30	34.35	33.00

For and on behalf of the Board of Directors

Place: Kolkata
Date: 26.05.2018

Mr. Sushil Patwari
Chairman - 00023980

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

DECLARATION ON CODE OF CONDUCT

A Code of Conduct for the Directors and Senior Management Personnel exists for the Company, duly 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, 2018.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 26.05.2018

Mr. Sushil Patwari
Chairman - 00023980

AUDITORS’ CERTIFICATE ON CORPORATE GOVERNANCE

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, 2018, 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 **B NATH & CO.**
Chartered Accountants
Firm’s Registration No. 307057E

(CA. GAURAV MORE)
Partner
M. No. 306466

Place : Kolkata
Date : 26th May, 2018

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, Sunil Patwari, Managing Director 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, 2018 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, 2018 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 : 26th May, 2018

Sunil Patwari
Managing Director

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*	28.37 : 1 28.85 : 1 28.85 : 1 10.94 : 1
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary, in the financial year 2017-18 Director : Mr. Sushil Patwari, Executive 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 Unchanged
(iii)	The percentage increase in the median remuneration of employees in the financial year;		-0.74%
(iv)	The number of permanent employees on the rolls of company		896
(v)	Average percentage 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 year on an average 8.70% 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..	
(vi)	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, 2018

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

To,
The Members,
Nagreeka Exports Limited
18, R. N. Mukherjee Road
6thFloor, 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, 2018, 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, 2018 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

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

- 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;

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
- f. 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.

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 : 26th May, 2018

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 : 26th May, 2018

ANNEXURE - "F" TO DIRECTORS' REPORT

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2018

[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, 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 5th Floor, Kolkata - 700 001.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Cotton Yarn spinning	13119	97%

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-2017)				No. of Shares held at the end of the year (As on 31-March-2018)				% 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	4474800	35.7993	0.0160
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	6579986	52.6412	0.0160

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

(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/Fl									
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	6579986	52.6412	0.0160
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1100	2200	3300	0.0264	1100	2200	3300	0.0264	0.0000
b) Banks/Fl	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) Flls	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	2352691	1701	2354392	18.8356	2322399	1701	2324100	18.5932	-0.2424
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2043332	409253	2452585	19.6212	2464165	398553	2862718	22.9023	3.2811
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	739853	0	739853	5.9190	428901	0	428901	3.4313	-2.4877

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

c) Others (Specify)									
Non Resident Indians	81382	119900	201282	1.6103	105434	119000	224434	1.7955	0.1852
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	169702	0	169702	1.3576	71442	0	71442	0.5715	-0.7861
Trusts									
Foreign Bodies-D R									
Sub-total(B)(2):-	5386960	530854	5917814	47.3437	5396560	519254	5915814	47.3276	-0.0161
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5388160	533554	5921714	47.3749	5397760	521954	5919714	47.3588	-0.0161
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	11966146	533554	12499700	100.000	11977746	521954	12499700	100.0000	0.000

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% 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 EXIMP PVT LTD	2105186	16.8419	0.000	2105186	16.8419	0.000	0.0000
2	SUNIL PATWARI	934900	7.4794	0.000	934900	7.4794	0.000	0.0000
3	SUSHIL PATWARI	791900	6.3354	0.000	793900	6.3514	0.2519	0.0160
4	MAHENDRA PATWARI	534900	4.2793	0.000	534900	4.2793	0.000	0.0000
5	SATISH PATWARI	533000	4.2641	0.000	533000	4.2641	0.000	0.0000
6	MINAKSHI PATWARI	389600	3.1169	0.000	389600	3.1169	0.000	0.0000
7	ISHWARLALMAHENDRA KUMAR (HUF)	262500	2.1001	0.000	262500	2.1001	0.000	0.0000
8	ISHWARLAL SATISH KUMAR (HUF)	195000	1.5600	0.000	195000	1.5600	0.000	0.0000
9	ISHWARLAL PATWARI & SONS (HUF)	155000	1.2400	0.000	155000	1.2400	0.000	0.0000
10	SUSHIL PATWARI (HUF)	150000	1.2000	0.000	150000	1.2000	0.000	0.0000
11	RASHI SARAF	100000	0.8000	0.000	100000	0.8000	0.000	0.0000

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

12	ANITA PATWARI	90000	0.7200	0.000	90000	0.7200	0.000	0.0000
13	USHA PATWARI	86000	0.6880	0.000	86000	0.6880	0.000	0.0000
14	ISHWAR LAL SUSHIL KUMAR (HUF)	70000	0.5600	0.000	70000	0.5600	0.000	0.0000
15	SUNIL PATWARI (HUF)	70000	0.5600	0.000	70000	0.5600	0.000	0.0000
16	SARITA PATWARI	70000	0.5600	0.000	70000	0.5600	0.000	0.0000
17	RAHUL PATWARI	20000	0.1600	0.000	20000	0.1600	0.000	0.0000
18	PRATYUSH PATWARI	20000	0.1600	0.000	20000	0.1600	0.000	0.0000
	TOTAL	6577986	52.6252	0.0000	6579986	52.6412	0.0304	0.0304

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

Sl. No.	Name	Shareholding at the beginning 01.04.17 end of the year 31.03.18		Shareholding during the year [01.04.17 to 31.03.18]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	DADRA EXIMP PVT LIMITED				
	01-04-17	2105186	16.8419		
	31-03-18	2105186	16.8419	2105186	16.8419
2	ISHWAR LAL SATISH KUMAR (HUF)				
	01-04-17	195000	1.5600		
	31-03-18	195000	1.5600	195000	1.5600
3	ISHWAR LAL MAHENDRA KUMAR (HUF)				
	01-04-17	262500	2.1001		
	31-03-18	262500	2.1001	262500	2.1001
4	ISHWAR LAL & SONS (HUF)				
	01-04-17	155000	1.2400		
	31-03-18	155000	1.2400	155000	1.2400
5	ISHWAR LAL SUSHIL KUMAR (HUF)				
	01-04-17	70000	0.5600		
	31-03-18	70000	0.5600	70000	0.5600
6	USHA PATWARI				
	01-04-17	86000	0.6880		
	31-03-18	86000	0.6880	86000	0.6880

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

7	SUSHIL PATWARI (HUF)				
	01-04-17	150000	1.2000		
	31-03-18	150000	1.2000	150000	1.2000
8.	SUNIL PATWARI				
	01-04-17	70000	0.5600		
	31-03-18	70000	0.5600	70000	0.5600
9.	MINAKSHI PATWARI (HUF)				
	01-04-17	389600	3.1169		
	31-03-18	389600	3.1169	389600	3.1169
10	SUSHIL PATWARI				
	01-04-17	791900	6.3354		
	25-08-17-Transfer	2000	0.0160	793900	
	31-03-18	793900	6.3514	793900	6.3514
11	SATISH PATWARI				
	01-04-17	533000	4.2641		
	31-03-18	533000	4.2641	533000	4.2641
12.	MAHENDRA PATWARI				
	01-04-17	534900	4.2793		
	31-03-18	534900	4.2793	534900	4.2793
13	ANITA PATWARI				
	01-04-17	90000	0.7200		
	31-03-18	90000	0.7200	90000	0.7200
14.	SUNIL PATWARI				
	01-04-17	934900	7.4794		
	31-03-18	934900	7.4794	934900	7.4794
15.	SARITA PATWARI				
	01-04-17	70000	0.5600		
	31-03-18	70000	0.5600	70000	0.5600
15.	RASHI SARAF				
	01-04-17	100000	0.8000		
	31-03-18	100000	0.8000	100000	0.8000
17.	RAHUL PATWARI				
	01-04-17	20000	0.1600		
	31-03-18	20000	0.1600	20000	0.1600
18.	PRATYUSH PATWARI				
	01-04-17	20000	0.1600		
	31-03-18	20000	0.1600	20000	0.1600

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

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning [01.04.17]/end of the year [31.03.18]		Shareholding during the year [01.04.17 to 31.03.18]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	KOTAK SECURITIES LIMITED				
	01/04/2017	4429	0.0354		
	07/04/2017 - Transfer	-4379	0.0350	50	0.0004
	14/04/2017 - Transfer	2250	0.0180	2300	0.0184
	21/04/2017 - Transfer	-2100	0.0168	200	0.0016
	28/04/2017 - Transfer	-200	0.0016	0	0.0000
	26/05/2017 - Transfer	230	0.0018	230	0.0018
	02/06/2017 - Transfer	-230	0.0018	0	0.0000
	21/07/2017 - Transfer	108	0.0009	108	0.0009
	28/07/2017 - Transfer	-108	0.0009	0	0.0000
	18/08/2017 - Transfer	100	0.0008	100	0.0008
	25/08/2017 - Transfer	-100	0.0008	0	0.0000
	15/09/2017 - Transfer	510	0.0041	510	0.0041
	22/09/2017 - Transfer	-510	0.0041	0	0.0000
	30/09/2017 - Transfer	800	0.0064	800	0.0064
	06/10/2017 - Transfer	-390	0.0031	410	0.0033
	13/10/2017 - Transfer	-410	0.0033	0	0.0000
	10/11/2017 - Transfer	88830	0.7107	88830	0.7107
	17/11/2017 - Transfer	-88030	0.7043	800	0.0064
	24/11/2017 - Transfer	27828	0.2226	28628	0.2290
	01/12/2017 - Transfer	-22428	0.1794	6200	0.0496
	08/12/2017 - Transfer	-6200	0.0496	0	0.0000
	15/12/2017 - Transfer	100	0.0008	100	0.0008
	22/12/2017 - Transfer	-100	0.0008	0	0.0000
	12/01/2018 - Transfer	750	0.0060	750	0.0060
	19/01/2018 - Transfer	-750	0.0060	0	0.0000
	23/02/2018 - Transfer	200	0.0016	200	0.0016
	09/03/2018 - Transfer	2300	0.0184	2500	0.0200

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

	16/03/2018 - Transfer	-2214	0.0177	286	0.0023
	23/03/2018 - Transfer	-286	0.0023	0	0.0000
	30/03/2018 - Transfer	224	0.0018	224	0.0018
	31/03/2018	224	0.0018	224	0.0018
2	MMD SECURITIES PVT. LTD. #				
	01/04/2017	103572	0.8286		
	07/04/2017 - Transfer	-10581	0.0847	92991	0.7439
	14/04/2017 - Transfer	-29292	0.2343	63699	0.5096
	21/04/2017 - Transfer	-9107	0.0729	54592	0.4367
	19/05/2017 - Transfer	1000	0.0080	55592	0.4447
	26/05/2017 - Transfer	-20195	0.1616	35397	0.2832
	02/06/2017 - Transfer	35	0.0003	35432	0.2835
	16/06/2017 - Transfer	329	0.0026	35761	0.2861
	15/09/2017 - Transfer	2698	0.0216	38459	0.3077
	30/09/2017 - Transfer	-55	0.0004	38404	0.3072
	06/10/2017 - Transfer	-4011	0.0321	34393	0.2752
	13/10/2017 - Transfer	2011	0.0161	36404	0.2912
	10/11/2017 - Transfer	-16404	0.1312	20000	0.1600
	17/11/2017 - Transfer	4263	0.0341	24263	0.1941
	24/11/2017 - Transfer	-9263	0.0741	15000	0.1200
	01/12/2017 - Transfer	-9928	0.0794	5072	0.0406
	08/12/2017 - Transfer	2023	0.0162	7095	0.0568
	15/12/2017 - Transfer	3560	0.0285	10655	0.0852
	22/12/2017 - Transfer	4000	0.0320	14655	0.1172
	05/01/2018 - Transfer	116	0.0009	14771	0.1182
	12/01/2018 - Transfer	2285	0.0183	17056	0.1365
	09/02/2018 - Transfer	-724	0.0058	16332	0.1307
	31/03/2018	16332	0.1307	16332	0.1307
3	ANGEL BROKING PRIVATE LIMITED				
	01/04/2017	5941	0.0475		
	07/04/2017 - Transfer	7408	0.0593	13349	0.1068
	14/04/2017 - Transfer	-581	0.0046	12768	0.1021
	21/04/2017 - Transfer	2070	0.0166	14838	0.1187
	28/04/2017 - Transfer	-4627	0.0370	10211	0.0817

