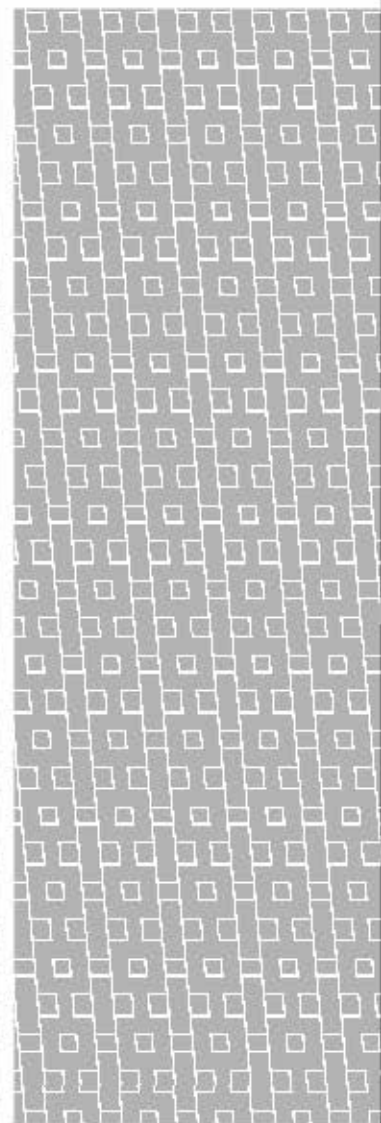
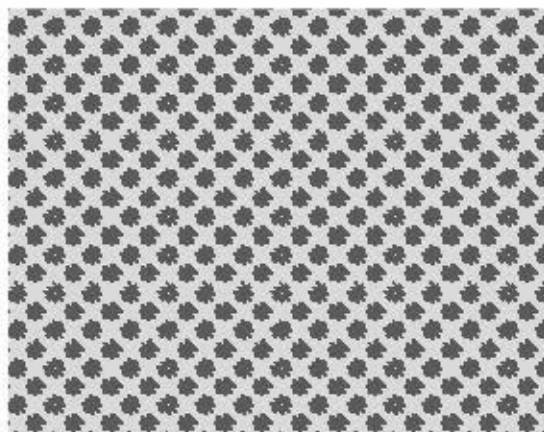
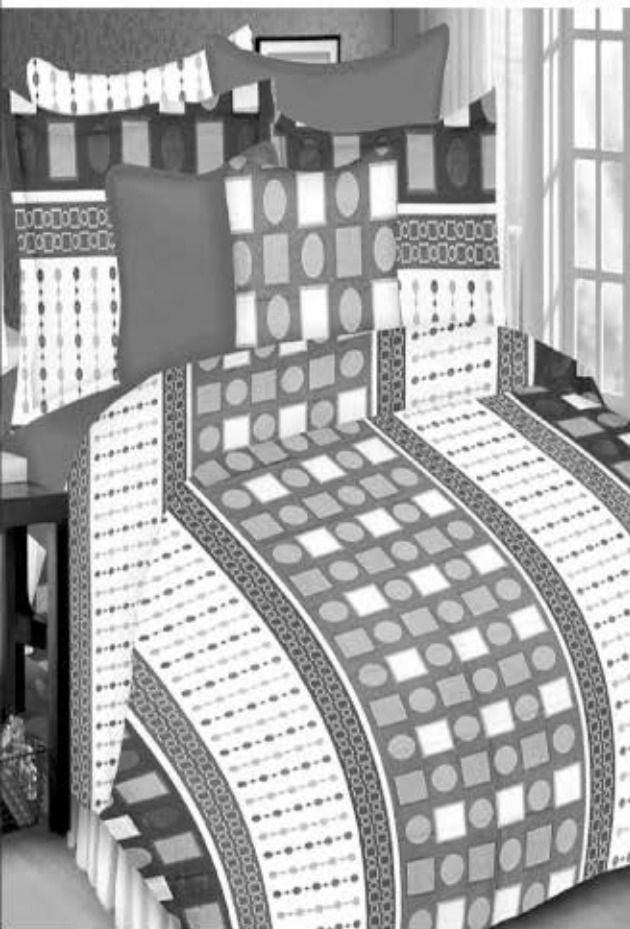


**ANNUAL REPORT
2015-16**



PRADIP OVERSEAS LTD.



PRADIP OVERSEAS LTD.

