

NB FOOTWEAR LIMITED



**28th Annual Report
2015 - 2016**

BOARD OF DIRECTORS

Mr Kannan A Yadav	Managing Director & CEO
Mr Rajen K Desai	Director
Mr S Krishnan	Director - Independent
Mr S Krishnan	Director - Independent
Mr Sudhakar Shetty	Director – Independent
Mr Gregory Periera	Director
Mrs Krishnaveni Kannan Yadav	Director

AUDITORS

M/s. J V Ramanujam & Co,
Chartered Accountants,
New No.233, Old No.113, First Floor,
R K Mutt Road, Raja Annamalaipuram,
Chennai 600 028

BANKERS

Union Bank of India
Broadway Branch
Chennai - 600 108.

REGISTERED OFFICE

No. 87/84A, Mosque Street, Seduvalai Village,
VELLORE 632 104,
Email : nbfootwearltd@gmail.com
Website: www.nbfootwear.info

CORPORATE OFFICE

6E, GEE GEE Emerald, 6th Floor,
No.151, Village Road, Nungambakkam
CHENNAI – 600 034, TAMIL NADU

N B FOOTWEAR LIMITED

CIN L19201TN1987PLC014902

NOTICE CONVENING TWENTY EIGHTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the TWENTY EIGHTH ANNUAL GENERAL MEETING of the Company will be held at Hotel Khanna, No. 16, Officers Line, Vellore 632 104 on Wednesday, the 30th September 2016 at 10.00 a.m. to transact the following business :-

ORDINARY BUSINESS

01. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2016 and the Statement of Profit and Loss for the year ended on that date together with the report of Directors and Auditors thereon.
02. To appoint a Director in place of Mr Sudhakar Shetty who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
03. To appoint a Director in place of Mr S Krishnan who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
04. To consider and if thought fit, to approve with or without modification(s) the following resolution as an Ordinary resolution :

RESOLVED THAT pursuant to Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. J.V. Ramanujan & Co, Chartered Accountants (Firm Registration Number 02947S) be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on the same remuneration".

By order of the Board of Directors
For N B FOOTWEAR LIMITED

Place : Mumbai
Dated : 30th May 2016

(KANNAN A YADAV)
MANAGING DIRECTOR & CEO

NOTES :-

01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the AGM. Proxies submitted on behalf of Companies, Societies etc. must be supported by an appropriate resolution/authority, as applicable. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person shall not act as a proxy for more than 50 (Fifty) members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company provided that such person shall not act as proxy for any other person.
02. The Register of Members and Share Transfer Books of the Company will remain closed from 26/09/2016 to 30/09/2016 (both days inclusive).
03. Members holding shares in electronic form are requested to intimate any change in address to their respective Depository Participants and those holding shares in physical form are to intimate the above said changes to the Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai 600 002.
04. The Securities Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their details to the Company's Registrar and Transfer Agent.
05. Members, who have not registered their email address so far, are requested to register their email ids for receiving all communications including Annual Report, Notices etc. from the Company electronically.
06. As a measure of austerity, copies of Annual Report will not be distributed at the AGM. Members are therefore requested to bring their copies of the Annual Report to the Meeting.
07. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules issued thereunder and Clause 35B of the Listing Agreement, the Members are provided with the facility to cast their vote by electronic means through e-voting platform provided by CDSL. The detailed instructions for evoting are annexed to this Notice.
08. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013 read with the Rules issued thereunder. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled to M/s. Cameo Corporate Services Limited. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.
09. Information required under Regulation 36 (3) of SEBI (LODR) Regulation, 2015 with respect to the Directors retiring by rotation and being eligible, seeking re-appointment is as under :-

01	Name of the Director	Sudhakar Shetty,
02	Director Identification Number	00249448
03.	Date of Appointment	22/03/1996
04.	Brief resume of the Director including nature of expertise in specific functional areas.	A graduate in Commerce and having two decades of experience in administration and trading.
05.	Number of shares held in the Company	Nil
06.	Directorships and Committee Memberships held in other Companies (excluding alternate directorships, directorships in private limited companies, foreign companies and Companies under Section 8 of the Companies Act, 2013. Membership and Chairmanship of Audit Committee and Shareholders Relationship Committee have been included).	Director in Grandeur Corporation Private Limited and Prerna Healthcare Private Limited