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

05/05/2017 - Transfer	-1061	0.0085	9150	0.0732
19/05/2017 - Transfer	497	0.0040	9647	0.0772
26/05/2017 - Transfer	1905	0.0152	11552	0.0924
02/06/2017 - Transfer	3200	0.0256	14752	0.1180
09/06/2017 - Transfer	-3187	0.0255	11565	0.0925
16/06/2017 - Transfer	805	0.0064	12370	0.0990
23/06/2017 - Transfer	114	0.0009	12484	0.0999
30/06/2017 - Transfer	250	0.0020	12734	0.1019
07/07/2017 - Transfer	-3409	0.0273	9325	0.0746
14/07/2017 - Transfer	1050	0.0084	10375	0.0830
21/07/2017 - Transfer	-500	0.0040	9875	0.0790
28/07/2017 - Transfer	1104	0.0088	10979	0.0878
04/08/2017 - Transfer	194	0.0016	11173	0.0894
11/08/2017 - Transfer	-200	0.0016	10973	0.0878
18/08/2017 - Transfer	-5069	0.0406	5904	0.0472
01/09/2017 - Transfer	-1000	0.0080	4904	0.0392
08/09/2017 - Transfer	1025	0.0082	5929	0.0474
15/09/2017 - Transfer	-1188	0.0095	4741	0.0379
22/09/2017 - Transfer	1460	0.0117	6201	0.0496
30/09/2017 - Transfer	9546	0.0764	15747	0.1260
06/10/2017 - Transfer	10000	0.0800	25747	0.2060
13/10/2017 - Transfer	2187	0.0175	27934	0.2235
20/10/2017 - Transfer	-879	0.0070	27055	0.2164
27/10/2017 - Transfer	-1171	0.0094	25884	0.2071
03/11/2017 - Transfer	-6736	0.0539	19148	0.1532
10/11/2017 - Transfer	-3426	0.0274	15722	0.1258
17/11/2017 - Transfer	23196	0.1856	38918	0.3114
24/11/2017 - Transfer	21285	0.1703	60203	0.4816
01/12/2017 - Transfer	-27960	0.2237	32243	0.2580
08/12/2017 - Transfer	-6223	0.0498	26020	0.2082
15/12/2017 - Transfer	-2984	0.0239	23036	0.1843
22/12/2017 - Transfer	-4214	0.0337	18822	0.1506
29/12/2017 - Transfer	-1049	0.0084	17773	0.1422
30/12/2017 - Transfer	-1000	0.0080	16773	0.1342

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

	05/01/2018 - Transfer	-1813	0.0145	14960	0.1197
	12/01/2018 - Transfer	-307	0.0025	14653	0.1172
	19/01/2018 - Transfer	-2492	0.0199	12161	0.0973
	26/01/2018 - Transfer	-405	0.0032	11756	0.0941
	02/02/2018 - Transfer	-550	0.0044	11206	0.0897
	09/02/2018 - Transfer	-444	0.0036	10762	0.0861
	16/02/2018 - Transfer	-178	0.0014	10584	0.0847
	23/02/2018 - Transfer	195	0.0016	10779	0.0862
	02/03/2018 - Transfer	220	0.0018	10999	0.0880
	09/03/2018 - Transfer	-1416	0.0113	9583	0.0767
	16/03/2018 - Transfer	-182	0.0015	9401	0.0752
	23/03/2018 - Transfer	-270	0.0022	9131	0.0730
	30/03/2018 - Transfer	431	0.0034	9562	0.0765
	31/03/2018	9562	0.0765	9562	0.0765
4	HITESH RAMJI JAVERI #				
	01/04/2017	111844	0.8948		
	26/05/2017 - Transfer	5	0.0000	111849	0.8948
	10/11/2017 - Transfer	-100000	0.8000	11849	0.0948
	01/12/2017 - Transfer	-11849	0.0948	0	0.0000
	31/03/2018	0	0.0000	0	0.0000
5	PANKAJ JAYANTILAL PATEL *				
	4/1/2017	40000	0.3200		
	31/03/2018	40000	0.3200	40000	0.3200
6	ALPS VINIYOG PRIVATE LIMITED				
	01/04/2017	421756	3.3741		
	31/03/2018	421756	3.3741	421756	3.3741
7	CHOICE EQUITY BROKING PRIVATE LIMITED				
	01/04/2017	46528	0.3722		
	14/04/2017 - Transfer	-200	0.0016	46328	0.3706
	21/04/2017 - Transfer	-2000	0.0160	44328	0.3546
	26/05/2017 - Transfer	-8809	0.0705	35519	0.2842
	02/06/2017 - Transfer	500	0.0040	36019	0.2882
	16/06/2017 - Transfer	-300	0.0024	35719	0.2858
	23/06/2017 - Transfer	-200	0.0016	35519	0.2842

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

	07/07/2017 - Transfer	-500	0.0040	35019	0.2802
	21/07/2017 - Transfer	320	0.0026	35339	0.2827
	11/08/2017 - Transfer	312	0.0025	35651	0.2852
	18/08/2017 - Transfer	100	0.0008	35751	0.2860
	15/09/2017 - Transfer	-200	0.0016	35551	0.2844
	30/09/2017 - Transfer	-35419	0.2834	132	0.0011
	06/10/2017 - Transfer	-132	0.0011	0	0.0000
	10/11/2017 - Transfer	1000	0.0080	1000	0.0080
	24/11/2017 - Transfer	2500	0.0200	3500	0.0280
	01/12/2017 - Transfer	-3500	0.0280	0	0.0000
	15/12/2017 - Transfer	5000	0.0400	5000	0.0400
	22/12/2017 - Transfer	-2390	0.0191	2610	0.0209
	05/01/2018 - Transfer	-2610	0.0209	0	0.0000
	19/01/2018 - Transfer	113	0.0009	113	0.0009
	26/01/2018 - Transfer	1487	0.0119	1600	0.0128
	02/02/2018 - Transfer	-1600	0.0128	0	0.0000
	09/02/2018 - Transfer	1000	0.0080	1000	0.0080
	16/02/2018 - Transfer	-1000	0.0080	0	0.0000
	31/03/2018	0	0.0000	0	0.0000
8	SHREE VINIYOG PRIVATE LIMITED				
	01/04/2017	348400	2.7873		
	31/03/2018	348400	2.7873	348400	2.7873
9	SRI KRISHNA VINIYOG PRIVATE LIMITED				
	01/04/2017	454636	3.6372		
	3/31/2018	454636	3.6372	454636	3.6372
10	HARSHA HITESH JAVERI				
	4/1/2017	100000	0.8000		
	01/12/2017 - Transfer	-56528	0.4522	43472	0.3478
	31/03/2018	43472	0.3478	43472	0.3478
11	TANVI JIGNESH MEHTA *				
	01/04/2017	0	0.0000		
	13/10/2017 - Transfer	45000	0.3600	45000	0.3600
	31/03/2018	45000	0.3600	45000	0.3600

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

12	SWAVIN BUSINESS CONSULTANTS PRIVATE LIMITED *				
	01/04/2017	44140	0.3531		
	21/04/2017 - Transfer	17030	0.1362	61170	0.4894
	21/07/2017 - Transfer	10000	0.0800	71170	0.5694
	15/09/2017 - Transfer	10000	0.0800	81170	0.6494
	12/01/2018 - Transfer	3813	0.0305	84983	0.6799
	31/03/2018	84983	0.6799	84983	0.6799
13	LAKECITY VENTURES PVT LTD				
	4/1/2017	814823	6.5187		
	31/03/2018	814823	6.5187	814823	6.5187
14	ASHOK KUMAR JAIN #				
	01/04/2017	58831	0.4707		
	21/04/2017 - Transfer	-6965	0.0557	51866	0.4149
	19/05/2017 - Transfer	125	0.0010	51991	0.4159
	02/06/2017 - Transfer	9484	0.0759	61475	0.4918
	16/06/2017 - Transfer	5400	0.0432	66875	0.5350
	30/09/2017 - Transfer	-66875	0.5350	0	0.0000
	31/03/2018	0	0.0000	0	0.0000
15	Gopal Jhunjunwala *				
	01/04/2017	45000	0.3600		
	31/03/2018	45000	0.3600	45000	0.3600
16	B.LAVANYA . . *				
	01/04/2017	0	0.0000		
	08/12/2017 - Transfer	14898	0.1192	14898	0.1192
	15/12/2017 - Transfer	5102	0.0408	20000	0.1600
	22/12/2017 - Transfer	20000	0.1600	40000	0.3200
	31/03/2018	40000	0.3200	40000	0.3200
17	DILIPKUMAR H PARMAR #				
	01/04/2017	115998	0.9280		
	19/05/2017 - Transfer	-6500	0.0520	109498	0.8760
	26/05/2017 - Transfer	-25000	0.2000	84498	0.6760
	02/06/2017 - Transfer	-41000	0.3280	43498	0.3480
	16/06/2017 - Transfer	-35545	0.2844	7953	0.0636
	22/12/2017 - Transfer	-4853	0.0388	3100	0.0248

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

	16/02/2018 - Transfer	-3100	0.0248	0	0.0000
	31/03/2018	0	0.0000	0	0.0000
18	ALKA JAIN #				
	01/04/2017	51837	0.4147		
	07/04/2017 - Transfer	-27516	0.2201	24321	0.1946
	14/04/2017 - Transfer	-7665	0.0613	16656	0.1333
	21/04/2017 - Transfer	-16656	0.1333	0	0.0000
	31/03/2018	0	0.0000	0	0.0000
19	SENTHAMARAI M				
	01/04/2017	0	0.0000		
	07/04/2017 - Transfer	6000	0.0480	6000	0.0480
	14/04/2017 - Transfer	10000	0.0800	16000	0.1280
	21/04/2017 - Transfer	24650	0.1972	40650	0.3252
	28/04/2017 - Transfer	18300	0.1464	58950	0.4716
	19/05/2017 - Transfer	3450	0.0276	62400	0.4992
	15/12/2017 - Transfer	-12400	0.0992	50000	0.4000
	22/12/2017 - Transfer	-45000	0.3600	5000	0.0400
	29/12/2017 - Transfer	-5000	0.0400	0	0.0000
	31/03/2018	0	0.0000	0	0.0000

* Not in the list of Top 10 shareholders as on 01/04/2017 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2018.

Ceased to be in the list of Top 10 shareholders as on 31/03/2018. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2017.

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/17]/end of the year [31/Mar/18]		Cumulative Shareholding during the year [01/Apr/17 to 31/Mar/18]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	RAJENDRA MAHAVIR RUIA				
	1/04/2017	18034	0.1443		
	31/03/2018	18034	0.1443	18034	0.1443
2	SUSHIL PATWARI				
	1/04/2017	791900	6.3354		
	25/08/2017-Transfer	2000	0.0160		
	31/03/2018	793900	6.3514	793900	6.3514
3.	MAHENDRA PATWARI				
	1/04/2017	534900	4.2793		
	31/03/2018	534900	4.2793	534900	4.2793
4.	SUNIL PATWARI				
	1/04/2017	934900	7.4794		
	31/03/2018	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	16244.23	1119.00	-	17363.23
ii) Interest due but not paid	-	-	-	NIL
iii) Interest accrued but not due	-	-	-	NIL
Total (i+ii+iii)	16244.23	1119.00	-	17363.23
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	(648.16)	(448.50)	-	(1096.66)
Net Change	(648.16)	(448.50)	-	(1096.66)
Indebtedness at the end of the financial year				
i) Principal Amount	15596.07	670.50	-	16266.57
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	15596.07	670.50	-	16266.57

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	Rs. Lacs
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profit in lieu of salary under section 17(3) of Income tax Act 1961	36.00	36.00	36.00	16.65	124.65
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	36.00	36.00	36.00	16.65	124.65
	Ceiling as per the Act	84.00	84.00	84.00	84.00	336

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
1.	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	0.85	0.69	0.375	0.265	0.65	2.83
	Total (1)	0.85	0.69	0.375	0.265	0.65	2.83
2.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B)=(1+2)	0.85	0.69	0.375	0.265	0.65	2.83
	Total Managerial Remuneration						
	Overall Ceiling as per the Act	-	-	-	-	-	127.48

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 of Directors

Sushil Patwari

(Chairman - 00023980)

Place : Kolkata

Date : 26.05.2018

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF "NAGREEKA EXPORTS LIMITED"

Report on the Ind AS Financial Statements

1. We have audited the accompanying Ind AS financial statements of NAGREEKA EXPORT LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

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

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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. In conducting 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 thereunder and the Order issued under section 143(11) of the Act.

