

DATE OF AGM: 30-09-2016

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED

[CIN: L25209G]1992PLC017791]

ANNUAL REPORT 2015-16

BOARD OF DIRECTORS	:	MR. VRAJLAL VAGHASIA MR. JITENKUMAR VAGHASIA MR. KETANBHAI BALDHA MR. VINESH BABARIA MR. KANTIBHAI DEVANI
AUDIT COMMITTEE	:	MR. KETANBHAI BALDHA MR. VINESH BABARIA MR. JITENKUMAR VAGHASIA
NOMINATION AND REMUNERATION COMMITTEE	:	MR. VINESH BABARIA MR. KETANBHAI BALDHA MR. KANTIBHAI DEVANI
STAKEHOLDERS RELATIONSHIP COMMITTEE	:	MR. VINESH BABARIA MR. KETANBHAI BALDHA MR. JITENKUMAR VAGHASIA
STATUTORY AUDITORS	:	M/S. S.D. MEHTA & CO., CHARTERED ACCOUNTANTS AHMEDABAD
REGISTERED OFFICE	:	PLOT NO. 119-120, SANTEJ-VADSAR, AT & POST SANTEJ, TALUKA: KALOL, DISTRICT: GANDHINAGAR – 382 721
REGISTRAR & SHARE TRANSFER AGENT	:	PURVA SHAREGISTRY PVT LTD UNIT NO. 9, SHIV SHAKTI IND. ESTATE, J .R. BORICHA MARG, OPP. KASTURBA HOSPITAL LANE, LOWER PAREL (E) MUMBAI 400 011

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NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of M/s. Narmada Macplast Drip Irrigation Systems Limited (L25209GJ1992PLC017791) will be held on Friday, 30th September, 2016 at 4:00 P.M. at the Registered Office of the Company at Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol, District Gandhinagar – 382 721 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2016, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vrajlal Vaghasia (DIN -02442762) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of the Auditors of the Company and to fix their remuneration and in this regard:

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 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rule, 2014 (including and statutory modifications(s) or re-enactment(s) thereof for the time being in force), M/s. S. D. Mehta & Co., Chartered Accountants, Ahmedabad (firm registration number 137193W) appointed as the Auditors of the Company for period of three years from the conclusion of the 22nd Annual General Meeting till the conclusion of the 25th Annual General Meeting, their appointment be and is hereby ratified for the financial year 2016-17 and that the Board of Directors or Audit Committee be and are hereby authorized to fix such remuneration of the Auditors.”

SPECIAL BUSINESS

4. Re-appointment of Mr. Vrajlal Vaghasia (DIN 02442762), as Managing Director of the Company. Consider and if thought fit, to pass with or without modification, the following resolution as **SPECIAL RESOLUTION**:

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Vrajlal Vaghasia, as Managing Director of the Company with effect from 05th April, 2016 to 05th April, 2021, as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Vrajlal Vaghasia.”

“RESOLVED FURTHER THAT the remuneration payable to Mr. Vrajlal Vaghasia, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

5. Re-appointment of Mr. Jiten Vaghasia (DIN 02433557), as Whole-time Director of the Company.

Consider and, if thought fit, to pass, with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to recommendation of the Board Governance, Nomination and Compensation Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Jiten Vaghasia, as Whole-time Director of the Company with effect from 05th April, 2016 to 05th April, 2021, as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and 05th April, 2016 to 05th April, 2021.”

“RESOLVED FURTHER THAT the remuneration payable to 05th April, 2016 to 05th April, 2021, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

BY ORDER OF THE BOARD
For NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED

VRAJLAL VAGHASIA
MANAGING DIRECTOR
DIN- 02442762

Date: 30th May, 2016
Place: Ahmedabad

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him/herself and proxy need not be a member. The proxies to be effective should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty 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 are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
3. Pursuant to the Listing Regulation, details of directors seeking appointment/reappointment at the Meeting are given in detail, is annexed hereto.
4. Shareholders are requested to bring their copy of Annual Report to the meeting.
5. Members/Proxies should fill Attendance Slip for attending the meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 26th September, 2016 to Friday, 30th September, 2016 (both days inclusive).
7. Members seeking any information or clarification on Accounts are requested to send written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries received only at the meeting.
8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the administrative office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
9. 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 or its Share registrars and Transfer Agents.

