

Narmada Macplast Drip Irrigation Systems Ltd.

Regd Office : Plot No. 119-120, Santej- Vadsar Road, At. Santej, Taluka : Kalol,
Dist.: Gandhinagar : 382721 Ph. No. 079-27498670

2nd April, 2018

To,
Bombay Stock Exchange Limited
1st Floor, New Trading Ring,
Rotunda Building P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001

Subject: Revision of Annual Report for Financial Year 2014-15

Dear Sir/Madam,

With reference to Captioned subject, Kindly find herewith revamped Annual Report For Financial Year 2014-15. Following matter are, indeed, revised as follows:-

There is no outstanding call-in arrears, against that Annual Report showing Rs. 14,15,000 (Rupees Fourteen Lacks Fifteen Thousand) as call in arrears.

Kindly take the same on records.

Thanking You,

Yours Faithfully,

For NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED



VRAJLAL VAGHASIA
MANAGING DIRECTOR
DIN: 02442762



Correspondence Address: A-16, Parul Nagar Society, 1st Flr, Bhuyangdev Char
Rasta, Sola Road, Ghatlodia, Ahmedabad : 380 061
CIN : L25209GJ1992PLC017791



**NARMADA
MACPLAST
DRIP
IRRIGATION
SYSTEMS LTD.**

**23rd
ANNUAL REPORT
2014-15**

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

23rd ANNUAL REPORT 2014-15

| | | |
|---|----------|---|
| 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 |
| AUDITORS | : | M/S. S.D. MEHTA & CO., CHARTERED ACCOUNTANTS AHMEDABAD |
| REGISTERED OFFICE | : | PLOT NO. 119-120, SANTEJ-VADSAR RD, 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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NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of M/s. Narmada Macplast Drip Irrigation Systems Limited (L25209GJ1992PLC017791) will be held on Wednesday, 30th September, 2015 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, 2015, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jitenkumar Vaghasia (DIN -02433557) 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 2015-16 and that the Board of Directors or Audit Committee be and are hereby authorized to fix such remuneration of the Auditors."

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

VRAJLAL VAGHASIA
CHAIRMAN & MANAGING DIRECTOR
DIN- 02442762

Date: 14th August, 2015
Place: Ahmedabad

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM SHOULD BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE COMMENCEMENT OF THE MEETING.
2. Corporate Members, intending to send their Authorized Representative(s) to attend the Meeting are required to send to the Company a certified copy of the Board Resolution,

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

pursuant to section 187 of the Companies Act, 1956, authorizing their representative(s) to attend and vote on their behalf at the Meeting.

3. Members are requested to affix their signature at the space provided on the attendance slip annexed to the proxy form and to hand over the slip at the entrance to the Meeting.
4. Members/ Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
5. The Register of members and share transfer books of the company will remain closed from 26th September, 2015 to 30th September, 2015 (Both days inclusive).
6. Members desiring to have any relevant information on the accounts at the Meeting are requested to write to the Company at least seven days in advance at its Registered Office, so as to enable the Company to keep the information ready.
7. Pursuant to clause 49 of the Listing Agreement, the particulars of the Director seeking appointment/re-appointment is given below:

| | |
|---|--|
| Name | Mr. Jitenkumar Vaghasia |
| DIN | 02433557 |
| Date of Birth | 02/02/1973 |
| Date of Appointment | 24/09/1992 |
| Qualification | Diploma Engineering |
| Experience | 18 Years experience of Marketing, Production and Administration in Drip Irrigation Industry. |
| Directorships in other public companies (excluding Foreign Companies and Section 8 Companies) | NIL |
| Memberships of Committees other public Limited Companies (excluding Foreign Companies and Section 8 Companies) | NIL |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

DIRECTORS' REPORT

To
The Members
Narmada Macplast Drip Irrigation Systems Limited
Ahmedabad

Your Directors have pleasure in presenting the 23rd Annual Report of the Company with the audited statements of accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS:

(Rs. In Lacs)

| Particulars | For the Year 2014-2015 | For the Year 2013-2014 |
|---|---------------------------|---------------------------|
| Turnover & Other Income | 35.10 | 21.53 |
| Net Profit before Depreciation & amortization | 10.01 | 3.43 |
| Less: Depreciation | 2.81 | 4.33 |
| Net Profit /Loss Before Extra Ordinary Item | 7.20 | (0.90) |
| Add: Extra Ordinary Item | Nil | NIL |
| Net Profit for the year | 7.20 | (0.90) |
| Less: Past Losses B/F | (236.01) | (233.38) |
| Loss to be carried forward to Balance Sheet | (229.89) | (236.01) |

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. 35.10 Lacs as compare to the turnover of Rs. 21.53 Lacs recorded for the previous year and the net profit for the current year was Rs. 7.20 Lacs compared to loss of Rs. 0.90 Lac as recorded in the previous year.