We conducted our audit of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 Ind AS financial statements.
5. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

INDEPENDENT AUDITORS' REPORT (Contd.)

Report on Other Legal and Regulatory Requirements

7. 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, based on our audit, we report, to the extent applicable 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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account;
- d. in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
- e. on the basis of the written representations received from the directors of the Company as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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, as amended, 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 30 to the Ind AS 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, to the Investor Education and Protection Fund by the Company.

For **B NATH & CO.**
Chartered Accountants
Firm Registration No. 307057E

(CA. GAURAV MORE)
Partner
M. No. 306466

Place : Kolkata
Date : 26th May, 2018

ANNEXURE - "A" TO THE AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the period ended 31st March 2018, we report that:

- (i) (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 have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
 - (c) As per information and explanation given to us by the management, all the title deeds of the immovable properties are held in the name of the Company;
- (ii) As explained to us inventories were physically verified during the period 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, and 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), iii(b) and iii(c) of the Order are not applicable to the Company and hence, not commented upon;
- (iv) In our opinion and according to information and explanations given to us, the Company has complied with the provision of section 185 of the Act, with respect to the Loans and Investment made. In regards to section 186 of the Act company has not given loans, guarantees or provided any securities to other 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) According to the information and explanations given to us, in our opinion, the Company have, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013. We have, however, not made a detailed examination of the cost records with a view to determining whether they are accurate or complete;
- (vii) According to the information and explanation given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to is with the appropriate authorities.
 - b) There were no disputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at 31st March, 2018 for a period of more than six months from the date they become payable.
 - c) Details of dues of Income Tax, Service Tax, Sales Tax which have not been deposited as at 31st March, 2018 on account of dispute are given below:

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)
	Finance Act, 1994	Service Tax	3.71	2010-2011	CCE (Appeals)
	MVAT Rules 2005	Sales Tax	80.13	2009-2010	JC Sales Tax
	Custom Act 1962	Custom Duty	389.32	2013-2014	CESTAT Kolkata

- (viii) The Company has not defaulted in repayment of dues to financial institutions, banks during the period.
- (ix) According to information and explanation given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year ended 31st March, 2018. Accordingly paragraph 3(ix) of the order is not applicable.
- (x) Based on the audit procedures performed and the information and explanations given to us, we report that no material fraud on or by the Company has been noticed or reported during the period, 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) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian 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 period 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.

For **B NATH & CO.**
Chartered Accountants
Firm Registration No. 307057E

(CA. GAURAV MORE)
Partner
M. No. 306466

Place : Kolkata
Date : 26th May, 2018

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 Export Limited (“the Company”) as of 31st March 2018, in conjunction with our audit of the Ind AS financial statements of the Company for the period 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 Ind AS 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

ANNEXURE - "B" TO THE AUDITORS' REPORT

to permit preparation of Ind AS 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.

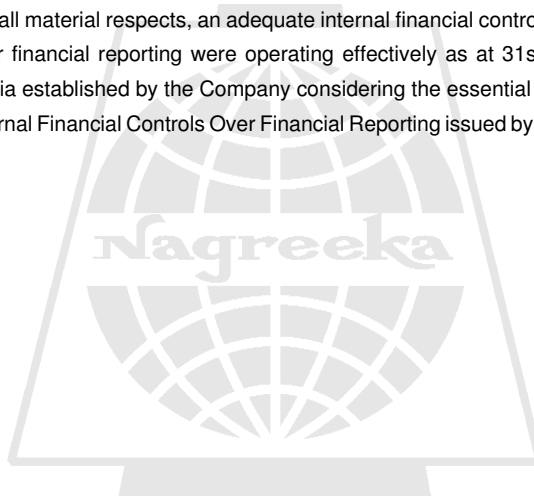
Inherent Limitations of Internal Financial Controls over Financial Reporting

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 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Kolkata
Date : 26th May, 2018



For **B NATH & CO.**
Chartered Accountants
Firm Registration No. 307057E

(CA. GAURAV MORE)
Partner
M. No. 306466

BALANCE SHEET AS AT 31ST MARCH, 2018

PARTICULARS	Note No.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2018 Rs.
ASSETS				
(1) Non Current Assets				
a	3	1,342,043,838	1,337,932,967	1,300,863,179
b	3	-	1,667,450	36,738,027
c				
(i)	4	195,862,120	185,485,984	93,182,819
(ii)	5	9,439,300	8,635,481	7,900,112
(iii)	6	15,552,158	21,996,106	8,060,708
d	7	-	-	-
e	8	43,341,028	41,907,518	35,496,273
Total Non Current Assets [a to e]		1,606,238,444	1,597,625,506	1,482,241,118
(2) Current Assets				
a	9	867,987,560	900,361,010	878,460,339
b				
(i)	10	264,915,482	475,929,966	298,630,674
(ii)	11	3,682,485	13,730,067	15,706,553
(iii)	12	619,984	620,585	621,485
(iv)	5	26,431,297	27,207,153	23,982,489
(v)	6	69,001,981	52,328,461	-
c	8	666,476,029	687,438,088	833,644,725
Total Current Assets [a to c]		1,899,114,818	2,157,615,330	2,051,046,265
TOTAL ASSETS [(1) + (2)]		3,505,353,262	3,755,240,836	3,533,287,383
EQUITY AND LIABILITIES				
(3) Equity				
a	13	62,550,000	62,550,000	62,550,000
b	14	1,072,937,195	965,537,144	863,280,813
Total Equity [a to b]		1,135,487,195	1,028,087,144	925,830,813
Liabilities				
(4) Non-Current Liabilities				
a				
(i)	15	256,887,915	261,871,006	387,021,539
(ii)	16	-	-	-
b	17	1,921,233	-	-
c	7	222,516,545	213,340,622	189,759,538
Total Non Current Liabilities [a to d]		481,325,693	475,211,628	576,781,077
(5) Current Liabilities				
a				
(i)	15	1,369,768,679	1,474,452,556	1,395,918,707
(ii)	18	106,282,158	283,010,139	143,621,180
(iii)	16	310,762,465	368,606,701	364,883,659
b	19	22,786,019	42,074,655	41,558,270
c	17	78,941,053	83,798,013	84,693,677
Total Current Liabilities [a to c]		1,888,540,374	2,251,942,064	2,030,675,493
TOTAL EQUITY AND LIABILITIES [1 + 2 + 3]		3,505,353,262	3,755,240,836	3,533,287,383

Significant Accounting Policies and Notes on Accounts 1 TO 49

As per our separate report attached.

For **B NATH & CO.**

Chartered Accountants

FRN 307057E

(CA. GAURAV MORE)

Partner

M. No. 306466

Place : Kolkata

Date : 26th May, 2018

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

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

PARTICULARS	Note No.	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.
INCOME			
I Revenue from operation	20	5,474,443,981	6,138,895,432
II Other Income	21	21,270,191	4,501,914
III Total Revenue (I + II)		5,495,714,172	6,143,397,346
IV EXPENDITURE			
Cost of Material Consumed	22	1,872,658,185	1,726,035,212
Purchase of Traded Goods	23	2,489,556,713	3,252,210,412
Change in inventories of Finished Goods, Stock in Process and Stock in Trade	24	3,442,389	-10,615,414
Employees Benefit expenses	25	241,367,273	241,219,490
Finance Costs	26	141,339,100	128,894,028
Depreciation	3	67,683,594	67,085,434
Other Expenses	27	646,545,847	705,033,934
Total Expenses (IV)		5,462,593,101	6,109,863,096
(V) Profit/(Loss) before Exceptional Item & tax (III - IV)		33,121,071	33,534,250
(VI) Exceptional Item		-	-
(VII) Profit/(Loss) Before Tax [(V) - (VI)]		33,121,071	33,534,250
(VIII) Tax expenses :			
a Current Tax		2,975,000	6,788,800
b Deferred Tax (Liability) / Assets		9,175,923	23,581,084
c MAT Credit Entitlement		-2,975,000	-6,788,800
d Taxes for earlier years			
Total tax Expenses [a to d]		9,175,923	23,581,084
(IX) Profit / (Loss) for the Period [(VII) - (VIII)]		23,945,148	9,953,166
(X) Other Comprehensive Income			
A(i) Items that will not be reclassified subsequently to the statement of Profit and Loss			
a. Fair Value Changes of Investment in Equity Shares		10,376,136	92,303,165
b. Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans		-	-
A(ii) Income tax on Items that will not be reclassified subsequently to the statement of Profit and Loss		-	-
B(i) Items that will be reclassified subsequently to the statement of Profit and Loss			
a. Procurement cost of Long Term Debt		-	-
B(ii) Income tax on Items that will be reclassified subsequently to the statement of Profit and Loss		-	-
Total Other Comprehensive Income/(Loss)		10,376,136	92,303,165
(XI) Total Comprehensive Income/(loss) for the year [(IX) + (X)]		34,321,284	102,256,331
(XII) Earning Per Share			
Basic & Diluted (in Rs.)	32	1.92	0.80

Significant Accounting Policies and Notes on Accounts 1 TO 49

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

As per our separate report attached.

For **B NATH & CO.**

Chartered Accountants

FRN 307057E

(CA. GAURAV MORE)

Partner

M. No. 306466

Place : Kolkata

Date : 26th May, 2018

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, 2018

PARTICULARS	As at	As at
	31st March, 2018	31st March, 2017
	Rs.	Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before extra ordinary items and tax	33,121,071	33,534,250
Additions :		
Depreciation and amortization	67,683,594	67,085,434
Loss on sale / write off of assets	1,039,156	(63,082)
Finance Cost	141,339,100	128,894,028
Interest Income	-	-
Dividend Income	(18,599,648)	(836,374)
Operating Profit Before Working Capital	224,583,273	228,614,256
Adjusted for :		
(Increase) / Decrease in Trade and other Receivables	221,611,923	(80,540,452)
(Increase) / Decrease in Inventories	32,373,450	(21,900,671)
(Increase) / Decrease in Trade and other Payables	(258,717,812)	142,732,722
Cash Generated from Operation	219,850,833	268,905,855
Less : Direct Taxes Paid / Refund Received	5,532,443	6,104,428
Net Cash Flow from / (used in) Operating Activities	214,318,390	262,801,427
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Capital Expenditure on Fixed Assets, Including Capital Advances	(72,637,021)	(69,799,243)
Sale of Fixed Assets	1,470,850	777,680
Purchase of Current Investments	-	-
Interest received on Loans and Deposits	-	-
Dividend Received	18,599,648	836,374
(Increase)/Decrease in Non Current Assets	4,206,619	(21,082,012)
Net Cash Flow from / (used in) Investing Activities	(48,359,904)	(89,267,201)
C. CASH FLOW FROM FINANCEING ACTIVITIES :		
Issue of Preference Share	100,000,000	-
Net Increase in Long Term borrowings	(29,983,091)	(125,150,534)
Net increase / (decrease) in working capital borrowings	(104,683,878)	78,533,850
Finance Cost	(141,339,100)	(128,894,028)
Net Cash Flow from / (used in) Financing Activities	(176,006,068)	(175,510,712)
Net Increase / (Decrease) in cash & cash Equivalents (A+B+C)	(10,047,582)	(1,976,486)
Cash & Cash equivalents at the beginning of the year	13,730,067	15,706,553
Cash & Cash equivalents at the end of the year	3,682,485	13,730,067

The Accompanying notes are forming part of the Financial Statements

As per our separate report attached.
For **B NATH & CO.**
Chartered Accountants
FRN 307057E
(CA. GAURAV MORE)
Partner
M. No. 306466

Place : Kolkata
Date : 26th May, 2018

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

STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2018

A. EQUITY SHARE CAPITAL

(in Rs.)

PARTICULARS	As at 31st March, 2018	As at 31st March, 2017
At the beginning of the year	62,550,000	62,550,000
Add: Addition during the year	-	-
At the End of the year	62,550,000	62,550,000

B. OTHER EQUITY

(in Rs.)

