

22nd

ANNUAL REPORT

2015-2016



CEENIK EXPORTS (INDIA) LIMITED

22ND ANNUAL REPORT 2015-2016

BOARD OF DIRECTORS

NARAIN N. HINGORANI, Chairman & Managing Director
ROOPA H. TECKCHANDANI (w.e.f. 27.04.2015)
CHANDRU K. BAKHTIANI
KAVITA N. HINGORANI

BANKERS

- 1) KARNATAKA BANK LTD.
BANDRA (W) MUMBAI - 400 050
- 2) ICICI BANK LTD.
LOWER PAREL, MUMBAI - 400 013.

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AUDITORS

M/s.UDAYAVAR DHANESH KUMAR & ASSOCIATES
CHARTERED ACCOUNTANTS
B/7, AMBEKAR NAGAR,
OFF G. D. AMBEKAR MARG,
PAREL, MUMBAI - 400 012.

REGISTRARS AND TRANSFER AGENTS

UNIVERSAL CAPITAL SECURITIES PVT. LTD.
21, SHAKIL NIWAS, MAHAKALI CAVES ROAD,
ANDHERI(E), MUMBAI - 400 093.

ANNUAL GENERAL MEETING

On Friday, 30th September, 2016
at 10.00 a.m. Registered Office

NOTE :

Shareholders are requested to bring their Copy of the Annual Report alongwith them as the same will not be distributed at the Meeting.

REGISTERED OFFICE

D/396/2, TTC INDUSTRIAL AREA, TURBHE MIDC,
JUI NAGAR, NAVI MUMBAI - 400 705.
CIN : L51311MH1995PLC85007
www.ceenik.in
Tel.: 91-22-6143 9600
Email : ceenikexports@gmail.com

NOTICE

is hereby given that the Twenty Second Annual General Meeting of the members of Ceenik Exports (India) Limited will be held at 10.00 a.m. on Friday, the 30th day of September, 2016 at D-396/2, TTC Industrial Area, MIDC Turbhe, Navi Mumbai-400705, to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the audited Balance Sheet as on 31st March, 2016 and the Statement of Profit & Loss for the year ended on that date together with Directors' Report and Auditors' Report thereon.
- 2) To appoint a Director in place of Mrs. Kavita Narain Hingorani, who retires by rotation and being eligible offers herself for reappointment.
- 3) To appoint Auditors and fix their remuneration.

Place: Navi Mumbai
Date: 13.08.2016

For and on behalf of the Board of
Directors

(N.N. HINGORANI)
CHAIRMAN & MANAGING DIRECTOR

NOTES:

1. **A Member entitled to attend and vote is entitled to appoint one or more proxy (ies) to attend and vote instead of himself and the proxy (ies) need not be a member.**
2. The proxy to be effective should be deposited at the registered office of the Company not less than forty eight hours before the commencement of the Meeting.
3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed.
4. As required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015, profile of Directors seeking appointment/ re-appointments at the Annual General Meeting, forms part of the notice.
5. The Register of Members and the Share Transfer Books will remain closed from 24.09.2016 to 30.09.2016 (both days inclusive).
6. Pursuant to Section 205A of the Companies Act, 1956 all unclaimed/unpaid dividend over a period of 7 years have been transferred by the Company to the Investors Education & Protection Fund constituted by the Central Government and there is no outstanding unclaimed/unpaid dividend amount.
7. Members desiring any information as regards accounts or operations of the Company are requested to send their queries in writing at least seven days in advance of the date of the meeting so as to enable the management to keep the information ready.
8. The members who hold shares in electronic form are requested to write their client ID and DP ID and those who hold shares in physical form, are requested to write their Folio number in the attendance slip for attending the meeting.
9. Corporate member, intending to send their authorized representatives to attend the meeting, are requested to send a duly certified copy of the Board resolution, authorizing their representatives to attend and vote at the meeting.

10. The shareholders, who still hold share certificates in physical form, are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since the trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of possibility of loss of documents and bad deliveries.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of permanent account number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Share Transfer Agents.
12. Electronic copy of the Annual Report for 2016 is being sent to all the members, whose e-mail IDs are registered with the Company/depository participants for communication purposes unless any member has requested for a hard copy of the same. For the members who have not registered their e-mail address, physical copies of the Annual Report for 2016 is being sent in a permitted mode. Rules 18(3)(i) of the Companies (Management & Administration) Rules, 2014 requires a company to provide advance opportunity at least once in a financial year to the member to registered his e-mail address and any change therein. In compliance with the same, we request the members who do not have their e-mail ID registered with the Company, to get the same registered with the Company. Members are also requested to intimate to the Company the changes if any, in their e-mail address.
13. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Rule 20 of the Companies (Management & Administration) Rules, 2014, the members are informed that the Company is pleased to offer e-voting facilities as an alternative mode to voting at the meeting. Necessary arrangements have been made by the Company with the Central Depository Services Ltd. (CDSL) to facilitate e-voting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27.09.2016 (9.00 a.m.) and ends on 29.09.2016 (5.00 p.m.) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23.09.2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number which is mentioned in address label as sr no affixed on Annual Report, in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on "SUBMIT" tab.

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

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for "Ceenik Exports (India) Ltd." on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile**
- (xx) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Other Instructions:

- a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 23.09.2016.
- b) Mr. Upendra Shukla, Practising Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the members, who do not have access to the e-voting process) in a fair and transparent manner.