CHANGE IN NATURE OF BUSINESS:

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

TRANSFER TO RESERVES:

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

DIVIDEND:

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

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.

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.

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, 2015, 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.

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DIRECTORS:

In accordance with the provisions of the Companies Act, 2013 and the Articles of the Association of the Company, Mr. Jitenkumar Vagharia, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

The brief resume / details relating to Director who is to be re-appointed is furnished in the notes of the 23rd AGM Notice.

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.

ANNUAL PERFORMANCE EVALUATION:

In compliance with the provision of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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.

MEETINGS OF BOARD:

During the financial year 2014-2015, 5 (Five) 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.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- (a) that in the preparation of the annual accounts for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that we 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 the company at 31st March, 2015 and of the profits of the company for the year ended 31st March, 2015;
- (c) they proper and sufficient care has 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) that the annual accounts have been prepared on a going concern basis;
- (e) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively; and
- (f) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

AUDITORS AND AUDIT:

AUDITORS:

M/s. S. D. Mehta & Co, Chartered Accountants have been appointed as Statutory 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 of the Company, subject to ratification of their appointment at every AGM held after the 22nd AGM. The members of the Audit Committee and Board

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

of Directors of the Company recommended ratifying their appointment as Statutory Auditors of the Company for the financial year 2015-16.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/explanation. The Notes on financial statements are self explanatory, if any, and needs no further explanation.

SECRETARIAL AUDITORS:

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration personnel) Rules, 2014, the Board of Directors appointed M/s. Bharat Prajapati & Co., Company Secretaries in Practice to conduct Secretarial Audit of the Company for Financial Year 2014-15. The Report of the Secretarial Audit Report is set out in an annexure as 'Annexure 'II' to this report.

In connection, with the auditors' observation in the Secretarial Audit Report, the explanation / clarifications of the Board of Directors are as under:

With regard to observations of the Secretarial Auditor for non compliances of various provisions of the Companies Act, 2013 and Listing Agreement, it is stated that the Company is non operative effectively and the management of the Company is striving hard to operative effectively and taking steps to make necessary compliances under the Companies Act, 2013 and Listing Agreement.

PARTICULARS OF EMPLOYEES:

The particulars of employees in accordance with the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is set out in an Annexure 'III' to this report.

The particulars of employees falling under the purview of Section 197 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are NIL.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loan, Guarantee and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS:

All the transactions entered into with related parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement, if any, during the year were on an arm's length price basis and in the ordinary course of business. Such transactions have been approved by the Audit Committee. The Board of Directors of the Company has formulated the Policy on Related Party Transactions.

During the Financial Year 2014-15, the Company did not have any material pecuniary relationship or transactions with Non-Executive Directors. In the preparation of financial statements, the Company has followed the Accounting Standards. The significant accounting policies which are applied have been set out in the Notes to Financial Statements. The Board has received disclosures from Key Managerial Personnel, relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

- | | |
|---------------------------------------|-------|
| 1. Conservation of Energy | : NA |
| 2. Technology Absorption | : NIL |
| 3. Foreign Exchange Earning and Outgo | : NIL |

CORPORATE GOVERNANCE:

The Board of Directors of the Company have evolved and adopted a Code of Conduct based on the principles of Corporate Governance and best management practices being followed globally.

Compliance Report, in accordance with the Clause 49 of the Listing Agreements with Stock Exchanges, on Corporate Governance forms part of the Annual Report. The Auditors' Certificate on the compliance of Corporate Governance Code embodied in Clause 49 of the Listing Agreement is attached hereto and forms part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report are annexed herewith and form part of this Report.

CORPORATE SOCIAL RESPONSIBILITY(CSR) COMMITTEE:

The provisions for Corporate Social Responsibility Committee and Corporate Social Responsibility activities are not applicable to the Company.