PARTICULARS	RESERVE & SURPLUS					OCI	Total Equity
	Capital Reserve	General Reserve	Share Premium Reserve	Share Forfeiture Reserve A/c.	Retained Earnings	Equity Instruments through OCI	
Balance as at 1st April 2016	3,000,000	548,655,966	143,363,589	103,000	254,103,454	(85,945,196)	863,280,813
Profit/(Loss) for the year	-	-	-	-	9,953,166	-	9,953,166
Comprehensive Income/(Loss) of Year	-	-	-	-	-	92,303,165	92,303,165
Balance as at 31st March 2017	3,000,000	548,655,966	143,363,589	103,000	264,056,620	6,357,969	965,537,144
Profit/(Loss) for the year	-	-	-	-	23,945,148	-	23,945,148
Comprehensive Income/(Loss) of Year	-	-	-	-	-	10,376,136	10,376,136
Premium on issue of Preference Share	-	-	75,000,000	-	-	-	75,000,000
Accrued Dividend on Pref. Shares	-	-	-	-	(1,921,233)	-	(1,921,233)
Balance as at 31st March 2018	3,000,000	548,655,966	218,363,589	103,000	286,080,535	16,734,105	1,072,937,195

Description of reserves in statement of changes in equity

- i) **Capital Reserve:**
Reserve created out of subsidy received at the time of startup, it's a free reserve hence will be used as per provision of the act.
- ii) **General Reserve:**
General reserve is created and utilised in compliance with the provisions of the Act.
- iii) **Share Premium Account:**
This reserve is used to record the premium on issue of shares. The reserve is available for utilisation in accordance with the provisions of the Act.
- iv) **Share Forfeiture Reserve A/c:**
Represents the Paid up capital of share forfeited, will be used as per provision of the act.
- v) **Retained Earnings:**
Retained earnings represents accumulated profits earned by the company and remaining undistributed as on date.
- vi) **Equity Instruments through OCI:**
Represents unrealized income w.r.t. MTM of Investment. Will be used upon disposal of investments.

As per our separate report attached.
For **B NATH & CO.**
Chartered Accountants
FRN 307057E
(CA. GAURAV MORE)
Partner
M. No. 306466

Place : Kolkata
Date : 26th May, 2018

For and on behalf of the Board of Directors

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

NOTES to the Financial Statements for the year ended 31st March, 2018

1(a). 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.

1(b). 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 and Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013.

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.

The effect on reported financial position and financial performance of the Company on transition to Ind AS has been provided in Note 39, which also includes reconciliations of total equity and total comprehensive income for comparative years under Indian GAAP to those reported for respective years under Ind AS.

The financial statements have been prepared on historical cost basis, except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/ or disclosures in these financial statements is determined on such a basis, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :

2.1) Statement of compliance

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015. Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standard) Rules, 2006. The date of transition to Ind AS is April 1, 2016. Refer Note 2.16 for the details of first-time adoption exemptions availed by the Company.

2.2) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost of fixed assets is inclusive of pre-operative expenses (Net

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

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.

2.3) Capital Work in Progress

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

2.4) Depreciation and amortisation of property, plant and equipment and intangible assets

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.

iii) Intangible assets (computer softwares) are amortised on straight-line method at the rates determined based on estimated useful lives.

2.5) Impairment

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.

2.6) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

i) Financial assets

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

"Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding." "The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments." "Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss."

Impairment of financial assets

"In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables
- Financial assets that are debt instruments and are measured as at FVTOCI

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cashflows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet representation for various financial instruments is described below:

"Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount." "Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI." "For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis." "The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination."

Derecognition of financial assets

"The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity." "If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay." "If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received."

ii) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Financial Liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Derivative financial instruments

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts and interest rate swaps. The instruments are employed as hedges of transactions included in the financial statements or for highly probable forecast transactions/firm contractual commitments.

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

2.7) 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.

2.8) Valuation 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

2.9) Revenue Recognition

Sale of Goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the amount due, associated costs or the possible return of goods.

Sale of Services

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection."

2.10) 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.

2.11) Retirement Benefits To Employees

- "i) Leave Encashment: "Accrued liability for leave encashment has been provided for as per management 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. "

2.12) Foreign Currency Transactions

The financial statements of the Company are presented in Indian rupees (Rs.), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Company has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind AS 101-“First time adoption of Indian Accounting Standard” are recognised directly in equity or added/deducted to/ from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the statement of profit and loss on a systematic basis.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

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.

2.13) Borrowing Costs

Borrowings costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for the intended use or sale.

2.14) 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.

2.15) 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.

2.16) First-Time Adoption - Mandatory Exceptions, Optional Exemptions

i) Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 01, 2016 (“the transition date”) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company as detailed below.

ii) Derecognition of Financial Assets and Financial Liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transaction occurring on or after April 1, 2016 (“the transition date”).

iii) Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the Fair value through other comprehensive income (FVTOCI) criteria based on the fact and circumstances that existed as of the transition date.

iv) Deemed cost for Property, Plant and Equipment and Intangible assets

The Company has elected to continue with the carrying value of all its plant and equipment and intangible assets recognised as of April 1, 2016 (“transition date”) measured as per the previous GAAP and used that carrying value as its deemed cost as of the transition date.

v) Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an arrangement contains a Lease to determine whether an arrangement existing at the transition date contain a lease on the basis of facts and circumstances existing at the date.

NOTE NO. : 3
PROPERTY, PLANT & EQUIPMENT AND INTANGIBLES

(Amount in Rs.)

PARTICULARS	GROSS BLOCK (At Cost)						ACCUMULATED DEPRECIATION/AMORTISATION						NET BLOCK				
	As at 1st April 2016	Additions 2016-17	Disposals/ Discard/ 2016-17	As at 31st March 2017	Additions 2017-18	Disposals/ Discard/ 2017-18	As at 31st March 2018	As at 1st April 2016	Charge for the year 2016-17	Disposals/ Discard/ 2016-17	As at 31st March 2017	Charge for the year 2017-18	Disposals/ Discard/ 2017-18	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	
Land & Site Development	2,635,830	-	-	2,635,830	-	-	2,635,830	-	-	-	-	-	-	-	2,635,830	2,635,830	2,635,830
Land (Lease Hold)	70,883,082	-	-	70,883,082	3,000,000	-	73,883,082	2,682,264	575,006	-	3,257,270	575,006	-	3,832,276	70,050,806	67,625,812	68,200,818
Office Premises	14,268,713	-	-	14,268,713	-	-	14,268,713	4,770,455	224,842	-	4,995,297	224,842	-	5,220,139	9,048,574	9,273,416	9,498,258
Factory Building	361,952,962	32,697	-	361,985,659	-	-	361,985,659	99,345,658	11,209,455	-	110,555,114	11,209,424	-	121,764,538	240,221,121	251,430,545	262,607,303
Godown	7,275,714	-	-	7,275,714	-	-	7,275,714	1,675,967	227,650	-	1,903,617	227,650	-	2,131,267	5,144,447	5,372,097	5,599,747
Plant & Machinery	1,675,254,188	91,267,529	724,454	1,765,797,263	51,965,729	2,741,674	1,815,021,319	748,276,677	49,727,762	688,230	797,316,209	50,302,655	758,384	846,860,479	968,160,839	968,481,055	926,977,511
Furniture & Fixtures	15,072,792	7,577,191	-	22,649,983	11,383,701	-	34,033,684	9,125,171	1,650,107	-	10,775,278	1,875,916	-	12,651,194	21,382,490	11,874,705	5,947,621
Air Conditioner	3,000,806	987,533	-	3,988,339	212,938	-	4,201,277	1,568,681	272,155	-	1,840,836	339,969	-	2,180,805	2,020,472	2,147,503	1,432,125
Vehicles	17,963,433	3,640,412	3,607,288	17,996,557	6,929,160	1,959,741	22,965,976	8,499,419	1,881,920	2,928,912	7,452,427	1,878,608	1,433,025	7,898,010	15,067,966	10,544,130	9,464,014
Computer	4,940,968	333,657	-	5,274,625	325,816	-	5,600,441	3,935,864	626,683	-	4,562,547	404,799	-	4,967,346	633,095	712,078	1,005,104
Office Equipments	4,136,845	330,604	-	4,467,449	435,362	-	4,902,811	3,204,970	377,108	-	3,582,079	332,023	-	3,914,102	988,709	885,370	931,875
Non Factory Building	7,445,058	655,209	-	8,100,267	51,765	-	8,152,032	1,279,606	302,060	-	1,581,666	302,747	-	1,884,413	6,267,619	6,518,601	6,165,452
Refrigerator	104,322	44,990	-	149,312	-	-	149,312	99,107	10,686	-	109,793	9,955	-	119,748	29,564	39,519	5,215
Old Machine in Hand	392,306	-	-	392,306	-	-	392,306	-	-	-	-	-	-	-	392,306	392,306	392,306
Grand Total	2,185,327,019	104,869,821	4,331,742	2,285,865,098	74,304,471	4,701,415	2,355,468,154	884,463,839	67,085,434	3,617,142	947,932,131	67,683,594	2,191,409	1,013,424,316	1,342,043,838	1,337,932,967	1,300,863,179
Capital Work In Progress																1,667,450	36,738,027

Notes :

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

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 4 : INVESTMENTS - NON-CURRENT	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Investment measured at Cost			
Unquoted, fully paid - up :			
62,500 Tirumala Mart P. Ltd	5,000,000	5,000,000	5,000,000
12,966 Jaidka Motor Co. Ltd of Rs. 10/- each	36,693,780	36,693,780	36,693,780
Total of Investment measured at Cost (A)	41,693,780	41,693,780	41,693,780
Investment measured at Fair Value Through Other Comprehensive Income			
Quoted, fully paid - up:			
115600 Shares Nagreeka Capital & Infrastructure Ltd	3,999,760	1,445,000	1,265,820
5820 Shares of Bajaj Finance Ltd	10,584,252	6,815,802	4,029,884
477600 Shares Vedanta Ltd	134,826,480	131,316,120	42,912,360
In Mutual Fund Quoted:			
47,975.30 Units Sundaram BNP Paribas Equity Multiplier Fund	1,534,845	1,342,440	1,037,998
5420.354 Units Sundaram BNP Paribas Select Mid Cap	2,730,613	2,410,147	1,776,227
50,000 SBI Gold Fund	492,390	462,695	466,750
Total of Investment measured at Fair Value Through Other Comprehensive Income (B)	154,168,340	143,792,204	51,489,039
TOTAL INVESTMENTS (A+B)	195,862,120	185,485,984	93,182,819
Aggregate Book value of:			
a) Aggregate Value of Quoted Investments	154,168,340	143,792,204	51,489,039
b) Market Value of Quoted Investments	154,168,340	143,792,204	51,489,039
c) Aggregate Value of Unquoted Investments	41,693,780	41,693,780	41,693,780
4.1 Category-wise Investment - Non-Current			
Financial Assets measured at Cost	41,693,780	41,693,780	41,693,780
Financial Assets measured at Fair Value Through Other Comprehensive Income	154,168,340	143,792,204	51,489,039
Total Investment - Non - Current	195,862,120	185,485,984	93,182,819
Note 5 : LOANS & ADVANCES (Unsecured, considered good)			
	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
A. NON CURRENT LOANS & ADVANCES			
Security Deposits against Flat	9,439,300	8,635,481	7,900,112
(A)	<u>9,439,300</u>	<u>8,635,481</u>	<u>7,900,112</u>
B. CURRENT LOANS & ADVANCES			
Deposits	12,099,098	14,315,900	11,738,354
Loans & Advances to Employees	14,332,199	12,891,253	12,244,135
(B)	<u>26,431,297</u>	<u>27,207,153</u>	<u>23,982,489</u>
TOTAL LOANS AND ADVANCES (A+B)	35,870,597	35,842,634	31,882,601

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 6 : OTHER FINANCIAL ASSETS (Unsecured, considered good)	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
A. OTHER NON CURRENT FINANCIAL ASSETS			
Deposits with Bank	15,552,158	21,996,106	8,060,708
(A)	15,552,158	21,996,106	8,060,708
# Bank Deposits are restricted to use as Kept by bank as Lien towards Margin.			
B. OTHER CURRENT FINANCIAL ASSETS			
Other Receivables	69,001,981	52,328,461	-
(B)	69,001,981	52,328,461	-
TOTAL OTHER FINANCIAL ASSETS	(A+B)	74,324,567	8,060,708

Note 7 : DEFERRED TAX ASSETS/(LIABILITY) (NET)	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Balance as per last financial statements	213,340,622	189,759,538	179,259,502
Add: Deferred Tax Asset/(Liability) recognised for the year	9,175,923	23,581,084	10,500,036
Total	222,516,545	213,340,622	189,759,538

