



#### BOARD OF DIRECTORS

Mr. G.S. Kandoi	:	Chairman cum Managing Director
Mr. Manish Singhal	:	Executive Director
Mr. R. C. Maheswari	:	Whole Time Director
Mrs. Savitri Kandoi	:	Non-Executive Director
Mr. Radhey Shyam Gemini	:	Independent Director (w .e .f. 9.11.15)
Mr. Rameshwar Pareek	:	Independent Director
Mr. Kamlesh Sharma	:	Independent Director
Mr. Raj Kumar Agarwal	:	Independent Director

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#### MANAGEMENT EXECUTIVE

##### Company Secretary & Compliance Officer

CS Navita Khunteta (Till 04.02.2016)  
CS Harshit Attar (From 27.05.2016)

##### Chief Financial Officer

Shiv Ratan Sharma

#### BANKER

STATE BANK OF BIKANER & JAIPUR  
STATE BANK OF INDIA

#### AUDITOR

M/s R. Sogani & Associates  
Chartered Accountants,  
Shri Dham, R-20, Yudhishter Marg,  
C-Scheme, Jaipur

#### SECRETARIAL AUDITOR

M/s. Arms & Associates LLP  
Company Secretary in Practice,  
24 Ka 1, Jyoti Nagar, Jaipur

#### REGISTRAR & SHARE TRANSFER AGENT

M/s. Niche Technologies Pvt. Ltd  
D-511, Bagree Market, 71, B. R. B. Basu Road,  
Kolkatta 700001

#### DEPOSITORY PARTICIPANT

National Securities Depository Ltd.  
Central Depository Services (India) Ltd

#### WORKS

1. Plot No. SP-4/3, RIICO Industrial Area, Village & Post Keswana, Tehsil Kotputli, District Jaipur-303108
2. C-171, Road No.9J, VKI Area, Jaipur-302013



## **MISSION STATEMENT**

TO BE THE GLOBAL MANUFACTURER AND SUPPLIER OF THE  
HIGHEST QUALITY PRODUCTS AND SERVICES AT A  
REASONABLE PRICE TO SATISFY  
CUSTOMERS WORLDWIDE

## **VISION**

WE ARE DEDICATED TO DELIVER SUPERIOR  
STAKEHOLDER VALUE WITH PASSION AND  
ENTREPRENEURIAL SPIRIT

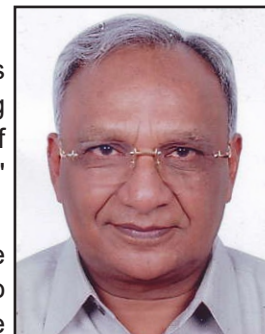
## **VALUE**

INTEGRITY - NEVER COMPROMISED

## **CHAIRMAN'S MESSAGE**

Dear Fellow Shareowners,

My colleagues on the Board and I extend warm welcome and express their gratitude to the all present here at this 36th Annual General Meeting of your Company. The Board Report and Audited Financial Statements of the Company for the year ended March 31, 2016 along with the Auditors' Report thereon has been with you.



During FY 2015-16, the global economy witnessed a spill-over of the heightened volatility and uncertainty from earlier years. In addition to concerns in various large economies like China, Japan and some European nations, the trends in commodities and currencies have exerted pressure on both developed economies and emerging markets. As a result, global growth rates continue to be sluggish.

The Central Government in its second year has begun to implement initiatives aimed at re-shaping growth trends for the country. The focus on financial inclusion, improved infrastructure, revival of the rural economy and impetus on local manufacturing are important thrust areas that will benefit consumption patterns in India. Furthermore, initiatives like Make in India and Digital India, 'Start Up India, Stand Up India' and projected India as an important destination for manufacturing activity, it will play a vital role in driving the Indian economy. An expected normal Monsoon in FY 2016-17 will give agriculture growth kick, which will prove good for Indian Economy and should lift upward.

Amidst such a scenario, your Company continued to deliver stable operational and financial progress during the period under review. We are delighted to see our revenue from operation achieving new milestone of Rs.21432.63 lacs in FY 2015-16 as against Rs.18589.93 lacs in FY 2014-15, an increase of 15.29% on a year on year basis. KGPL also achieved its record level of export (FOB) Rs.16574.67 lacs in F.Y. 2015-16 in comparison to Rs.14810.95 lacs in FY 2014-15, thus increased by 11.91 %. Profit after tax was Rs. 926.88 lacs as against Rs.208.71 lacs in the previous year. These results were fuelled by the remarkable acceptance of our product in overseas as well as in domestic market. Further, we do believe that the multiple initiatives taken this year will result in benefits that will be sustained and far-reaching in nature.