BOARD OF DIRECTORS : Shri Pradipkumar J. Karia
 Shri Chetan J. Karia
 Shri Vishal R. Karia
 Shri J.S. Negi
 Shri G.R. Kamath
 Ms. Parulben Thakore

REGISTERED OFFICE : Plot No. 104, 105, 106,
 Village : Chancharwadi Vasna,
 Opp. Zydus Cadila,
 Sarkhej Bavla High Way,
 Tal. Sanand Ahmedabad,
 Gujarat - 382213

BANKERS/ FININACIAL INSTITUTIONS : Indian Overseas Bank
 Canara Bank
 Union Bank of India
 Bank of India
 Punjab National Bank
 Standard Chartered Bank
 State Bank of Patiala
 INVENT

COMPANY SECRETARY : Kaushik B. Kapadia

AUDITORS : M/S Ashok Dhariwal & Co.,
 Chartered Accountants,
 A/602, Narnarayan Complex,
 Nr. Swastik Char Rasta,
 Navrangpura,
 Ahmedabad - 380 009.

Plant : Plot No. 104, 105, 106,
 Village : Chancharwadi Vasna,
 Opp. Zydus Cadila,
 Sarkhej Bavla High Way,
 Tal. Sanand Ahmedabad,
 Gujarat - 382213

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses and changes therein from time to time with the Depository through their concerned Depository Participants or the member can register their e-mail address with the Company on the following e-mail address : investor@pradipoverseas.com

Contents	Page No.
Notice	1-5
Director's Report	6-19
Management Discussion & Analysis	20-20
Corporate Governance Report	21-31
Secretarial Audit Report	32-33
Independent Auditors' Report	34-39
Balance Sheet	40-40
Statement of Profit & Loss	41-41
Cash Flow Statement	42-42
Significant Accounting Policies	43-46
Notes forming part of Financial Statements	47-61



**NOTICE**

Notice is hereby given that Annual General Meeting of the Members of **PRADIP OVERSEAS LIMITED** will be held on Friday 30th September, 2016 at 12.00 noon at the Registered Office of the Company at 104, 105,106, Chancharwadi, Vasna, Opp. Zydus Cadila, Sarkhej Bavla Highway, Changodar, Ahmedbad 382 213 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as on 31st March, 2016 and the Profit and Loss Account for the year ended on that date along with Directors' Report and Auditors' Report thereon.
2. To appoint Mr. Pradip J. Karia (DIN:- 00123748), as a Director of the Company, who retires by rotation and being eligible, offer himself for reappointment
3. To Appoint Auditors and to fix their Remuneration.

By Order Of the Board of Directors

Sd/-

(Pradip J. Karia)

Chairman and Managing Director

DIN:00123748

Place: Ahmedabad

Date: 09th June, 2016

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND A VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. A proxy form must reach to the company at its registered office on or before 48 hours of 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 or any other person or shareholder.

2. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of relevant Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
3. In case of joint holders attending the Meeting, the joint holder who is higher in the order of names will be entitled to vote at the meeting, if not already voted through remote e-voting.
4. The Register of members and Share transfer Register will remain closed from 23rd September, 2016 to 30th September, 2016 (both the days inclusive).
5. Members are requested to bring their copies of the Annual Report to the meeting. The Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
6. The Register of Directors and Key managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.

The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.

7. The members, holding shares in physical form, are requested to intimate any change in their addresses or bank details to the Company or its Registrar and Transfer Agent (RTA) viz. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai 400078. Those holding shares in dematerialized form may intimate any change in their addresses or bank details / mandates to their Depository Participants (DP) immediately. The Company or its RTA cannot act on any request directly received from any member holding shares in dematerialized form for any change in such details. Such changes are to be advised only to the DP of the members.

**NOTICE (Contd...)**

8. Documents referred to in the Notice are available for inspection by the shareholders at the Registered Office of the Company during business hours on any working day up to and including the date of the Annual General Meeting of the Company.
9. Details as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, is furnished as annexure to the Notice. The Directors have furnished the consent/declarations for their appointment/re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
10. 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 Link Intime India Private Limited.
11. Pursuant to Section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, electronic copy of the Annual Report for 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depository Participants (s) for communication purpose unless any members has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
12. Members wishing to claim dividends, which remain unclaimed are requested to correspond with Link Intime India Private Limited, Registrar & Share Transfer Agent. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education Protection Fund, as per Section 124 of the Companies Act, 2013 (corresponding to Section 205A of the erstwhile Companies Act, 1956).
13. A Route map showing the directions to reach the venue of the Annual General Meeting is given at the end of this Notice as per requirement of the Secretarial Standard-2 on 'General Meeting'.