7.1 Components of Net Deferred tax liabilities as on the balance sheet date are as follows:

PARTICULARS	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Deferred tax liabilities on			
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	225,749,027	216,765,140	192,320,143
Other timing differences	329,119	524,173	723,055
(A)	226,078,146	217,289,313	193,043,198
Deferred tax assets on			
Unabsorbed Depreciation	1,457,203	1,457,203	1,361,995
Other timing differences	2,104,398	2,491,488	1,921,665
(B)	3,561,601	3,948,691	3,283,660
Net deferred tax (Assets)/liabilities	(A-B)	213,340,622	189,759,538

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 8 : OTHER ASSETS (Unsecured, considered good)	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
A. OTHER NON CURRENT ASSETS			
Deposits with Govt. Authorities	3,422,237	4,232,622	3,879,072
Prepaid Rent Expenses (FV Measurement A/c Deposits)	4,390,635	5,121,740	5,852,845
MAT Entitlements	35,528,156	32,553,156	25,764,356
(A)	<u>43,341,028</u>	<u>41,907,518</u>	<u>35,496,273</u>
B. OTHER CURRENT ASSETS			
Balance with statutory / government Authority	219,268,258	146,632,478	165,595,154
Prepaid Expenses	11,197,185	9,168,709	5,894,242
Prepaid Rent Expenses (FV Measurement A/c Deposits)	731,105	731,105	731,105
Advances against Goods & Expenses	435,279,481	530,905,796	661,424,225
(B)	<u>666,476,029</u>	<u>687,438,088</u>	<u>833,644,725</u>
TOTAL OTHER ASSETS (A+B)	<u>709,817,057</u>	<u>729,345,606</u>	<u>869,140,998</u>
Note 9 : INVENTORIES			
	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Raw Material	312,660,687	337,229,593	328,261,182
Work-in-progress	40,463,902	37,476,178	33,036,805
Finished Goods	191,807,724	171,683,374	167,427,058
Stock-in-Trade	276,896,907	298,243,459	305,127,859
Stores, Spares, Packing Material & Fuel	20,632,298	25,198,973	22,639,417
Dyes & Chemicals	8,862,922	8,658,402	8,901,112
Waste Cotton	16,663,120	21,871,031	13,066,906
	<u>867,987,560</u>	<u>900,361,010</u>	<u>878,460,339</u>
Note 10 : TRADE RECEIVABLES			
	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Current			
a) Unsecured, considered Good	264,915,482	475,929,966	298,630,674
b) Doubtful	-	-	-
	264,915,482	475,929,966	298,630,674
Allowance for doubtful debts	-	-	-
TOTAL TRADE RECEIVABLES	<u>264,915,482</u>	<u>475,929,966</u>	<u>298,630,674</u>
Ageing of receivables that are post due but not impaired			
0-180 Days	258,086,809	471,478,756	293,743,025
>180 Days	6,828,673	4,451,210	4,887,649
TOTAL TRADE RECEIVABLES	<u>264,915,482</u>	<u>475,929,966</u>	<u>298,630,674</u>
i) Over Six Months Trade Receivables include a sum of Rs. 25,65,224/- receivable, which is under litigation.			
ii) The credit period on sales of goods ranges from 7 to 120 days without security. No interest is charged on trade receivables upto the end of the credit period.			
iii) The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.			

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 11 : CASH AND CASH EQUIVALENTS	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Cash in Hand	2,183,698	1,815,984	1,410,893
Balances with banks			
(i) In current accounts	1,498,787	11,914,083	14,295,660
TOTAL CASH AND CASH EQUIVALENTS	<u>3,682,485</u>	<u>13,730,067</u>	<u>15,706,553</u>

Note 12 : BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Unpaid Dividend Account #	619,985	620,585	621,485
TOTAL BANK BALANCE OTHER THAN NOTE 11 ABOVE	<u>619,985</u>	<u>620,585</u>	<u>621,485</u>

Note 13 : SHARE CAPITAL	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Authorised Share Capital			
2,40,00,000 Equity shares of Rs. 5/- each (Previous Year 3,00,00,000)	120,000,000	150,000,000	150,000,000
30,00,000 Preference Shares of Rs. 10/- each (Previous Years NIL)	30,000,000	-	-
	<u>150,000,000</u>	<u>150,000,000</u>	<u>150,000,000</u>
Issued			
1,25,10,000 Equity shares of Rs. 5/- each (Previous Year 1,25,10,000)	62,550,000	62,550,000	62,550,000
25,00,000 Preference Shares of Rs. 10/- each (Previous Year NIL)	25,000,000	-	-
	<u>87,550,000</u>	<u>62,550,000</u>	<u>62,550,000</u>
Subscribed and paid up			
1,24,99,700 Equity shares of Rs. 5/- each (Previous Year 1,24,99,700)	62,498,500	62,498,500	62,498,500
Add : 10,300 Equity Forfeited Shares (Amount originally paidup)	51,500	51,500	51,500
	<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

	31st March, 2018		31st March, 2017		1st April, 2016	
	Number	Rs.	Number	Rs.	Number	Rs.
At the beginning of the period/year	12,499,700	62,498,500	12,499,700	62,498,500	12,499,700	62,498,500
At the end of the period/year	12,499,700	62,498,500	12,499,700	62,498,500	12,499,700	62,498,500

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

ii) The details of Shareholders holding more than 5% shares :

Name of the share holder	31st March, 2018		31st March, 2017		1st April, 2016	
	Number	% of Holding	Number	% of Holding	Number	% of Holding
Sushil Patwari	793,900	6.35%	791,900	6.34%	791,900	6.34%
Sunil Patwari	934,900	7.48%	934,900	7.48%	934,900	7.48%
Dadra Eximp P. Ltd (Previously Nagreeka Synthetics Pvt. Ltd.)	2,105,186	16.84%	2,105,186	16.84%	940,270	7.52%
Agarwal Galvanising P. Ltd	-	0.00%	-	0.00%	815,423	6.52%
Lakecity Ventures P. Ltd	814,823	6.52%	814,823	6.52%	-	0.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

- iii) The Company has one class of equity shares having a par value of Rs. 5 per share. Each shareholder is eligible for one vote per share held.
- iv) 15% dividend on preference share will be decided by the Board of Directors as and when declared. Preference Shares Holder shall have the cumulative right to receive dividend as and when declared and shall have preferential right of repayment of amount of capital.

Note 14 : OTHER EQUITY		As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Capital Reserve (as per the Last Financial Statements)	A.	3,000,000	3,000,000	3,000,000
General Reserve (as per the Last Financial Statements)	B.	548,655,966	548,655,966	548,655,966
Share Premium Reserve (as per the Last Financial Statements)	C.	218,363,589	143,363,589	143,363,589
Share Forfeiture Reserve A/c (as per the Last Financial Statements)	D.	103,000	103,000	103,000
Retained Earnings	E.	286,080,535	264,056,620	254,103,454
OTHER COMPREHENSIVE INCOME	F.	16,734,105	6,357,969	-85,945,196
TOTAL OTHER EQUITY	(A to F)	1,072,937,195	965,537,144	863,280,813

Note 15 : BORROWINGS		As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
A. NON CURRENT BORROWINGS				
I) SECURED				
Term Loans From Banks	(A)	160,345,711	260,227,505	386,741,074
25,00,000 Non Convertible Cumulative Reedemable Preference Shares (Rs. 10 Each Fully Paid Up)	(B)	25,000,000	-	-
II) Deferred Payment Liabilities				
Vehicle Loans	(C)	4,492,204	1,643,501	280,465
II) UNSECURED				
Loans from Related Parties	(D)	67,050,000	-	-
TOTAL LONG TERM BORROWINGS	(A to D)	256,887,915	261,871,006	387,021,539

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 15 : BORROWINGS		As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
B. CURRENT BORROWINGS				
I) Deferred Payment Liabilities				
Vehicle Loans	(A)	2,424,703	771,912	747,548
Bank Bills Liability	(B)	23,784,040	21,385,598	7,851,631
Buyers Credit (Foreign Currency)	(C)	14,802,744	-	-
Export Packing Credit from Banks	(D)	1,328,757,192	1,340,395,046	1,387,319,528
II) UNSECURED				
Loans from Related Parties	(E)	-	111,900,000	-
TOTAL SHORT TERM BORROWINGS	(A to E)	<u>1,369,768,679</u>	<u>1,474,452,556</u>	<u>1,395,918,707</u>

- i) Rupee Term loan from Canara Bank - Kolkata, is secured by
- 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
- ii) Rupee Term loan from Canara Bank - Kolkata is secured by
- 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
 - all the existing securities for other regular limits will be available as co-lateral security on pari passu basis
- iii) 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 India - Mumbai are secured by way of :
- 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, Maharashtra, Dying & Bleaching unit premises at Village : Kagal, District : Kolhapur, Maharashtra and stock-in-trade at trading unit Kolkata & Mumbai, both present and future in a form and manner satisfactory to the bank, ranking pari passu with each other participating working capital banks.
 - Second charge on all the fixed assets of the company, both present and future ranking pari passu with each other participating working capital banks.
 - Personal guarantee of some of the Directors of the Company.
- iv) For the above loan a securitisation agreement entered in between the Company, AXIS Bank Limited and the above lenders.

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 16 : OTHER FINANCIAL LIABILITIES	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
A. OTHER NON CURRENT FINANCIAL LIABILITIES	-	-	-
(A)	-	-	-
B. OTHER CURRENT FINANCIAL LIABILITIES			
Current maturities of Long Term Borrowings	84,578,253	134,969,843	152,006,420
Unpaid Dividends	619,985	620,584	621,485
Cheques, Drafts in Hand (Book Overdraft)	149,453,978	121,091,117	97,425,266
Creditors for Expenses & Others (Incl. Capital Purchases)	76,110,249	111,925,157	114,830,488
(B)	310,762,465	368,606,701	364,883,659
TOTAL OTHER FINANCIAL LIABILITIES (A+B)	310,762,465	368,606,701	364,883,659

Note 17 : PROVISIONS	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
A. NON CURRENT PROVISIONS			
Accrued Dividend on Preference Shares	1,921,233	-	-
(A)	1,921,233	-	-
B. CURRENT PROVISIONS			
Provision for Employee Benefits	15,167,459	13,876,103	13,224,248
Provision for Gratuity	5,660,215	2,615,794	3,828,284
Provision for Expenses	58,113,379	67,306,116	67,641,145
(B)	78,941,053	83,798,013	84,693,677
TOTAL PROVISIONS (A+B)	80,862,286	83,798,013	84,693,677

Note 18 : TRADE PAYABLES	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
For Goods	106,282,158	283,010,139	143,621,180
TOTAL TRADE PAYABLES	106,282,158	283,010,139	143,621,180

- 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.

Note 19 : OTHER CURRENT LIABILITIES	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
Advance from Customers	18,693,140	38,290,569	40,092,315
Statutory Remittance	4,092,879	3,784,086	1,465,955
TOTAL OTHER CURRENT LIABILITIES	22,786,019	42,074,655	41,558,270

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 20 : REVENUE FROM OPERATION	For the FY Ended 31st March, 2018 Rs.	For the FY Ended 31st March, 2017 Rs.
Sale of Products		
Finished Goods	2,712,642,023	2,598,882,917
Traded Goods	2,579,275,159	3,327,262,730
Waste	39,334,764	43,716,360
(A)	<u>5,331,251,946</u>	<u>5,969,862,007</u>
Other operating revenues		
Scrap Sales	3,292,278	1,633,260
Jobwork Charges	47,670,249	59,625,812
Export Incentives	106,587,476	125,086,556
(B)	<u>157,550,003</u>	<u>186,345,627</u>
Less: Claims & Discount		
Claims & Discounts	14,357,968	17,312,201
(C)	<u>14,357,968</u>	<u>17,312,201</u>
TOTAL REVENUE FROM OPERATIONS	<u>(A+B-C)</u>	<u>(A+B-C)</u>
	<u>5,474,443,981</u>	<u>6,138,895,433</u>
i) Sale of products comprises		
Manufactured goods		
Dyed Yarn	300,179,629	358,737,177
Cotton Yarn	1,641,166,717	1,557,153,828
Knitted Fabrics	8,396,009	30,965,373
Bleached Cotton	384,712,387	256,202,415
Cloth	25,810,156	68,864,023
Fine Cotton	352,377,125	326,960,101
Waste	39,334,764	43,716,360
Total - Sale of manufactured goods	<u>(A)</u>	<u>(A)</u>
	<u>2,751,976,787</u>	<u>2,642,599,277</u>
Traded goods		
Cotton Yarn	1,918,830,377	2,188,129,547
Knitted Fabric	227,313,204	329,023,171
Silico Magnese	45,700,002	-
Iron Ignots	14,494,691	112,741,649
Cloth	154,675,147	200,244,365
MS Billet	218,261,738	49,182,203
Fancy Fabric	-	366,191,644
Raw Cotton	-	59,018,254
Rice	-	22,731,897
Total - Sale of traded goods	<u>(B)</u>	<u>(B)</u>
	<u>2,579,275,159</u>	<u>3,327,262,730</u>
Total - Sale of products	<u>(A+B)</u>	<u>(A+B)</u>
	<u>5,331,251,946</u>	<u>5,969,862,007</u>