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

Item No. 5

Mr. Vrajlal Vaghasia, who was appointed as Managing Director by the members to hold office upto 05th April, 2016 will attain the age of 70 years in year 2016 and hence continuation of his employment as Managing Director requires the approval of members by way of a special resolution. Section 196(3) of the Companies Act, 2013, inter alia,

provides that no company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time director or Manager unless it is approved by the members by passing a special resolution. Part 1 of Schedule V to the Act contains a similar relaxation. Keeping in view that Mr. Vrajlal Vaghasia has rich and varied experience in agricultural Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Mr. Vrajlal Vaghasia as Managing Director. Mr. Vrajlal Vaghasia is a graduate in Science, therefore Board of Directors in their meeting held on 5th March, 2016 proposed to reappoint him for further period of five years that is from 05th April, 2016 to 05th April, 2021.

The details of remuneration payable to Mr. Vrajlal Vaghasia is 1,78,000/- per year.

Your Directors proposed to pass following resolution as Ordinary Resolution.

Item No. 6

Mr. Jiten Vaghasia, who was appointed as Managing Director by the members to hold office upto 05th April, 2016, further in terms of the Corporate Governance guidelines of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee the Board of Directors of the Company vide resolution passed on March 5, 2016 approved re-appointment of Mr. Jiten Vaghasia as Whole Time Director of the Company for the period of five years that is from 05th April, 2016 to 05th April, 2021 in accordance with the provisions contained in Section 196 and 197 read with Section 203 of the Companies Act, 2013 Approval of the members is required by way of Ordinary Resolution for appointment and payment of remuneration. This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Jiten Vaghasia is Rs. 1,20,000/- per year.

Your Directors proposed to pass following resolution as Ordinary Resolution.

DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT AND APPOINTMENT IN THE 24TH ANNUAL GENERAL MEETING OF THE COMPANY PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT RELATING TO CORPORATE GOVERNANCE:

Name of Director	VRAJLAL VAGHASIA DIN	JITEN VAGHASIYA DIN
Date of Birth	02/02/1948	02/02/1973
Date of Appointment	05/04/2016	05/04/2016
Relationship with other Directors Inter se	Father Of Mr Jiten Vaghasiya	Son of Mr. Vrajlal Vaghasiya
Profile & Expertise in Specific functional Areas	Expertise in plastic industries and Drip irrigation System and having experience of more than 45 years.	Expertise in plastic industries and Drip irrigation System and having experience of more than 22 years.
Qualification	B.SC (Chemistry)	Diploma in Industrial Electronics
No. of Equity Shares held in the Company	15,66,400 No. of Equity Shares	88,200 No. of Equity Shares
List of other Companies in which Directorships are held	NIL	NIL
List of committees of Board of Directors (across all other Companies) in which Chairmanship/ Membership is held	NIL	NIL

*Sheet of Vajubhai Directorship in other Companies

Sr no.	Name of the companies
1.	Laghu Udyog Bharati

* Sheet of Jitenbhai Directorship

Sr no.	Name of the companies
	Nil

DIRECTORS' REPORT

To
The Members
Narmada Macplast Drip Irrigation Systems Limited
Ahmedabad

Your Directors have pleasure in presenting the 24th Annual Report of the Company with the audited statements of accounts for the year ended 31st March, 2016.

1. FINANCIAL RESULTS:

(Rs. In Lacs)

Particulars	For the Year 2015-2016	For the Year 2014-2015
Turnover & Other Income	40.75	35.10
Net Profit before Depreciation & amortization	8.50	10.65
Less: Depreciation	2.53	2.81
Net Profit /Loss Before Extra Ordinary Item	5.97	7.84
Current Tax	1.37	Nil
Net Profit for the year	4.60	7.84

2. STATE THE COMPANY'S AFFAIRS AND OPERATIONS:

The Company is engaged in business of drip irrigation system. During the year, your Company has achieved a turnover and earned other income in tune of Rs. 40.75 Lacs as compare to the turnover of Rs. 35.10 Lacs recorded for the previous year and the net profit for the current year was Rs. 4.60 Lacs compared to profit of Rs. 7.84 Lac as recorded in the previous year.