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c) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against if any, forthwith to the Chairman of the Company.

d) A member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a member casts votes by both modes, then voting done through e-voting shall prevail and physical ballot shall be treated as invalid.

e) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ceenik.in and on the website on CDSL www.evoting.cdsi.com within two days of the passing of the resolutions at the 22nd AGM and communicated to BSE Ltd., where the shares of the Company are listed.

Details of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting fixed on Friday, the 30th September, 2016 as required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015.

Name of the Director	Mrs. Kavita Hingorani
Date of Birth	24.01.1967
Date of Appointment	14.03.2015
Qualification	B.A
Brief Profile	Has about 20 years experience of running textile and property business.
Directorship held in other Public Companies (excluding Section 25 and foreign Companies)	One
Memberships/Chairmanship of committees of other companies (Includes only Audit & Shareholders/ Investors Grievance/Stakeholders Relationship Committee)	Nil
Shareholding in the Company (Equity)	10,50,000

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DIRECTORS' REPORT

The Members,

Your Directors are pleased to present their Twenty Second Annual Report on the working of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2016.

Financial Performance :

	Current Year March 31, 2016	Previous Year March 31, 2015
Profit before Interest & Depreciation	2,74,88,323	2,83,98,751
Finance Cost	2,11,33,796	2,74,05,431
Profit before Depreciation	63,54,527	9,93,319
Depreciation	1,12,06,711	92,95,446
Profit before Tax	(48,58,184)	(83,02,127)
Tax Expeness:		
Current tax	0	0
Deferred Tax Expense / (Income)	(32,83,522)	(1,19,85,018)
Profit after Tax	(15,68,662)	36,82,891

Dividend

Due to loss, your Directors have not recommended any dividend.

Directors' Responsibility Statement:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge, confirms that:

- in the preparation of the accounts the applicable accounting standards have been followed along with proper explanations relating to material departure;
- appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- proper and sufficient care has been taken for the 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 fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION AND ANALYSIS FOR 2015-2016

To avoid repetition in Directors' Report and Management Discussion & Analysis, your Directors have presented a composite summary of performance and functions of the Company.

Economy

In a subdued global economy and ongoing slowdown in China, India's macroeconomic performance remained stable during the financial year 2015-16. An equally important aspect was the stability in retail inflation of around 5%, which enable the RBI to continue with its accommodative policy stance. However, rate cuts to the tune of 100 basis points during the year did not translate into desired reduction in lending rates. Consequently, improvement in business and consumer confidence during the year remained weak. The growth in the garment industry picked up but real estate remained subdued

Industry Structure and development

Your Company belongs to the Garment and apparel industry, which is susceptible to fast changing trends and styles. It is a labour intensive Industry and requires skilled and unskilled labour in large numbers. The new Government has laid emphasis on job oriented industries to generate employment and has announced several incentives.

Regulations

- (i) The Companies Act 2013 (The Act) and the rules made there under
- (ii) Listing Agreement with BSE Ltd.

Performance of the Company

Domestic sales for the year under review were Rs.1321.49 lakhs, a rise of nearly 110% as compared to last year. Income from the real estate and investment activities was down by about 43%.

The total income including other income for the year under review was Rs.1544.37 lakhs and loss after tax of Rs.-15.68 lakhs as against Rs.1014.03 lakhs and profit after tax of Rs.36.82 lakhs for the previous year respectively.

MATERIAL CHANGES AND COMMITMENT

There was no material change and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

Opportunity and threats

Your Company is strengthening its manufacturing facilities and is able to procure the entire range of Men's wear at low cost with reasonably good quality. The growing young population of our country gives tremendous scope for the development of this industry.

The unavailability of skilled labour and high interest rates has caused a negative effect on the growth rates and Increased manpower costs.

Future Outlook

Your Directors are of the opinion that new government's agenda of development and creating jobs for young generation will stimulate the growth. Considering the huge population and change in consumers' spending pattern, Indian economy is bound to grow in coming years.

SUBSIDIARY COMPANIES

Your Company does not have any subsidiary.

CONSOLIDATED FINANCIAL STATEMENTS

Since the Company does not have any subsidiary company or associate or joint venture, consolidated financial statements are not prepared.

Corporate Governance

Provisions of para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 are not applicable to your Company. Hence, report on Corporate Governance is not annexed.

Loans, Guarantees and investments

The Company has not given any loan or guarantee. The Company has made investments in shares and commercial properties details of which are provided in the financial statements.

Public Deposits

Your Company has not accepted any deposit from the public, its shareholders or employees during the year under review.

Conservation of Energy etc.

Information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the rules made there under, is annexed as Annexure I.

Transactions with related parties

None of the transactions with related parties falls under the scope of Section 188(1) of the Companies Act, 2013. Information on transactions with related parties pursuant to Section 134 (3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure III in Form AOC-2 and the same forms part of this report.

Directors and key managerial personnel

Mrs. Kavita Narain Hingorani shall retire by rotation at the forthcoming Annual General Meeting and being eligible has offered herself for re-appointment.

During the year under review, none of the non-executive directors had any pecuniary relationship or transactions with the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 and Clause 49 of the listing agreement with the BSE Ltd. Mr. Narain Hingorani, Managing Director of the Company is Chief Executive Officer, and Mr. Prakash Dhumal is the Chief Finance Officer. Mr. Manoj Parida, Company Secretary resigned on 18.03.2016.

The Company is in search of an ideal candidate for the post of the Company Secretary.

Disclosure by Independent Directors:

All the Independent Directors have furnished declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013.