ESTABLISHMENT OF VIGIL MECHANISM:

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has adopted a Whistle-Blower Policy/ Vigil mechanism, which provides a formal mechanism for all employees of the Company to make protected disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. During the year under review, no employee of the Company has been denied access to the Audit Committee.

BOARD COMMITTEE:

The Board of Directors of your Company had already constituted various Committees in compliance with the provisions of the Companies Act, 2013 and / or Listing Agreement viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. During the year under review, in compliance with the provisions of Clause 49 of the Listing Agreement.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committee are taken by the Board of Directors.

Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided in the Corporate Governance Section of the Annual Report.

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INDEPENDENT DIRECTORS MEETING:

During the year under review, the Independent Directors of the Company met on 23rd March, 2015, inter alia to discuss:

- i) Evaluation of Performance of Non-Independent Directors and the Board of Directors of the Company as a whole.
- ii) Evaluation of performance of the Chairman and / or Managing Director of the Company, taking into views of Executive and Non-executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

Your Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 is set out in an annexure as 'Annexure IV' to this report.

RISK MANAGEMENT POLICY:

The Board reviews the risks associated with the Company every year while considering the business plan. Considering the size of the Company and its activities, it is felt that the development and implementation of a Risk management policy is not relevant to the Company and in the opinion of the Board there are no risks which may threaten the existence of the Company.

SEXUAL HARASSMENT POLICY:

The Company has in place a Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, there were no cases filed pursuant to the sexual Harassment of women at workplace(prevention, Prohibition and Redressal) Act, 2013.

APPRECIATION:

Your Directors wish to place on record their sincere appreciation and gratitude for the valuable support and co-operation received from the Customers and Suppliers, various Financial Institutions, Banks, Government Authorities, Auditors and Shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company for its success.

FOR AND ON BEHALF OF THE BOARD

VRAJLAL VAGHASIA
CHAIRMAN & MANAGING DIRECTOR
DIN - 02442762

Date: 14th August, 2015
Place: Ahmedabad

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

"ANNEXURE I"

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

For the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and

Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|---|---|
| i) | CIN | L25209GJ1992PLC017791 |
| ii) | Registration Date | 9 th June, 1992 |
| iii) | Name of the Company | Narmada Macplast Drip Irrigation Systems Limited |
| iv) | Category / Sub-Category of the Company | Public Company / Company having Share Capital |
| v) | Address of the Registered office and contact details | Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol, District Gandhinagar-382721 Tel. 079-27498670 E-mail: narmadadrip@gmail.com |
| vi) | Whether Listed Company Yes/No | Yes |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | 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 Tel: 91-22-2301 6761 / 8261 Fax: 91-22-2301 2517 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:

| Sl. No. | Name and Description of main products/ services | NIC Code of the Product / Service | % to total turnover of the Company |
|---------|---|-----------------------------------|------------------------------------|
| 1. | Trading of drip irrigation systems | 471 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sl. No. | Name and address of the company | CIN/GLN | Holding / Subsidiary/ Associate | % of shares held | Applicable Section |
|----------------|---------------------------------|---------|---------------------------------|------------------|--------------------|
| NOT APPLICABLE | | | | | |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

| Category of shareholder | No. of Shares held at the beginning of the year (i.e. 01 st April, 2014) | | | | No. of Shares held at the end of the year (i.e. 31 st March, 2015) | | | | % Change during the year |
|-------------------------|---|----------|-------|-------------------|---|----------|-------|--------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares* | |
| A. Promoters | | | | | | | | | |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