As we look ahead to greater prosperity in the years ahead, I would like to express my appreciation to all our employees, for their contribution towards the performance of KGPL. I would also like to extend my gratitude towards our Customers and suppliers for their loyalty and trust in us. And to all of our shareholders, I would like to express my sincere appreciation for their continued encouragement and support.

With Best Wishes,

**G.S. KANDOI**

Chairman



## K G Petrochem Limited

CIN: L24117RJ1980PLC001999

Registered Office: C-171, Road NO.9J, V.K.I. Area, Jaipur Rajasthan-302013

Telephone : 01412331231,

Email: jproffice21@bhavik.biz

Website : www.kgpetro.in

### NOTICE

Notice is hereby given that the 36<sup>th</sup> Annual General Meeting of members of K G PETROCHEM LIMITED will be held on Monday, 26.09.2016 at 10.30 A.M at C-171, Road No 9J, VKI Area, Jaipur 302013, Rajasthan to transact the following business:

#### ORDINARY BUSINESS:

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

1. "RESOLVED THAT the Audited Balance Sheet as on 31st March, 2016 and the Statement of Profit and Loss Account and the Cash Flow Statement for the financial year ended 31.03.2016 and the Report of the Board of Directors and the Auditors thereon, be and are hereby approved and adopted".
2. "RESOLVED THAT Mrs. Savitri Kandoi (DIN: 06921389) Director of the Company, who retires by rotation at this meeting pursuant to the provisions of Section 152 (6) (c) of the Companies Act 2013, being eligible for reappointment, be and is hereby appointed as a Director of the Company."
3. "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014 and subject to approval by members of the Company, the appointment of M/s. R Sogani & Associates, Chartered Accountants (FRN 018755C), as the Statutory Auditors of the Company for a term of consecutive five years starting from conclusion of the 34th Annual General Meeting till the conclusion of 39<sup>th</sup> Annual General Meeting of the Company be and is hereby ratified at the 36<sup>th</sup> Annual General Meeting of the Company at such remuneration as may be finalized by the Board of Directors of the Company in consultation with the Auditors."

#### SPECIAL BUSINESS:

4. **Appointment of Mr. Radhey Shyam Gemini (DIN - 00108706) as an Independent Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 & 161 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and Regulation 17(1) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, Mr. Radhey Shyam Gemini (DIN - 00108706) who has been appointed as an additional director of the company and holds office up to this Annual General Meeting and for whom the company has received a notice in writing under section 160 of the Companies Act 2013 from a member proposing his candidature for the office of the director, be and is hereby appointed as an Independent Director of the Company."

By the order of the Board  
For KG Petrochem Limited

Harshit Attar  
Company Secretary

Date : 13.08.2016  
Place : Jaipur

**Notes:**

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company (a copy of proxy form is attached). The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.  
A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. Members/ Proxies should bring the attendance slips duly filled-in for attending the meeting and deliver the same at the entrance of the meeting place.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members holding shares in single name and in physical form are advised to make nomination in respect of their shareholding in the company.
6. The Register of Member & Share Transfer Book of the company will remain closed from 20/09/2016 to 26/09/2016 (both days inclusive).
7. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Registrar.
8. 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 their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Registrar.
9. Members are requested to bring their copies of Annual Report to the meeting.
10. Members seeking further information about the accounts are requested to write at least 7 days before the date of the meeting so that it may be convenient to get the information ready at the meeting.
11. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
12. Members are requested to inform the Company's Registrar and Share Transfer Agent i.e. Niche Technologies Pvt. Ltd., B-511, Bagree Market, 5th floor, 71, B.R.B. Basu Road, Kolkatta-700001 about the changes, if any, in their registered address along with the Pin Code, quoting their Folio Number and DP ID. All correspondence relating to transfer of shares may be sent directly to the aforesaid Registrar and Share Transfer Agent of the Company.
13. With a view to using natural resources, we request shareholders to update their e-mail addresses with their depository participants if shares held in demat mode and with the Registrar if the shares are held in Physical form.
14. Relevant documents referred to in accompanying Notice and Statements are open for inspection by the Members at the Registered Office of the company on all working days during business hours. Members may also note that the Notice of 36th Annual General Meeting and Annual Report for the year 2015-2016 is also available on the website of the Company [www.kgpetro.in](http://www.kgpetro.in) for their download.
15. Voting through electronic means
  - a. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide remote e-voting facility to the members of the Company to exercise their right to vote in respect of the resolutions to be passed at the 36th Annual General Meeting. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).
  - b. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - c. The process and manner for remote e-voting are as under:
    - (i) The voting period begins on 23.09.2016 at 10.00 A.M. and ends on 25.09.2016 at 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 19.09.2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for v o t i n g 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](http://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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
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"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>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.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the 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"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Bank details field as mentioned in instruction (iv).</li> </ul>

- (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 the relevant Company Name i.e. KG Petrochem Limited 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. Apple 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](http://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](mailto: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](mailto: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.
- (xxi) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact them at 1800 200 5533.