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 21 : OTHER INCOME	For the FY Ended 31st March, 2018	For the FY Ended 31st March, 2017
	Rs.	Rs.
Dividend income from long-term investments	18,599,648	836,374
Profit on Sale of Fixed Assets	-	63,082
Other non-operating income	2,670,542	3,602,458
TOTAL OTHER INCOME	<u>21,270,190</u>	<u>4,501,914</u>

Note 22 : COST OF MATERIAL CONSUMED	For the FY Ended 31st March, 2018	For the FY Ended 31st March, 2017
	Rs.	Rs.
Opening stock	337,229,593	328,261,182
Add: Purchases	1,848,089,279	1,735,003,623
	2,185,318,872	2,063,264,805
Less: Closing stock	312,660,687	337,229,593
Cost of material consumed	<u>1,872,658,185</u>	<u>1,726,035,212</u>

i) **Material consumed comprises**

Raw Cotton	1,512,795,304	1,443,780,992
Cotton Yarn	215,087,665	186,095,382
Comber Noil	112,727,900	40,353,083
Cloth	32,047,316	55,805,755
Total Cost of material consumed	<u>1,872,658,185</u>	<u>1,726,035,212</u>

Note 23 : PURCHASE OF TRADED GOODS	For the FY Ended 31st March, 2018	For the FY Ended 31st March, 2017
	Rs.	Rs.
Cotton Yarn	1,849,257,284	2,154,486,905
Knitted Fabrics	222,268,494	345,950,022
Silico Magnese	55,436,600	-
MS Ingots	12,887,966	104,953,668
M S Billet	247,114,104	47,020,450
Fancy Fabric	102,592,266	366,120,778
Rice	-	19,765,200
Raw Cotton	-	61,276,685
Textile Fabric	-	152,175,080
B. TWILL BAG	-	461,624
TOTAL PURCHASE OF TRADED GOODS	<u>2,489,556,714</u>	<u>3,252,210,412</u>

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 24 : CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN PROCESS AND STOCK IN TRADE	For the FY Ended 31st March, 2018 Rs.	For the FY Ended 31st March, 2017 Rs.
Inventories at the end of the year		
Finished goods	191,807,724	171,683,374
Stock-in-trade	276,896,907	298,243,459
Work-in-progress	40,463,902	37,476,178
Waste	16,663,120	21,871,031
(A)	<u>525,831,653</u>	<u>529,274,042</u>
Inventories at the beginning 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
(B)	<u>529,274,042</u>	<u>518,658,628</u>
Net (increase) / decrease	(B-A) <u>3,442,389</u>	<u>-10,615,414</u>

Note 25 : EMPLOYEES BENEFIT EXPENSES	For the FY Ended 31st March, 2018 Rs.	For the FY Ended 31st March, 2017 Rs.
Salaries and wages	222,896,401	223,311,741
Contributions to provident and other funds	11,179,014	11,103,537
Staff welfare expenses	3,364,745	3,592,987
Gratuity Expenses	3,927,113	3,211,225
TOTAL EMPLOYEE BENEFIT EXPENSES	<u>241,367,273</u>	<u>241,219,490</u>

(i) Disclosure pursuant to Indian Accounting Standard (Ind AS) - 19 : Employee Benefit

a) Defined Contribution Plan

Particulars	For the FY Ended 31st March, 2018 Rs.	For the FY Ended 31st March, 2017 Rs.
Employer's Contribution to Provident Fund	9,877,940	9,782,381
Employee's Contribution to Provident Fund	9,947,689	9,015,719

b) Defined Benefit Plan - Gratuity

The Gratuity scheme is a final salary defined benefit plan, that provides for lumpsum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the period of service at the time of separation and paid as lumpsum. There is a vesting period of 5 years.

Associated Risks :

The design entitles the following risks that affect the liabilities and cash flows:

- i) **Interest Rates Risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yield fall, the defined benefit obligation will tend to increase.

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

- ii) **Salary Inflation Risk:** Higher than expected in salary will increase the defined benefit obligation.
- iii) **Demographic risks:** This is the risk of volatility of results due to unexpected nature of documents that include mortality attrition, disability and retirement. The effects of these decrement on the DBO depends upon the combination salary increase discount rate, and vesting criteria and therefore not very straight forward. It is important and not to overstate withdrawal rate because the cost of retirement benefit of a short caring employees will be less compares to long service employees.
- iv) **Assets Liability Mismatch:** This will come into play unless the funds are invested with a term of the assets replicating the terms of the liability.

Particulars	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
(A) Changes in Defined Benefit Obligation			
Present Value of Defined Benefit Obligation as at the beginning of the year	41,231,700	34,355,230	27,006,278
Current Service Cost	3,359,046	2,698,487	4,637,519
Prior Service Cost	2,397,108	-	-
Interest cost	3,132,255	2,701,861	2,333,484
Actuarial (Gain) / Loss	-2,007,446	2,640,047	1,237,979
Benefit paid	-1,421,870	-1,163,925	-860,030
Present value of obligations as at end of year	46,690,793	41,231,700	34,355,230
(B) Changes in the Fair Value of Assets			
Fair value of Plan Assets at the beginning of the year	38,632,605	33,116,122	28,578,166
Expected return of Plan Assets	2,931,345	2,834,667	2,687,587
Actuarial Gain / (Loss) on Plan Assets	-	-	-
Contribution by Employer	-	3,845,741	2,710,399
Benefit Paid	-1,421,870	-1,163,925	-860,030
Fair value of Plan Assets at the end of the year	40,142,080	38,632,605	33,116,122
(C) Amount recognised in the Balance Sheet			
Present Value of Defined Benefit Obligation	46,690,793	41,231,700	34,355,230
Fair Value of Plan Assets	40,142,080	38,632,605	33,116,122
Net Assets/ (Liability) recognised in the Balance Sheet	-6,548,713	-2,599,095	-1,239,108

Particulars	For the FY Ended 31st March, 2018 Rs.	For the FY Ended 31st March, 2017 Rs.
(D) Actuarial (Gain) / Loss Recognised		
Actuarial (Gain) / Loss on Obligation	-2,007,446	2,640,047
Actuarial (Gain) / Loss on Plan Assets	-	-
Actuarial (Gain) / Loss Recognised during the year.	-2,007,446	2,640,047
(E) Expenses charged to Profit & Loss Account		
Current service cost	3,359,046	2,698,487
Prior Service Cost	2,397,108	-
Interest Cost	3,132,255	2,701,861
Expected Return on Plan Assets	-2,931,345	-2,834,667
Actuarial (Gain) / Loss	-2,007,446	2,640,047
	3,949,618	5,205,728

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

(F) Sensitivity Analysis	As at 31st March, 2018		As at 31st March, 2017	
	Increase in DOB	Liability Rs.	Increase in DOB	Liability Rs.
Discount Rates				
+ 100 Basis Points	-7.74%	43,076,494	-8.81%	37,600,875
- 100 Basis Points	8.90%	50,846,086	10.22%	45,447,510
Salary Growth				
+ 100 Basis Points	8.73%	50,767,333	10.11%	45,399,495
- 100 Basis Points	-6.47%	43,667,844	-27.52%	29,882,992
Withdrawal Rates				
+ 100 Basis Points	2.94%	48,063,559	2.02%	42,063,060
- 100 Basis Points	-3.29%	45,155,213	-2.25%	40,305,876

(G) Maturity profile of Defined Benefit Obligation	As at	As at
	31st March, 2018	31st March, 2017
	Rs.	Rs.
i) Year 1	2,121,532	1,720,139
ii) Year 2 to Year 5	10,848,663	7,563,246
iii) Year 6 to Year 10	11,274,592	9,693,153
iv) Above Year 10	22,446,006	22,255,162

(H) The Major Categories of Plan Assets as a Percentage of Total Plan	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Rs.	%	Rs.	%	Rs.	%
Insurance Policies	40,142,080	100%	38,632,605	100%	33,116,122	100%

(I) The principal assumptions used in determining gratuity obligations for the company's plans are shown below :	As at	As at
	31st March, 2018	31st March, 2017
Discount rate (per annum)	7.73%	8.00%
Salary increase (per annum)	5.00%	5.00%
Expected rate of return on assets	7.73%	8.00%
Inflation Rate	3.00%	3.00%
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

(J) March' 2018, March'2017 & March'2016 - 100% with Life Insurance Corporation of India Ltd.

(ii) The Company has also computed and made necessary provisions on account of leave encashment benefits as per Management Valuation. 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, 2018

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 26 : FINANCE COST	For the FY Ended 31st March, 2018	For the FY Ended 31st March, 2017
	Rs.	Rs.
Interest Expenses	118,774,988	104,908,932
Other Borrowing Cost	22,564,112	23,985,096
TOTAL FINANCE COSTS	141,339,100	128,894,028

Note 27 : OTHER EXPENSES	For the FY Ended 31st March, 2018	For the FY Ended 31st March, 2017
	Rs.	Rs.
Manufacturing Expenses		
Consumption of Stores, Spares & Packing Material	131,297,748	138,936,814
Power and Fuel	260,582,615	275,206,106
Processing Charges	3,143,969	5,974,231
Repairs and maintenance - Buildings	3,367,019	3,443,620
Repairs and maintenance - Machinery	12,706,075	10,755,562
	(A)	
	411,097,426	434,316,333
Selling & Distribution Expenses		
Outward Freight	85,925,438	99,405,767
Other Selling Expenses	41,694,103	44,478,771
Commission on Sale	30,139,050	47,477,968
	(B)	
	157,758,591	191,362,506
Establishment & Other Expenses		
Rent	1,229,105	1,325,105
Rates and taxes	3,839,630	1,629,533
Communication Charges	4,657,634	6,475,536
Travelling and conveyance	25,288,372	24,062,677
Insurance	12,934,366	11,230,624
Expenses towards CSR Activities	155,700	1,208,000
Loss on Sale of Fixed Assets	1,039,156	-
Miscellaneous Expenses	28,545,867	33,423,620
	(C)	
	77,689,830	79,355,095
TOTAL OTHER EXPENSES	(A+B+C)	705,033,934

i) **Miscellaneous Expenses includes payment to Statutory Auditor as :**

Statutory Audit Fees	205,000	235,750
Tax Audit Fees	30,000	34,500
Other Services	84,730	72,446
TOTAL	319,730	342,696

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

28 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. NIL Lacs).

29 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. NIL" "Amount actually spent on CSR : Rs.1,55,700/-.

30 CONTINGENT LIABILITIES NOT PROVIDED FOR

- i. Bills discounted with Banks Rs. 2911.85 Lacs (Previous Year Rs. 3426.52 lacs).
- ii. Bank Guarantees of Rs. 206.38 Lacs (Previous Year Rs. 158.11 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 2015-2016. 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. 24.23 Lacs. (Previous Year Rs. 24.23 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. 80.13 Lacs. (Previous Year 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 (Previous Year Rs. 3.71 Lacs)
 - d) Disputed Custom Duty Liabilities for which appeal is pending before CESTAT, Kolkata relating to financial year 2013-2014 is Rs. 389.32 Lacs (Previous Year Nil)

NOTE : 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.

31 SEGMENT INFORMATION

- (i) Business Segment: The Company's business activity primarily falls within a single business segment i.e. textiles business and hence there are no disclosures to be made under Ind AS -108, other than those already provided in the financial statements.
- (ii) Geographical Segment: The Company operates in multiple geographical area and therefore the analysis of geographical segment is based on the areas in which customers of the Company are located.