| | | | | | | | | | |
|--|--------------|----------------|----------------|---------------|--------------|----------------|----------------|---------------|---------------|
| (1) Indian | | | | | | | | | |
| a) Individuals / HUF | 0 | 1574300 | 1574300 | 43.45 | 0 | 1654600 | 1654600 | 45.67 | 2.22 |
| b) Central Govt/ | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) State Govt(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Bodies Corp. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Banks / FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Any Other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub - Total (A)(1) | 0 | 1574300 | 1574300 | 43.45 | 0 | 1654600 | 1654600 | 45.67 | 2.22 |
| (2) Foreign | | | | | | | | | |
| a) NRI- Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Others- Individuals | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| c) Bodies Cor. | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) Banks/ FI | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Any Other | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub - Total (A)(2) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Total Shareholding of Promoter(A)=A(1)+(A)(2) | 0 | 1574300 | 1574300 | 43.45 | 0 | 1654600 | 1654600 | 45.67 | 2.22 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 14300 | 14300 | 0.39 | 0 | 14300 | 14300 | 0.39 | 0.00 |
| b) Banks / FI | 0 | 34400 | 34400 | 0.95 | 0 | 34400 | 34400 | 0.95 | 0.00 |
| c) Central Govt | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| d) State Govt(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| f) Insurance Companies | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| g) FII's | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| i) Others | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Sub-total (B)(1):- | 0 | 48700 | 48700 | 1.34 | 0 | 48700 | 48700 | 1.34 | 0.00 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | | | | | | | | | |
| i) Indian | 22600 | 61800 | 84400 | 2.33 | 22600 | 61800 | 84400 | 2.33 | 0.00 |
| ii) Overseas | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 31100 | 1492700 | 1523800 | 42.06 | 31100 | 1462400 | 1493500 | 41.22 | (0.84) |
| ii) Individual shareholders nominal share capital in excess of Rs 1 lakh | 25000 | 364000 | 389000 | 10.74 | 25000 | 314000 | 339000 | 9.36 | (1.38) |
| c) Others | | | | | | | | | |
| i) NRI | 1500 | 0 | 1500 | 0.04 | 1500 | 0 | 1500 | 0.04 | 0.00 |
| ii) HUF | 300 | 1000 | 1300 | 0.04 | 300 | 1000 | 1300 | 0.04 | 0.00 |
| Sub-total (B)(2):- | 80500 | 1919500 | 2000000 | 55.20 | 80500 | 1839200 | 1919700 | 52.99 | (2.22) |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 80500 | 1968200 | 2048700 | 56.55 | 80500 | 1887900 | 1968400 | 54.33 | (2.22) |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0.00 | 0.00 |
| Grand Total (A+B+C) | 80500 | 3542500 | 3623000 | 100.00 | 80500 | 3542500 | 3623000 | 100.00 | - |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

(ii) Shareholding of Promoters

| Sl. No. | Shareholder's Name | Shareholding at the beginning of the year (i.e. 1 st April, 2014) | | | Shareholding at the end of the year (i.e. 31 st March, 2015) | | | % change in share holding during |
|---------|--------------------|--|----------------------------------|--|---|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Vrajlal Vaghasia | 1563700 | 43.16 | 0.00 | 1566400 | 43.23 | 0.00 | 0.07 |
| 2 | Jiten Vaghasia | 10600 | 0.29 | 0.00 | 88200 | 2.43 | 0.00 | 2.14 |
| | Total | 1574300 | 43.45 | 0.00 | 1654600 | 45.67 | 0.00 | 2.21 |

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

| Sl. No. | Name of Promoters | Shareholding at the beginning of the year (i.e. 1 st April, 2014) | | Cumulative Shareholding during the year -2014-15 | |
|---------|---|--|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Vrajlal Vaghasia | | | | |
| | At the beginning of the year | 1563700 | 43.16 | 1563700 | 43.16 |
| | 28 th March, 2015 – Purchase | 2700 | 0.07 | 1566400 | 43.23 |
| | At the End of the year | - | - | 1566400 | 43.23 |
| 2 | Jiten Vaghasia | | | | |
| | At the beginning of the year | 10600 | 0.29 | 10600 | 0.29 |
| | 28 th March, 2015 – Purchase | 77600 | 2.14 | 88200 | 2.43 |
| | At the End of the year | - | - | 88200 | 2.43 |