2. Instructions for e-voting**I. Voting through electronic means**

- i. 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 sub clause (1) & (2) of Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. 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 National Securities Depository Limited (NSDL).
- ii. 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.
NOTE: The Facility for Voting shall be decided by the company i.e. "remote e-voting" or "Ballot Paper" or "Poling Paper"
- iii. 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.
- iv. The remote e-voting period commences on 27th September, 2016 (9:00 am) and ends on 29th September, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

NOTE: The "remote e-voting" end time shall be 5:00 p.m. on the date preceding the date of general meeting and the cut-off date shall not be earlier than 7 days before the date of general meeting.

**NOTICE (Contd...)**

- v. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password - EVEN - 105271.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "PRADIP OVERSEAS LIMITED".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (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, to the Scrutinizer through e-mail to ravikapoor@ravics.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
 - (i) The user ID and initial password will be sent to you separately.
 - (ii) Please follow all steps from serial no. (ii) to (xi) mentioned above, in order to successfully cast your vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- III. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2016.
NOTE: The cut-off date shall not be earlier than 7 days before the date of general meeting
- VI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23rd September, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- VII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- VIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

**NOTICE (Contd...)**

- IX. Mr. Ravi Kapoor, Proprietor Ravi Kapoor & Associates, Practising Company Secretary (Membership No. FCS 2587 and Certificate of Practice No. 2407) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- X. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
NOTE: The Facility for Voting shall be decided by the company i.e. "Poling Paper"
- XI. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.pradipoverseas.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be uploaded on the BSE Listing portal and on the NSE NEAPS Portal.

Contact Details

Company	: Pradip Overseas Limited
	A) Registered Office 104/ 105/ 106, Chacharwadi, Opp. Zydus Cadila, Sarkhej-Bavla Highway, Changodar, Ahmedabad-382213. Ph : +91 (2717) 251859/60/61 Fax - +91(2717) 251874 Email : investor@pradipoverseas.com Web : www.pradipoverseas.com
	B) Corporate Office A/601, Narnarayan Complex, Swastik Char Rasta, Navrangpura, Ahmedabad-380009. Ph : 079 2656 9243, 2656 0630. Fax – 079 2642 0408 Email : investor@pradipoverseas.com Web : www.pradipoverseas.com
Registrar & Share Transfer	: Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078. Phone: +91 22-2596 0320. Fax: +91 22-2596 0328-29
e-Voting Agency	: National Securities Depository Limited E-Mail: evoting@nsdl.co.in .
Scrutinizer	: CS Ravi Kapoor, Practicing Company Secretary E-mail : ravikapoor@ravics.com

By Order Of the Board of Directors

Sd/-

(Pradip J. Karia)*Chairman and Managing Director*

DIN:00123748

Place : Ahmedabad
Date : 09th June, 2016

**NOTICE (Contd...)****ANNEXURE**

Details in terms of requirement of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under Secretarial Standard- 2 clause 1.2.5 in respect of appointment of directors are given hereunder :

Name	Shri Pradip J. Karia
Age	55 years
Date of Appointment	29-6-2005
Qualifications	B.Com
Nature of Expertise/ Experience	He commenced his career in textile business in 1985. He established a partnership firm M/s. Anu Impex in the year 1993. M/s. Pradip Exports Was established in the Year 1995 to carry on similar business. He started Home Linen Products by setting up of factory at Village Changodar, Ahmedabad . He has more than 31 years experience in retailing, Marketing . business promotion and manufacturing of textile Products of which 17 years is in Home Linen Products.
Terms and conditions of appointment	The Director is appointed as a Managing Director for 3 years w.e.f. 01 st September, 2014.
Remuneration paid	₹ 36,00,000 /- p.a.
Chairman/Member of Committee in other Companies	None
Relationship with other directors, Manager and other KMP of the Company	He is a brother of Mr. Chetan Karia, Whole Time Director of the Company
Name of the Companies in which he/she holds Directorship/committee Membership	a) Directors in : 1. Pradip Enterprises Ltd. 2. Pradip Energy Limited 3. Pradip Integrated Textile Park Private Limited b) Committee Membership : Nil
No. of Meetings of the Board attended during the year	5 (Five)
Names of the Committee of the Board of Company in which members ship/ Chairmanship is held	Pradip Overseas Limited 1. Audit Committee 2. Stakeholders Relationship Committee. 3. Risk Management Committee
Shareholding	9013003 Equity Shares each of ₹ 10/- in the Company

By Order Of the Board of Directors

Sd/-

(Pradip J. Karia)

Chairman and Managing Director
DIN:00123748

Place: Ahmedabad
Date: 9th June, 2016

**DIRECTORS' REPORT****To the Members of Pradip Overseas Limited**

Your Directors are pleased to submit their Annual Report and Audited Financial Statement for the financial year ended on 31st March, 2016.