3. CHANGE IN NATURE OF BUSINESS:

During the year under Report, there was no change in the nature of business of the Company.

4. TRANSFER TO RESERVES:

The Board of Directors do not propose to carry any amount to reserves.

5. DIVIDEND:

Your directors have not recommended any dividend.

6. FIXED DEPOSITS:

The Company neither has accepted nor invited any deposit from the public, within the meaning of section 73 of the Companies, Act, 2013 and the Rules made thereunder.

7. Share Capital

The Authorize Share Capital of the Company is Rs. 5,00,00,000/- and Paid up Share Capital of the Company is Rs. 3,62,30,000/-.

8. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION AFTER THE END OF FINANCIAL YEAR:

There are no any material changes and commitments occurred after the end of the financial year, which is affecting the financial position of the Company.

9. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

There are no holding, subsidiaries, joint ventures or associate company of the Company. During the financial year ended on 31st March, 2016, none of the companies have become or ceased to be the subsidiaries, joint ventures or associate companies of the Company. The performance and financial position of subsidiaries, associates and joint ventures as per rule 8(1) of the Companies (Accounts) Rules, 2014 is not applicable.

10. DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 and the Articles of the Association of the Company, Mr. Vrajlal Vaghasia, Director of the Company of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment, Further Mr. Vrajlal Vaghasia, was appointed as Managing Director of the Company on 05th April, 2011 for the period of five years, therefore his tenure being getting over, the Board of Directors in their meeting held on 5th March, 2016 proposed to reappoint him for the further period of five years subject to approval of shareholders in the ensuing Annual General Meeting, Moreover Mr. Jiten Vaghasiya, was appointed as Whole Time Director of the Company on 05th April, 2011 for the period of five years, therefore his tenure being getting over, the Board of Directors in their meeting held on 5th March, 2016 proposed to reappoint him for the further period of five years subject to approval of shareholders in the ensuing Annual General Meeting.

The brief resume / details relating to Director who is to be re-appointed is furnished in the notes of the 24th AGM Notice.

11. ANNUAL RETURN:

The extract of Annual Return as prescribed under Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is set out in an annexure as 'Annexure I' to this report.

12. ANNUAL PERFORMANCE EVALUATION:

In compliance with the provision of the Companies Act, 2013 and the Listing Regulation, the Board has carried out the annual performance evaluation of its own and the Directors individually and reported under the Corporate Governance Report as annexed hereto.

13. MEETINGS OF BOARD:

During the financial year 2015-2016, 6 (Six) Board Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

14. DECLARATION BY INDEPENDENT DIRECTORS:
(Pursuant to Provisions of section 149(6) OF the Companies Act 2013)

All the Independent Directors of the Company do hereby declare that:

- (1) All the Independent Directors of the Company are neither Managing Director, nor a Whole Time Director nor a Manager or a Nominee Director.
- (2) All the Independent Directors in the opinion of the Board are persons of integrity and possesses relevant expertise and experience.
- (3) Who are or were not a Promoter of the Company or its Holding or subsidiary or associate company.
- (4) Who are or were not related to promoters or directors in the company, its holding, subsidiary or associate company.
- (5) Who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company or their promoters or directors, during the two immediately preceding financial years or during the current financial year.
- (6) None of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary, or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lacs rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year,
- (7) Who neither himself, nor any of his relatives,
 - (a) Holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of three financial years immediately preceding the financial year in which he is proposed to be appointed.
 - (b) Is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed of
 - (i) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; OR
 - (ii) Any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent, or more of the gross turnover of such firm;
 - (iii) Holds together with his relatives two per cent, or more of the total voting power of the company; OR
 - (iv) Is a Chief Executive or director, by whatever name called, or any non-profit organization that receives twenty five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; OR
 - (v) Who possesses such other qualifications as may be prescribed.