- d. Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting and that the members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
16. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote through e-mail at [cssandeep@armsandassociates.com](mailto:cssandeep@armsandassociates.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before 25/09/2016 without which the vote shall not be treated as valid.
17. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19/09/2016.
18. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members /beneficer owner positing list provided by depositories as at closing hours of business, on Friday, 12/8/2016
19. The shareholders shall have one vote per equity share held by them as on the cut-off date of 19/09/2016. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
20. Since the Company is required to provide members the facility to cast their vote by electronic means to the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19/09/2016 and the shareholders not casting their vote electronically, may only cast their vote at the Annual General Meeting.
21. Notice of the AGM along with attendance slip, proxy form along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s). For members who request for a hard copy and for those who have not registered their email address, physical copies of the same are being sent through the permitted mode.
22. Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 19/09/2016 are requested to send the written / email communication to the Company at [jproffice21@bhavik.biz](mailto:jproffice21@bhavik.biz) by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
23. Mr. Sandeep Jain of M/s. ARMS and Associates LLP, Practicing Company Secretary (FCS 5398) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
24. The results declared along with the report of Scrutinizer shall be placed on the website of the Company [www.kgpetro.in](http://www.kgpetro.in) and on the website of CDSL. The results shall also be forwarded to the Stock Exchange viz BST Ltd., where the share of the company are listed.
25. Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the brief profile of Directors eligible for re-appointment vide item no. 2 and 4 is as follows:

Particulars	Mrs. Savitri Kandoi	Mr. Radhey Shyam Gemini
Din	06921389	00108706
Date of Birth	02.03.1951	15.02.1951
Date of Appointment	10.07.2014	09.11.2015
Qualifications	8 <sup>th</sup> Passed	B.A.
Experience in specific functional areas	Administration	Administrative & Marketing
Directorship held in Other public company	Nil	3
Chairman/Member of the Audit Committee and Stakeholders' Grievance Committee in other public company	Nil	Nil
Number of shares held in the company	420500	Nil





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

**Item No. 4: Appointment of Mr. Radhey Shyam Gemini (DIN 00108706) as a Director.**

To fill the vacancy caused due to resignation of Mr. Nitin Jaipuria, Independent Director from the Board with effect from 6.11.2015, Mr. Radhey Shyam Gemini was appointed as an additional director of the company w.e.f. 09/11/2015, who holds office upto the date of ensuing Annual General Meeting of the company.

Notice has been received from member proposing Mr. Radhey Shyam Gemini as candidate for the office of Director of the company with a deposit of Rs.1.00 lac. Mr. Radhey Shyam Gemini is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director. Brief resume of Mr. Radhey Shyam Gemini, nature of his expertise in specific functional area and names of companies in which he hold directorships and memberships/ chairmanships of Board Committees is as follows:-

Particulars	Mr. Radhey Shyam Gemini
Din	00108706
Date of Birth	15.02.1951
Age	65 years
Date of Appointment	09.11.2015
Qualifications	B.A.
Experience in specific functional areas	Administrative & Marketing
Directorship held in Other public company	3
Chairman/Member of the Audit Committee and Stakeholders' Grievance Committee in other public company	Nil
Remuneration (sought to be paid)	No remuneration will be paid
Number of shares held in the company	Nil
Relationship with other directors, manager and KMP of the company	Not related with other directors, manager or KMP
Number of Board meeting attended during the year	One meeting attended during year i.e. 13.02.2016
Terms and Conditions of Appointment	Specify
Date of first appointment on the board	09/11/2015

Mr. Radhey Shyam Gemini being appointee is interested in the resolution and None of the other Directors and/or Key Managerial Personnel of the Company and their relatives is interested in the aforesaid resolution.  
The Board recommends the Ordinary Resolution set out at Item no. 4 of the Notice for the approval of the shareholders.