1) FINANCIAL REVIEW:**[₹ in Lacs]**

Sr. No.	Particulars	2015-16	2014-15
1.	Income From Operations	23768.14	23984.33
2.	Other Income	1667.86	422.65
3.	Financial Charges	1007.68	11442.89
4.	Depreciation	853.97	704.43
5.	Profit(Loss) Before Tax	(41010.01)	(41683.69)
6.	Taxation	(12912.40)	(1,603.84)
7.	Profit/(Loss) after Tax	(28097.61)	(41,350.21)

2) OPERATIONS:

The year under review was also critical year for the Company. The turnover of the Company was of ₹ 23768.14 lacs which is almost similar to the turnover of the Company for the previous year. The Loss after tax was ₹ 28097.61 lacs which is lower by 32.00 %. as compared to last year. The major reasons for lower turnover was sluggish market conditions, international competition. The under utilization of the installed capacity is mainly due to non commencement of Effluent Treatment Plant (ETP) in full capacity for the full year and sluggish demand in the market. Moreover, as the Company is facing shortage of Working Capital, the Company has diverted its attention towards job work which results into lower turnover and lower profitability. The Company had installed Zero discharge Effluent Treatment Plant(ETP). The ETP had become fully operative since February, 2016. The Company is hopeful for the improvement in performance and profitability in future.

As reported last year, the Company has undertaken to implement two projects of industrial Park namely Specialty & Fine Chemicals and Auto & Auto Components at village Bhamsara, Taluka Bavla District – Ahmedabad. The Company has received letter of approval of the Government of Gujarat for both the projects. The Company is still negotiating with some of the renowned Industrial Estate Developers to join as a partner for development of the aforesaid Industrial Parks.

The Corporate Debt Restructuring package approved by CDR Cell under implementation, which could not be implemented successfully and same was failed.

As reported last year, the Company had filed reference with Board For Industrial and Financial Reconstruction (BIFR) and the reference has been registered as case no. 149/2015 with it and the same is pending before BIFR for hearing.

Out of consortium members of the Bank, State Bank of India, Allahabad Bank and The Karur Vasya Bank Limited have assigned their debts to Assets Reconstruction Company. The Lakshmi Vilas Bank Limited had also assigned its debt to Assets Reconstruction Company.

3) DIVIDEND:

Due to the Loss incurred by Company during the year under review, the directors are not able to recommend dividend for the year 2015-16.

4) TRANSFER TO RESERVE:

In view of losses, the Company has not proposed to transfer any amount to any reserves of the Company.

5) FIXED DEPOSIT:

The Company has not accepted or renewed any deposits since inception as covered under Chapter V of the Companies Act, 2013. Accordingly, no disclosure and reporting is required in respect of details relating to deposits covered under this chapter.

6) DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

Mr. Pradip J. Karia, Director of the Company will retire by rotation in the ensuring Annual General Meeting and being eligible, offer himself for reappointment.

7) NUMBER OF MEETING OF BOARD OF DIRECTORS:

The Board of Directors of the Company had 5 (Five) meetings and one meeting of the independent Directors

**DIRECTORS' REPORT (Contd...)**

were held during the Financial Year 2015-16. The details of the Board meeting held during the year 2015-16 have been furnished in the Corporate Governance Report.

8) DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors confirm that:

- a. that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. that the directors had 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 the affairs of the company at the end of the financial year and of the profit and loss of the Company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the directors had prepared the annual accounts on a going concern basis;
- e. that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9) DETAILS OF COMMITTEE OF DIRECTORS :

Composition of Audit Committee of Directors, Nomination and Remuneration Committee of Directors, Stake Holders Relationship/ Grievances Committee and Risk Management Committee of Directors, number of meetings held of each Committee during the Financial year 2015-16 and meetings attended by each member of the Committee as required under the Companies Act, 2013 are provided in Corporate Governance Report and forming part of the report.

The recommendation by the Audit Committee as and when made to the Board of Directors of the Company has been accepted by it.