Information for Geographical Segments :	For the FY Ended	For the FY Ended
	31st March, 2018	31st March, 2017
	Rs.	Rs.
Export Revenues	3,014,316,627	3,667,111,731
Domestic Revenues	2,316,935,319	2,302,750,276
TOTAL	5,331,251,946	5,969,862,007

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 32 : BASIC AND DILUTED EARNING PER SHARE (EPS)	For the FY Ended 31st March, 2018	For the FY Ended 31st March, 2017
	Rs.	Rs.
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.)	23,945,148	9,953,166
Weighted average number of Equity Shares for Basis Earning Per Share	<u>12,499,700</u>	<u>12,499,700</u>
Basis / Diluted Earning Per Share (Weighted Average) - in Rs.	<u>1.92</u>	<u>0.80</u>

Note 33 : DIRECTORS REMUNERATIONS	For the FY Ended 31st March, 2018	For the FY Ended 31st March, 2017
	Rs.	Rs.
Salary	12,465,000	12,635,548
Other Perquisites	120,000	120,000
Directors Sitting fees	<u>283,000</u>	<u>164,000</u>
TOTAL DIRECTORS REMUNERATIONS	<u>12,868,000</u>	<u>12,919,548</u>

34 RELATED PARTIES WITH WHOM TRANSACTION HAVE TAKEN PLACE DURING THE YEAR

- a) Key Management personnel's
- Shri Sushil Patwari : Chairman
 - Shri Sunil Patwari : Managing Director
 - Shri Mahendra Patwari : Whole Time Director
 - Shri Debrata Das Choudhary : Whole Time Director
 - Shri Kedar Nath Bansal : Chief Financial Officer
 - Shri J. Tiwari : Company Secretary

Relatives of Key Management Personnel's & Others :

- Patwari Properties
- Smt. Minakshi Patwari
- Smt. Anita Patwari
- Shri Pratyush Patwari

Enterprises Owned/Influenced by Key Management Personnel or their relative :

- Nagreeka Capital & Infrastructure Ltd.

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

b) Aggregated Related Party disclosure as at and for the year ended 31st March 2018 (Rs. in Lacs)

	Key Management Personnel's		Relatives of Key Management Personnel's & Others		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
1 Rent:						
Shri Sunil Patwari	0.60	0.60	-	-	0.60	0.60
Shri Mahendra Patwari	0.60	0.60	-	-	0.60	0.60
Patwari Properties	-	-	1.20	1.20	1.20	1.20
Smt. Anita Patwari	-	-	0.60	0.60	0.60	0.60
2 Remuneration:						
Shri Sushil Patwari	36.00	36.00	-	-	36.00	36.00
Shri Sunil Patwari	36.00	36.00	-	-	36.00	36.00
Shri Mahendra Patwari	36.00	36.00	-	-	36.00	36.00
Shri Debrata Das Choudhary	19.59	16.82	-	-	19.59	16.82
Shri Kedar Nath Bansal	10.08	8.40	-	-	10.08	8.40
Shri J. Tiwari	1.83	1.83	-	-	1.83	1.83
Shri K.C. Purohit	-	1.54	-	-	-	1.54
Shri Pratyush Patwari	-	-	25.00	-	25.00	-
3 Deposit/Loans & Advances (Assets):						
Shri Sunil Patwari	51.00	51.00	-	-	51.00	51.00
Shri Mahendra Patwari	125.00	125.00	-	-	125.00	125.00

35 In previous year there was a fire at Bleaching & dyeing unit situated at Kagal (Maharashtra) during March, 2017. The surveyor has submitted interim survey report and assessed the final loss of stock. In regards to loss of Plant & Machinery and other assets, the same is under process.

36 FINANCIAL INSTRUMENTS

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2.6 to the financial statements.

a) Financial assets and liabilities

The carrying value of financial instruments by categories as of March 31, 2018 is as follows : (in Rs.)

	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value	Total fair value
Assets:				
Trade receivables	-	264,915,482	264,915,482	264,915,482
Investments	-	179,128,015	179,128,015	195,862,120
Bank balance other than Cash and cash equivalents	-	619,984	619,984	619,984
Loans & Advances	-	44,031,297	44,031,297	35,870,597
Cash and cash equivalents	-	3,682,485	3,682,485	3,682,485
Other financial assets	-	84,554,139	84,554,139	84,554,139
Total	-	576,931,402	576,931,402	585,504,807
Liabilities:				
Borrowings	-	1,626,656,593	1,627,652,113	1,626,656,593
Other financial Liabilities	-	310,762,465	310,762,465	310,762,465
Trade payables	-	106,282,159	106,282,159	106,282,159
Total	-	2,043,701,217	2,044,696,737	2,043,701,217

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

The carrying value of financial instruments by categories as of March 31, 2017 is as follows : (in Rs.)

	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value	Total fair value
Assets:				
Trade receivables	-	475,929,966	475,929,966	475,929,966
Investments	-	179,128,015	179,128,015	185,485,984
Bank balance other than Cash and cash equivalents	-	620,585	620,585	620,585
Loans & Advances	-	44,807,153	44,807,153	35,842,634
Cash and cash equivalents	-	13,730,067	13,730,067	13,730,067
Other financial assets	-	74,324,567	74,324,567	74,324,567
Total	-	788,540,353	788,540,353	785,933,803
Liabilities:				
Borrowings	-	1,736,323,562	1,737,909,082	1,736,323,562
Other financial Liabilities	-	368,606,701	368,606,701	368,606,701
Trade payables	-	283,010,139	283,010,139	283,010,139
Total	-	2,387,940,402	2,389,525,922	2,387,940,402

The carrying value of financial instruments by categories as of March 31, 2016 is as follows : (in Rs.)

	Derivative instruments not in hedging relationship	Amortised cost	Total carrying value	Total fair value
Assets:				
Trade receivables	-	298,630,674	298,630,674	298,630,674
Investments	-	179,128,015	179,128,015	93,182,819
Bank balance other than Cash and cash equivalents	-	621,485	621,485	621,485
Loans & Advances	-	41,582,489	41,582,489	31,882,601
Cash and cash equivalents	-	15,706,553	15,706,553	15,706,553
Other financial assets	-	8,060,708	8,060,708	8,060,708
Total	-	543,729,924	543,729,924	448,084,840
Liabilities:				
Borrowings	-	1,782,940,246	1,785,127,346	1,782,940,246
Other financial Liabilities	-	364,883,659	364,883,659	364,883,659
Trade payables	-	143,621,180	143,621,180	143,621,180
Total	-	2,291,445,085	2,293,632,185	2,291,445,085

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosure are required):

	Level 1	Level 2	Level 3
As at March 31, 2018			
Financial Assets:			
Investments	154,168,340	-	41,693,780
Total	154,168,340	-	41,693,780
Financial Liabilities:			
Total	-	-	-
As at March 31, 2017			
Financial Assets:			
Investments	143,792,204	-	41,693,780
Total	143,792,204	-	41,693,780
Financial Liabilities:			
Total	-	-	-
As at April 01, 2016			
Financial Assets:			
Investments	51,489,039	-	41,693,780
Total	51,489,039	-	41,693,780
Financial Liabilities:			
Total	-	-	-

Notes:

- The short-term financial assets and liabilities are stated at amortized cost which is approximately equal to their fair value.
- Unquoted Investments are stated at amortized cost which is approximately equal to their fair value.
- There have been no transfers between level 1 and level 2 for the years ended March 31, 2018 and 2017.

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

37 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using gearing ratio, which is total debt divided by total capital plus debt.

Particulars	For the FY Ended	For the FY Ended
	31st March, 2018	31st March, 2017
	Rs.	Rs.
Total debt	256,887,915	261,871,006
Less : Cash & Cash Equivalents	3,682,485	13,730,067
Net Total Debt	253,205,430	248,140,939
Equity	1,135,487,195	1,028,087,144
Capital & Net Debt	1,388,692,625	1,276,228,083
Gearing ratio	18.50%	20.52%

38 FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company has exposure to the following risks from financial instruments.

- Market Risk
- Liquidity Risk
- Credit Risk

Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates & prices such as interest rates, foreign currency exchange rates or in the price of market risk-sensitive financial instruments. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of its investments. Thus the company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

a) Currency Risk:

The company is exposed to currency risk to the extent that there is a mismatch between the currencies in which Export sales, Import purchase, other expenses and borrowings in foreign currency are denominated and the functional currency of the company. The functional currency of the company is Indian Rupees (INR). The currencies in which these transactions are primarily denominated are Euro and USD.

At any point in time, the Company generally hedges its estimated foreign currency exposure in respect of its forecast sales over the following 12 to 18 months. The company uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The Company as per its risk management policy uses foreign exchange forward contract and cross currency forward contracts primarily to hedge foreign exchange. The Company does not use derivative financial instruments for trading or speculative purposes.

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Particulars	USD	EURO
Foreign currency exposure as at 31st March, 2017		
Trade Receivables	607,822	19,813
Foreign LC's	-	-
Foreign currency exposure as at 31st March, 2018		
Trade Receivables	441,158	190,367
Foreign LC's	-	183,185

Following is the financial instruments to hedge the foreign exchange rate risk as at 31st March, 2017

Particulars	Instrument	Currency	Cross Currency	Amount (In FC)	Buy / Sell
Highly Probable Hedges on Forecasted Sales Transactions	Forward Contracts	USD	INR	2,092,911	Sell
Highly Probable Hedges on Forecasted Sales Transactions	Forward Contracts	EURO	INR	539,002	Sell
Highly Probable Hedges on Forecasted Sales Transactions	Forward Contracts	GBP	INR	47,000	Sell

Following is the financial instruments to hedge the foreign exchange rate risk as at 31st March, 2018

Particulars	Instrument	Currency	Cross Currency	Amount (In FC)	Buy / Sell
Highly Probable Hedges on Forecasted Sales Transactions	Forward Contracts	USD	INR	7,870,468	Sell
Highly Probable Hedges on Forecasted Sales Transactions	Forward Contracts	EURO	INR	2,565,610	Sell

Liquidity risk:

Liquidity risk is the risks that Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The company has obtained fund and non-fund based working capital loans from various banks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31st March, 2018

(Rs. in Lacs)

Particulars	Less than 1 year	Total
Trade Payables	1,062.82	1,062.82
Other Financial Liabilities	16,805.31	19,374.19

As at 31st March, 2017

(Rs. in Lacs)

Particulars	Less than 1 year	Total
Trade Payables	2,830.10	2,830.10
Other Financial Liabilities	18,430.59	21,049.30

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

CREDIT RISK:

Credit risk is the of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers and investments in debt securities, cash and cash equivalents, mutual funds, bonds etc.

The carrying amount of financial assets represents the maximum credit exposure.

Trade & Other receivables:

In case of sales, for major part of the sales, customer credit risk is managed by requiring domestic and export customers to open Letters of Credit before transfer of ownership, therefore substantially eliminating the Company's credit risk in this respect.

Based on prior experience and an assessment of the current economic environment, management believes that no provision is required for credit risk where credit is extended to customers.

The aging of trade and other receivables that were not impaired is as below.

Particulars	(Rs. in Lacs)
As at 31st March, 2018	
Upto 6 Months	2,580.87
Beyond 6 Months	68.29
Total	2,649.15

Particulars	(Rs. in Lacs)
As at 31st March, 2017	
Upto 6 Months	4,714.79
Beyond 6 Months	44.51
Total	4,759.30

Management believes that the unimpaired amounts that are past due by more than 6 months are still collectible in full based on historical payment behaviour.

Loans to Others:

The credit worthiness of the counter party is evaluated by the management on an ongoing basis and is considered to be good.

Investment in mutual funds:

The investment in mutual funds, are entered into with credit worthy fund houses. The credit worthiness of these counter parties are evaluated by the management on an on-going basis and is considered to be good. The Company does not expect any losses from these counter parties.

Cash and Cash equivalents:

Credit risk from balances with banks is managed by the Company in accordance with the company's policy. Investment of surplus funds are made in mainly in mutual funds with good returns and within approved credit ratings.

Unquoted Investments:

"The cost of unquoted investments approximate the fair value because there is a range of possible fair value measurements and the cost represents estimate of fair value within that range.