Date: 13/08/2016  
Place: Jaipur

By order of the Board of Director  
For KG Petrochem Limited

Harshit Attar  
Company Secretary  
Membership No.- 41051





## **BOARD'S REPORT**

To,  
The Members of  
K G Petrochem Limited

Your Directors have pleasure in presenting this 36<sup>th</sup> Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2016

### **FINANCIAL HIGHLIGHTS**

**(Rs. In Lacs)**

	<b>2015-2016</b>	<b>2014-2015</b>
Gross Income	21801.88	19080.52
Profit Before Interest and Depreciation	3052.82	2570.87
Interest Charges	707.09	858.37
Profit Before Depreciation	2343.73	1712.50
Depreciation	1360.95	1189.26
Net Profit Before Tax	982.78	523.34
Provision for Tax	55.90	314.53
Net Profit After Tax	926.88	208.71

### **REVIEW OF OPERATIONS**

During the Financial Year, the company was able to improve its performance in revenue from operation. The revenue from operation of the company for the year ended 31<sup>st</sup> March 2016 was Rs. 21432.63 lacs as against Rs. 18589.93 Lacs in F.Y 2014-15, an increase of 15.29% on a year to year basic.

Further Segment wise result of operation is as under:-

#### **Textile Division**

During the year, its revenue from operation was Rs. 21366.44 lacs including export sales of Rs 16574.67 lacs (fob) as against Rs. 18501.44 lacs including export of Rs. 14810.95 lacs in previous year, growth of 15.49 %. The division has performed well during the year under review.

#### **Agency Division**

During the year the agency division has sold HDPE/LLDPE Granules 16146.45 Mt. amounting to Rs. 16798.67 lacs in comparison of 21846 Mt. amounting of Rs. 25581 lacs and earned commission of Rs. 66.19 lacs as compared to last year Rs. 88.43 Lacs only due to plant of Gail was under maintenance about 2 months.

#### **Garment Division**

Garment division is doing 100% Job work for Textile Division.

### **CHANGE IN NATURE OF BUSINESS, IF ANY**

There was no change in the business of the Company during the financial year **2015-16**.

### **DIVIDEND**

In order to conserve the resources of company the directors are not recommending any dividend.

### **AMOUNTS TRANSFERRED TO RESERVES**

During the Financial year 2015-16, company has received capital subsidy under TUFF Scheme Rs. 446.44 lacs (Net of withdrawal), which added in capital reserve and Rs. 926.90 lacs transfer to surplus account.



#### **INVESTOR EDUCATION AND PROTECTION FUND**

There was no unclaimed / unpaid dividend, hence the company is not required to transfer any amount to Investor Education and Protection Fund (IEPF) pursuant to sections 124 and 125 of the Companies Act, 2013 and other applicable provisions.

#### **SHARE CAPITAL**

There was no any change in share capital of the company during the financial year 2015-16.

#### **MATERIAL CHANGE AND COMMITMENTS**

No material changes have occurred and commitments made, affecting the financial position of the company, between the end of the financial year of the company and the date of this report.

There is no order passed by any regulator or court or tribunal against the company, impacting the going concern concept or future operations of the company.

#### **INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY**

The company's internal control system is commensurate with the size, scale and complexity of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks with best practices in the industry. The internal audit is entrusted to M/s. Arpit Vijay & Co, Chartered Accountants. The Internal Auditor of the company conduct the audit on regular basis and Audit Committee actively review the Internal Audit Report. The Management with Audit Committee periodically reviews the Internal Control System and procedure for the efficient conduct of the business.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

On the recommendation of Nomination and Remuneration Committee, the Board appointed Mr. Radhey Shyam Gemini, as an Additional Director of the company with effect from November 09, 2015, who shall hold office up to the Annual General Meeting, and is eligible for appointment as Director as provided under the Articles of Association of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Radhey Shyam Gemini for the office of Independent Director.

As per the provisions of the Companies Act, 2013, Mrs. Savitri Kandoi will retire by rotation at the ensuing AGM and being eligible offered herself for re-appointment. The Board recommends her re-appointment.

Mr. Nitin Jaipuria, who was appointed as the Independent Director of the company on July 13, 2009 has resigned from the Board on November 06, 2015. The Board of Directors records their appreciation for the services rendered by Mr. Nitin Jaipuria during his tenure.

Ms. Navita Khunteta, who was the Company Secretary of the company on July 10, 2014 has resigned from the Company on February 04, 2016. The Board of Directors records their appreciation for the services rendered by Ms. Navita Khunteta during his tenure.

The Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

#### **MEETINGS OF THE BOARD OF DIRECTORS**

During the year 2015-16, the Eight Board meetings were conveyed and held on 16/04/2015, 18/04/2015, 26/05/2015, 30/05/2015, 14/08/2015, 23/09/2015, 09/11/2015 & 13/02/2016. Other details pertaining to attendance at the meeting and sitting fee/ commission/ remuneration paid to them at the meeting are given in Corporate Governance Report attached with this Report. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.

#### **EVALUATION OF THE BOARD'S PERFORMANCE**

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. More details on the same are given in the Corporate Governance Report.

The Company has prepared an annual performance evaluation policy for performance evaluation of Independent Directors, Board and the Committees.

Separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.