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| Sl. No. | Name of Shareholders | Shareholding at the end of the year (i.e. 1 st April, 2014) | | Cumulative Shareholding during the year -2014-15 | |
|---------|-------------------------------------|--|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Kantibhai Patel | 98000 | 2.70 | 98000 | 2.70 |
| 2 | Prakash Rambhai Patel | 65000 | 1.79 | 65000 | 1.79 |
| 3 | Saurin Indubhai Patel | 65000 | 1.79 | 65000 | 1.79 |
| 4 | Jyotsanaben Patel | 45000 | 1.24 | 45000 | 1.24 |
| 5 | Vinodini Holding & Estate Dev. P. L | 37800 | 1.04 | 37800 | 1.04 |
| 6 | Bank Of India A/C BOI | 34400 | 0.94 | 34400 | 0.94 |
| 7 | Nishaben Vaghasia | 30000 | 0.82 | 0 * | 0.00 |
| 8 | Indra Kumar Bagri | 25000 | 0.69 | 25000 | 0.69 |
| 9 | Victory Portfolio Ltd. | 22600 | 0.62 | 22600 | 0.62 |
| 10 | Natubhai Umedbhai Patel | 20100 | 0.55 | 20100 | 0.55 |
| 11 | Anil V Mehta | 20000 | 0.55 | 0* | 0.00 |
| 12 | Stock Holding Corporation Of India | 14300 | 0.39 | 14300 | 0.39 |

* The total number of shares has increased / decreased due to purchase / sale during the year.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

(v) Shareholding of Directors and Key Managerial Personnel (KMP):

| Sl. No. | Name of Director / KMP | Shareholding at the beginning of the year (i.e. 1 st April, 2014) | | Cumulative Shareholding during the year -2014-15 | |
|---------|---|--|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | Vrajilal Vaghasia | | | | |
| | At the beginning of the year | 1563700 | 43.16 | 1563700 | 43.16 |
| | 28 th March, 2015 – Purchase | 2700 | 0.07 | 1566400 | 43.23 |
| | At the End of the year | - | - | 1566400 | 43.23 |
| 2 | Jitenkumar Vaghasia | | | | |
| | At the beginning of the year | 10600 | 0.29 | 10600 | 0.29 |
| | 28 th March, 2015 – Purchase | 77600 | 2. | 88200 | 2.43 |
| | At the End of the year | - | - | 88200 | 2.43 |
| 3. | Kantibhai Devani | | | | |
| | At the beginning of the year | 0 | 0.00 | 0 | 0.00 |
| | Increase / Decrease | 0 | 0.00 | 0 | 0.00 |
| | At the End of the year | - | - | 0 | 0.00 |
| 4. | Vinesh Babaria | | | | |
| | At the beginning of the year | 0 | 0.00 | 0 | 0.00 |
| | Increase / Decrease | 0 | 0.00 | 0 | 0.00 |
| | At the End of the year | - | - | 0 | 0.00 |
| 5. | Ketanbhai Baldha | | | | |
| | At the beginning of the year | 0 | 0.00 | 0 | 0.00 |
| | Increase / Decrease | 0 | 0.00 | 0 | 0.00 |
| | At the End of the year | - | - | 0 | 0.00 |

V. INDEBTEDNESS:-

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|------------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 0 | 54,95,514 | 0 | 54,95,514 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 0 | 54,95,514 | 0 | 54,95,514 |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 0 | 5,98,000 | 0 | 5,98,000 |
| • Reduction | 0 | 1,96,000 | 0 | 1,96,000 |
| Net Change | 0 | 4,02,000 | 0 | 4,02,000 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 0 | 58,97,514 | 0 | 58,97,514 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 0 | 58,97,514 | 0 | 58,97,514 |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

| Sr. No. | Particulars of Remuneration | Name of MD/WT/ Manager | | Total Amount |
|---------|---|---------------------------|-------------------------|--------------|
| | | Mr. Vrajilal Vaghasia | Mr. Jitenkumar Vaghasia | |
| 1. | Gross salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 1,78,000 | 1,20,000 | 2,98,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 0 | 0 | 0 |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | 0 | 0 | 0 |
| 2 | Stock Option | 0 | 0 | 0 |
| 3 | Sweat Equity | 0 | 0 | 0 |
| 4 | Commission | 0 | 0 | 0 |
| | - as % of profit | 0 | 0 | 0 |
| | - others, specify... | 0 | 0 | 0 |
| 5 | Others, please specify | 0 | 0 | 0 |
| | Total (A) | 1,78,000 | 1,20,000 | 2,98,000 |
| | Ceiling as per the Act | As per the Companies Act. | | |

B. Remuneration to other directors: NIL

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WT/ D: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority (RD/NCLT/ COURT) | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|--|----------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL |
| B. DIRECTORS | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | NIL | NIL | NIL | NIL | NIL |
| Punishment | NIL | NIL | NIL | NIL | NIL |
| Compounding | NIL | NIL | NIL | NIL | NIL |

FOR AND ON BEHALF OF THE BOARD

VRAJILAL VAGHASIA
CHAIRMAN & MANAGING DIRECTOR
DIN - 02442762

Date: 14th August, 2015
Place: Ahmedabad

SECRETARIAL AUDIT REPORT

FORM MR-3

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Narmada Macplast Drip Irrigation Systems Limited
Plot No. 119-120, Santej-Vadsar Road,
At & Post Santej, Taluka: Kalol,
District Gandhinagar – 382 721

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Narmada Macplast Drip Irrigation Systems 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 there on.