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

39. FIRST TIME ADOPTION IND AS RECONCILIATIONS

a) Reconciliation of Balance Sheet

b) Aggregated Related Party disclosure as at and for the year ended 31st March 2018

PARTICULARS	Note No.	As at 31st March, 2017			As at 31st March, 2018		
		Amount As per Previous GAAP Rs.	Effect of transition to Ind AS Rs.	Amount as per Ind AS Rs.	Amount As per Previous GAAP Rs.	Effect of transition to Ind AS Rs.	Amount as per Ind AS Rs.
ASSETS							
(1) Non Current Assets							
a	3	1,337,932,967	-	1,337,932,967	1,300,863,179	-	1,300,863,179
b	3	1,667,450	-	1,667,450	36,738,027	-	36,738,027
c Financial Assets							
(i)	4	179,128,015	6,357,969	185,485,984	179,128,015	-85,945,196	93,182,819
(ii)	5	17,600,000	-8,964,519	8,635,481	17,600,000	-9,699,888	7,900,112
(iii)	6	21,996,106	-	21,996,106	8,060,708	-	8,060,708
d	7	-	-	-	-	-	-
e	8	36,785,778	5,121,740	41,907,518	29,643,428	5,852,845	35,496,273
Total Non Current Assets [a to e]		1,595,110,316	2,515,190	1,597,625,506	1,572,033,357	-89,792,239	1,482,241,118
(2) Current Assets							
a	9	900,361,010	-	900,361,010	878,460,339	-	878,460,339
b Financial Assets							
(i)	10	475,929,966	-	475,929,966	298,630,674	-	298,630,674
(ii)	11	13,730,067	-	13,730,067	15,706,553	-	15,706,553
(iii)	12	620,585	-	620,585	621,485	-	621,485
(iv)	5	27,207,153	-	27,207,153	23,982,489	-	23,982,489
(v)	6	52,328,461	-	52,328,461	-	-	-
c	8	686,706,983	731,105	687,438,088	832,913,620	731,105	833,644,725
Total Current Assets [a to c]		2,156,884,225	731,105	2,157,615,330	2,050,315,160	731,105	2,051,046,265
TOTAL ASSETS [(1) + (2)]		3,751,994,541	3,246,295	3,755,240,836	3,622,348,517	-89,061,134	3,533,287,383
EQUITY AND LIABILITIES							
(3) Equity							
a	13	62,550,000	-	62,550,000	62,550,000	-	62,550,000
b	14	961,229,502	4,307,642	965,537,144	950,877,902	-87,597,089	863,280,813
Total Equity [a to b]		1,023,779,502	4,307,642	1,028,087,144	1,013,427,902	-87,597,089	925,830,813
Liabilities							
(4) Non-Current Liabilities							
a Financial Liabilities							
(i)	15	263,456,526	-1,585,520	261,871,006	389,208,639	-2,187,100	387,021,539
(ii)	16	-	-	-	-	-	-
b	17	-	-	-	-	-	-
c	7	212,816,449	524,173	213,340,622	189,036,483	723,055	189,759,538
Total Non Current Liabilities [a to d]		476,272,975	-1,061,347	475,211,628	578,245,122	-1,464,045	576,781,077
(5) Current Liabilities							
a Financial Liabilities							
(i)	15	1,474,452,556	-	1,474,452,556	1,395,918,707	-	1,395,918,707
(ii)	18	283,010,139	-	283,010,139	143,621,180	-	143,621,180
(iii)	16	368,606,701	-	368,606,701	364,883,659	-	364,883,659
b	19	42,074,655	-	42,074,655	41,558,270	-	41,558,270
c	17	83,798,013	-	83,798,013	84,693,677	-	84,693,677
Total Current Liabilities [a to c]		2,251,942,064	-	2,251,942,064	2,030,675,493	-	2,030,675,493
TOTAL EQUITY AND LIABILITIES [1 + 2 + 3]		3,751,994,541	3,246,295	3,755,240,836	3,622,348,517	-89,061,134	3,533,287,383

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

b) Reconciliation of Total Comprehensive Income

PARTICULARS	Note No.	As at 31st March 2017		
		Amount As Per Previous GAAP Rs.	Effect of transition to Ind Rs.	Amount As Per Ind AS Rs.
INCOME				
I Revenue from operation	20	6,156,207,634	-17,312,201	6,138,895,432
I Other Income	21	4,501,914	-	4,501,914
III Total Revenue (I + II)		6,160,709,548	-17,312,201	6,143,397,346
IV EXPENDITURE				
Cost of Material Consumed	22	1,726,035,212	-	1,726,035,212
Purchase of Traded Goods	23	3,252,210,412	-	3,252,210,412
Change in inventories of Finished Goods, Stock in Process and Stock in Trade	24	-10,615,414	-	-10,615,414
Employees Benefit expenses	25	241,219,490	-	241,219,490
Finance Costs	26	129,027,817	-133,789	128,894,028
Depreciation	3	67,085,434	-	67,085,434
Other Expenses	27	721,615,030.26	-16,581,096	705,033,934
Total Expenses (IV)		6,126,577,982	-16,714,885	6,109,863,096
(V) Profit/(Loss) before Exceptional Item & tax (III - IV)		34,131,566	-597,316	33,534,250
(VI) Exceptional Item		-	-	-
(VII) Profit/(Loss) Before Tax [(V) - (VI)]		34,131,566	-597,316	33,534,250
(VIII) Tax expenses :				
a Current Tax		6,788,800	-	6,788,800
b Deferred Tax (Liability) / Assets		23,779,966	-198,882	23,581,084
c MAT Credit Entitlement		-6,788,800	-	-6,788,800
d Taxes for earlier years		-	-	-
Total tax Expenses [a to d]		23,779,966	-198,882	23,581,084
(IX) Profit / (Loss) for the Period [(VII) - (VIII)]		10,351,600	-398,434	9,953,166
(X) Other Comprehensive Income				
A (i) Items that will not be reclassified subsequently to the statement of Profit and Loss				
a Fair Value Changes of Investment		-	92,303,165	92,303,165
b Remeasurement Gains/(Losses) on Post Employment Defined Benefit Plans		-	-	-
A (ii) Income tax on Items that will not be reclassified subsequently to the statement of Profit and Loss				
B (i) Items that will be reclassified subsequently to the statement of Profit and Loss		-	-	-
a Procurement cost of Long Term Debt		-	-	-
B (ii) Income tax on Items that will be reclassified subsequently to the statement of Profit and Loss				
Total Other Comprehensive Income/(Loss)		-	92,303,165	92,303,165
(XI) Total Comprehensive Income/(loss) for the year [(IX)+(X)]		10,351,600	91,904,731	102,256,331

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

c) Reconciliation of Other Equity

PARTICULARS	As at	As at
	31st March, 2017	1st April, 2016
	Rs.	Rs.
Total equity under Previous GAAP	961,229,502	950,877,902
Fair Value Measurements of Deposits	-3,111,674	-3,115,938
Fair Value Adjustments of Term Loans	1,061,346	1,464,045
Fair Value Adjustments of Investments	6,357,969	-85,945,196
Other Adjustments	-	-
Total equity under Ind AS	965,537,143	863,280,813

d) Effects of IND AS adoption on Cash Flows

Particulars	For the Year Ended on 31st March 2017		
	Amount As Per	Effect of transition	Amount as per
	Previous GAAP	to Ind AS	Ind AS
	Rs.	Rs.	Rs.
Net Cash Generated/(Used) From Operating Activities	243,578,117	19,223,310	262,801,427
Net Cash Used In Investing Activities	-68,185,192	-21,082,009	-89,267,201
Net Cash from Financing Activities	-163,434,912	-12,075,800	-175,510,712
Net Increase / (Decrease) In Cash And Cash Equivalents	11,958,013	-13,934,499	-1,976,486
Cash & Cash Equivalents at the beginning of the year	24,388,745	-8,682,192	15,706,553
Cash & Cash Equivalents at the end of the year	36,346,758	-22,616,691	13,730,067

NOTES:

- To comply with the Companies (Accounting Standard) Rules, 2006, certain account balances have been regrouped as per the format prescribed under Division II of Schedule III to the Companies Act, 2013.
- Financial liabilities and related transaction costs:**
Borrowings and other financial liabilities which were recognized at historical cost under previous GAAP have been recognized at amortised cost under IND AS with the difference been adjusted to opening retained earnings. Under previous GAAP, transaction costs incurred in connection with borrowings were amortised equally over the tenure of the borrowings. Under IND AS, transaction costs are deducted from the initial recognition amount of the financial liability and charged over the tenure of borrowing using the effective interest method.
- Financial assets at amortised cost:**
Certain financial assets held on with an objective to collect contractual cash flows in the nature of principal and interest have been recognized at amortised cost on transition date as against historical cost under the previous GAAP with the difference been adjusted to the opening retained earnings.
- Other comprehensive income:**
Under IND AS, all items of income and expense recognized in the period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognized in profit or loss but are shown in the statement of profit and loss and "other comprehensive income" includes remeasurements of defined benefit plans, foreign currency monetary item translation difference account, effective portion of gains and losses on cash flow hedging instruments and fair value gain or losses on FVTOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.
- Advances, Trade Payable and Trade Receivables are subject to confirmation from respective parties and consequential reconciliation / adjustment arising there from, if any. The management, however, does not expect any material variation. Provisions, wherever considered necessary, have been made.

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note 41 : CIF VALUE OF IMPORTS DURINGS THE YEAR	For the FY Ended	For the FY Ended
	31st March, 2018	1st April, 2017
	Rs.	Rs.
Raw materials	-	18,741,591
Components and Spare Parts	9,204,077	12,867,635
Capital Goods	52,230,692	8,967,221
	61,434,769	40,576,447

Note 42 : EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS) :	For the FY Ended	For the FY Ended
	31st March, 2018	1st April, 2017
	Rs.	Rs.
Commission Expenses	10,503,467	30,617,979
Ocean Freight	37,039,886	35,994,565
Travelling	4,932,935	2,125,803
Others	181,418	-
	52,657,706	68,738,347

Note 43 : VALUE OF RAW MATERIALS AND COMPONENTS, STORES AND SPARES CONSUMED DURING THE PERIOD (INCLUDING CHARGED TO REPAIRS AND MAINTENANCE)	For the Year Ended on		For the Year Ended on	
	31st March, 2018		31st March, 2017	
	%	Rs.	%	Rs.
Raw Materials #				
Imported	0.00%	-	1.09%	18,741,591
Indigenously	100.00%	1,872,658,185	98.91%	1,707,293,621
	100.00%	1,872,658,185	100.00%	1,726,035,212
Stores and Spares ##				
Imported	6.39%	9,204,077	8.60%	12,867,635
Indigenously	93.61%	134,799,747	91.40%	136,824,740
	100.00%	144,003,824	100.00%	149,692,375

Net of cost of raw material sold.

Including Stores and Spares included under Reparis and Maintenance.

Note 44 : EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS) :	For the FY Ended	For the FY Ended
	31st March, 2018	1st April, 2017
	Rs.	Rs.
FOB Value of Exports	2,976,460,247	3,667,111,731
	2,976,460,247	3,667,111,731

NOTES to the Financial Statements for the year ended 31st March, 2018 (Contd.)

45. ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non current borrowings are : (In Rs.)

Particulars	Notes	As at 31st March, 2018 Rs.	As at 31st March, 2017 Rs.	As at 1st April, 2016 Rs.
ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	3	1,295,261,616	1,304,818,753	1,275,519,467
Total Non-Current Assets pledged as security		<u>1,295,261,616</u>	<u>1,304,818,753</u>	<u>1,275,519,467</u>
Current Assets				
(a) Inventories	9	867,987,560	900,361,010	878,460,339
(b) Financial assets:				
(i) Trade receivables	10	264,915,482	475,929,966	298,630,674
Total Current Assets pledged as security		<u>1,132,903,042</u>	<u>1,376,290,977</u>	<u>1,177,091,013</u>
Total Assets pledged as security		<u><u>2,428,164,658</u></u>	<u><u>2,681,109,730</u></u>	<u><u>2,452,610,480</u></u>

46. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES THAT ARE NOT MEASURED AT FAIR VALUE:

The management consider that the carrying amounts of financial assets and liabilities recognized in the financial statements approximate their fair value as on 31st March 2017 and 1st April 2016

47. DETAILS OF LOANS AND GUARANTEES GIVEN COVERED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013:

The Company has made investments in the shares of different companies and given loans and advances to different parties which are general in nature. The loans given are interest bearing which are not lower than the prevailing yield of related government security close to the tenure of the respective loans. Further, the company has not given any guarantee or provided any security.

The Previous Years Figures has been regrouped /rearranged whenever necessary to confirm to the current year presentation.

The financial statements are approved by the audit committee at its meeting held on 25th May,2018 and by the Board of Directors on 26th May, 2018.

As per our separate report attached.
For **B NATH & CO.**
Chartered Accountants
FRN 307057E
(CA. GAURAV MORE)
Partner
M. No. 306466
Place : Kolkata
Date : 26th May, 2018

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