01	Name of the Director	S Krishnan,
02	Director Identification Number	00583985
03.	Date of Birth	02-09-1962
04.	Date of Appointment	17-10-1998
05.	Brief resume of the Director including nature of expertise in specific functional areas.	A Graduate in Physics from University of Madras. He is also Associate Member of Institute of Chartered Accountants of India and Institute of Company Secretaries of India. Has over two decades of varied experience in industry comprising of automobile, leather footwear, pharmaceuticals, liquor, sugar, hotels and FMCG.
06.	Number of shares held in the Company	Nil
07.	Inter-se relationship between Directors	
08.	Directorships and Committee Memberships held in other Companies (excluding alternate directorships, directorships in private limited companies, foreign companies and Companies under Section 8 of the Companies Act, 2013. Membership and Chairmanship of Audit Committee and Shareholders Relationship Committee have been included).	Director in Adgear Media Private Limited

Except Shri Sudhakar Shetty (DIN 00249448) and Mr S Krishnan (DIN 00583985) , no other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the re-appointment of the above directors as a Non-Executive Director of the Company.

The Board commends Ordinary Resolution set out at Item No.4 of the Notice for approval.

By order of the Board of Directors
For N B FOOTWEAR LIMITED

Place : Mumbai
Dated : 30th May 2016

(KANNAN A YADAV)
MANAGING DIRECTOR & CEO

DIRECTORS REPORT

Board's Report

To the Members

Your Directors present herewith the Twenty Eighth Annual Report on the Annual Accounts for the year ended 31st March 2016.

01. FINANCIAL RESULTS

The financial performance of your Company for the year ended 31st March 2016 is summarized below.

S. No.	Description	For the year ended 31 st March 2016 (Rs. In Lakhs)	For the year ended 31 st March 2015 (Rs. In Lakhs)
01.	Total Income	0.00	0.00
02.	Total Expenditure	15.84	17.59
03.	Profit/(Loss) before exceptional and extraordinary items	(15.84)	(17.59)
04.	Extraordinary items	0.00	0.00
05.	Net Profit/(Loss)	(15.84)	(17.59)

02. PERFORMANCE

There was no manufacturing activity during the year under review. The minimum expenditure incurred in running the offices have resulted in a net loss of Rs. 15.84 lakhs.

03. DIVIDEND

In view of the loss, your Directors do not propose any dividend for the year ended 31st March 2016.

04. OPPORTUNITIES, CHALLENGES AND CONCERNS

Even though there exist lot of opportunities for growth, cut-throat competition and fluctuating foreign currency are challenges thrown open to the industry. Unfavorable factors such as economic slowdown, inflationary pressure and other external factors have affected the operations of the Company.

Nevertheless, the Directors are confident of converting the challenges into opportunities going forward.

05. PUBLIC DEPOSITS

During the financial year 2015-2016, your Company did not accept any deposit within the meaning of Section 73 and 74

of Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

06. INDUSTRIAL RELATIONS

The industrial relations of the Company have been cordial.

07. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, are set out herewith as Annexure (B) to this Report.

08. LOANS AND INVESTMENTS

The Company has neither given any loan nor issued any guarantee / made investments during the year under review, in accordance with Section 186 of the Companies Act, 2013 read with the Rules issued thereunder

09. RELATED PARTY TRANSACTIONS

During the financial year 2015-16 your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definition Details) Rules, 2014 which were in the ordinary course of business and on arms length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued there under and SEBI (Listing Obligations & Disclosures Requirements) (LODR) Regulations, 2015.

During the financial year 2015-16, there were no transactions with related parties which qualify as material transactions and hence the requirement of attaching form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013, as Annexure to this Report is Not applicable to the Company.

The details of related party transactions as required under Accounting Standard - 18 are set out in Notes to the financial statements forming part of this Annual Report.

10. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

There are no Directors/Employees who were in receipt of the remuneration as prescribed under Section 197 of the Companies Act 2013 read with Companies (Appointment and Remuneration) of Managerial Personnel Rules, 2014

during the year under review and hence annexure required under the said Section is not attached.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mrs Krishnaveni Kannan Yadav (DIN 00249260) was appointed as an Additional Director of the Company at the Board Meeting held on 29/05/2015 to hold office till the conclusion of the next Annual General Meeting. At the AGM held on September 30, 2015 her appointment as a Non-Executive Director was approved by the members.

Mr Sudhakar shetty and Mr S Krishnan, Directors retire by rotation in the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as SEBI (LODR) Regulations, 2015.

12. NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

The details of the number of Board and Audit Committee Meetings of the Company are set out in the Corporate Governance Report which forms part of this Report.

13. CORPORATE GOVERNANCE

In compliance with the requirements of SEBI (LODR) Regulations, 2015, a separate Report on Corporate Governance along with the Auditors Certificate on its compliance forms an integral part of this Report.

14. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the Section 134(3) (c) of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March 2016, the applicable accounting standards and Schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;
- 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 your Company as at 31st March 2016 and the Loss of the Company for the year ended 31st March 2016;

- c) proper and sufficient care have been taken 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 annual accounts have been prepared on a 'going concern' basis.
- e) proper internal financial control laid down by the Directors have been followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws were in force and that such systems were adequate and operating effectively.

15. STATUTORY AUDITORS AND AUDITORS' REPORT

At the Twenty Seventh Annual General Meeting of the Company held in September 2015,

M/s. J V Ramanujam & Co, Chartered Accountants (Firm Registration No. 002947S) were appointed as Auditors to hold office until the conclusion of the Twenty Eighth Annual General Meeting of the Company.

M/s. J V Ramanujam & Co, Chartered Accountants who retire at the ensuing Annual General Meeting of your Company are eligible for re-appointment. Your Company has received written consent and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued thereunder.

The Audit Committee and the Board of Directors recommend the appointment of M/s. J V Ramanujam & Co, Chartered Accountants as the Auditors of your Company for the financial year 2016-17 till the conclusion of next Annual General Meeting.

With reference to the Auditors observation on Company's ability to continue as a going concern in the foreseeable future, the Directors wish to submit that the Company is looking at various options including core team to execute business segments.

As regards Auditors observation in Para vii (b) in Annexure to Auditors Report, the Directors submit that the disputed

dues to Central Excise Act, 1944 and Sales Tax Law have been pending from 1999-2000 and 1995-1996 onwards; that the Company is confident of obtaining favourable outcome in these cases. Hence, these amounts have not been deposited with the concerned authorities.

16. SECRETARIAL AUDITORS' REPORT

The Company was declared sick by the Board for Industrial and Financial Reconstruction (BIFR) on 21/05/2001; that the Company's operations have been discontinued for more than ten years; that however Company is taking every effort to appoint a qualified Company Secretary.

The Directors wish to submit that as on 31st May 2016, 99% of Promoters and Promoters groups are in dematerialised form; that all efforts are taken to dematerialise the entire shareholding of Promoters and Promoters group.

17. RISK MANAGEMENT

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

18. VIGIL MECHANISM

Your Company is committed to highest standards of ethical and legal standards. Accordingly, the Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

19. CORPORATE SOCIAL RESPONSIBILITY

The provisions of the Companies Act, 2013 on Corporate Social Responsibility are not applicable to the Company.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND ADAPTATION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption and adaptation and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules for the financial year ended 31st March 2016 are NIL.

21. DETAILS OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS

The Company has in place adequate financial controls with respect to Financial Statements. No material weakness in such controls was observed during the year under review.

22. SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

23. ACKNOWLEDGEMENT

Your Directors wish to convey their gratitude and appreciation to Government Departments, shareholders, bankers, business associates and employees for their continued support.

By order of the Board of Directors

For **N B FOOTWEAR LIMITED**

(KANNAN A YADAV)
MANAGING DIRECTOR & CEO

Place : Mumbai
Dated : May 30, 2016

ANNEXURE (A) TO BOARD'S REPORT**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016**

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

To

The Members,
M/s. NB FOOTWEAR LIMITED,
No. 87/84A, Mosque Street,
Seduvalai Village,
VELLORE 632 104

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NB FOOTWEAR LIMITED (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2016 ('Audit Period') 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:

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

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment, Foreign Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;