10) EXTRACT OF ANNUAL RETURN:

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, the Extract of annual return is attached herewith as Annexure -1 to this report.

11) SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The wholly own subsidiary namely Pradip Home Fashions, USA remain dormant since inception and therefore the Company has sold its entire holding in the beginning of the financial year and as a result it ceases to be a subsidiary of the Company. The Company has also sold its entire holding in Elegant Home Fashions, USA in the beginning of the financial year, hence it ceases to be associate company.

12) DECLARATION OF INDEPENDENCE BY THE INDEPENDENT DIRECTORS:

Pursuant to Section 149(6) of the Companies Act, 2013, Independent Directors of the Company have made a declaration confirming the compliance of the conditions of the independence stipulated in the aforesaid section.

13) POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Policy on Director's Appointment including criteria for determining qualification, positive attributes, independence of a director and policy relating to remuneration for Director, Key Managerial Personnel and other employees is as mentioned in this report.

- **Policy on Directors' Appointment**

The Company has followed the policy regarding appointment of Director as laid down in the Companies Act, 2013 and Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and good corporate practices.

- **Policy on remuneration of Directors :**

Remuneration for Directors is based on the Shareholders resolution , provisions of the Companies Act, 2013 and rules framed therein, circulars and guidelines issued by the Central Government and other authorities from time to time.

**DIRECTORS' REPORT (Contd...)**

- Remuneration to the workers is based on the Contract with the Contractors keeping in view the Minimum Wages payable to the workmen.
- Remuneration to Key Managerial Personnel, Senior Executives, Managers, Staff and Other Employees is Industry Driven.

14) PARTICULARS OF LOANS ,GUARANTEES AND INVESTMENT U/S 186 OF THE COMPANIES ACT, 2013 :

The particulars of the loan given, investment made, alongwith the purpose for which the loan or guarantee or security is proposed to be utilized by the recipients are provided in the Standalone Financial statement. (Please refer to notes no. 11, 12 & 16 of the Financial Statement.) The Company has not provided any securities during the year under review.

15) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

There is no transaction with related party which requires disclosures under section 134 (3) (h) of the Companies Act, 2013 and rule 8 (2) of the Companies (Accounts) rules, 2014.

16) CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS:

Your Company fully complies with conditions of the Corporate Governance stipulated in Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. A separate section on compliance with the conditions of Corporate Governance and a certificate from firm of Practicing Chartered Accountants dated 9th June, 2016 in this regard is annexed hereto and forms a part of the report. Management discussion and analysis are attached, which form part of this report.

17) (a) PARTICULARS OF THE EMPLOYEES :

There are no employees in the Company who are receiving remuneration in excess of the limit specified under section 197 (12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and therefore there is no information required to be given:

(b) ANALYSIS OF REMUNERATION :

Disclosure pertaining to remuneration and other details as required under section 197 (12) of the Companies Act, 2013 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are stated in Annexure no. 2

18) WHISTLE BLOWER & VIGIL MECHANISM :

The Company has established a "Whistle Blower and Vigil Mechanism Policy" for Directors and employees to report the genuine concerns. The provisions of this policy are in line with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Policy is available on the website of the Company.

19) INTERNAL CONTROL SYSTEMS :

The Company has an adequate system of internal control procedures which is commensurate with the size and nature of business. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorised, recorded and reported correctly. The internal control systems of the Company are monitored and evaluated by internal auditors.

20) AUDITORS :

M/s. Ashok Dhariwal and Co., Chartered Accountants, Statutory Auditors of the Company will retire from the office of the auditor and being eligible, offer themselves for reappointment. They confirm their eligibility to the effect that their reappointment, if made, would be within the prescribed limit under the Act and they are not disqualified for the reappointment.

21) SECRETARIALAUDIT REPORT

The Board has appointed M/s. Ashish Shah & Associates, Practising Company Secretary to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the year ended 31st March, 2016 is annexed herewith and forming part of the report.

22) EXPLANATIONS/COMMENTS BY THE BOARD ON QUALIFICATIONS , RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE BY THE AUDITOR /COMPANY SECRETARY IN PRACTICE IN THEIR REPORT :

Reply on the Qualification/Comments of Auditors made by them in Audit Report:-

(A) Reply to the point no. 3 of Basis for qualified opinion :-

As per the RBI Guidelines in case, if the account is NPA banks should reverse the interest already charged and not collected by debiting Profit and Loss account and stop further application of interest.