Based on my verification of the **Narmada Macplast Drip Irrigation Systems Limited** books, papers minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2015** ('Audit Period') complied with the statutory provisions listed here under 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:

We 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, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period).
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act, 2013 and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India could not be examined as the same were not notified during Audit Period.
- (ii) The Listing Agreements entered into by the Company with the BSE Limited/Stock exchanges.

During the period under review the Company has broadly complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

- 1) *The Company has not submitted quarterly, half yearly and yearly compliances with the Stock Exchange as per Listing Agreement.*
- 2) *The Company has not appointed Internal Auditor as per section 138 of the Companies Act, 2013, Rule 13 of The Companies (Accounts) Rules, 2014*
- 3) *The Company has not appointed Woman Director as per section 149 of the Companies Act, 2013, Rule 3 of The Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement.*
- 4) *The Company has not appointed Company Secretary and Chief Financial Officer which required to be appointed as per section 203 of the Companies Act, 2013, Rule 8 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.*
- 5) *The Company has not provided e-voting facilities to the shareholders as per section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014*

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- 6) *The Company has not published Advertisement / Notice of Board Meeting, Book Closure Notice for AGM and financial results in news papers as per the provisions of the Companies Act, 2013 and Listing Agreement*
- 7) *The Company has not necessary e-forms as prescribed under the Companies Act, 2013.*

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by the statutory financial audit and other designated professionals.

We further report that

- The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were usually sent sufficiently in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that the management of the Company taking necessary steps so that there would be adequate systems and processes in the Company commensurate with its size and operations, and would be done proper monitoring and compliances with all applicable laws, rules, regulations and guidelines.

We further report that during the audit period, following are the specific events / actions having a major bearing on the Company's affairs:

1. The Company is suspended on the Board of BSE Limited

**FOR, BHARAT PRAJAPATI & CO.
COMPANY SECRETARIES**

**BHARAT PRAJAPATI
PROPRIETOR
A.C.S. NO. : 25607
C. P. NO. : 10788**

**Place : Ahmedabad
Date : 14th August, 2015**

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

To
The Members,
Narmada Macplast Drip Irrigation Systems Limited
Plot No. 119-120, Santej-Vadsar Road,
At & Post Santej, Taluka: Kalol,
District Gandhinagar – 382 721

Our report of even date is to be read along with this letter.

1. The Management of the Company is responsible for maintenance of secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records and procedures followed by the Company with respect to secretarial Compliance.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records, Books of Accounts and cost records of the company.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified, wherever required or necessary.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**FOR, BHARAT PRAJAPATI & CO.
COMPANY SECRETARIES**

Place : Ahmedabad
Date : 14th August, 2015

**BHARAT PRAJAPATI
PROPRIETOR
A.C.S. NO. : 25607
C. P. NO. : 10788**

REMUNERATION POLICY FOR DIRECTORS, KMPS AND OTHER EMPLOYEES

The philosophy for remuneration of Directors, KMP and all other employees of 'Narmada Macplast Drip Irrigation Systems Limited ("Company") is based on commitment demonstrated by the Directors, KMPS and other employees towards the Company and truly fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy. The Company endeavours to attract, retain, develop and motivate the high-calibre executives and to incentivize them to develop and implement the Group's Strategy, thereby enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and the Listing Agreement. In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the Company shall abide by the applicable law. While formulating this Policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- i. "the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and;
- iii. remuneration to Directors, KMP involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals".

➤ **Remuneration to Independent Directors and Non-Independent Non-Executive Directors:**

- Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
- The aggregate commission payable to all the IDs and NEDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
- In addition to the sitting fees and commission, the Company may pay to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable expenditure incurred by the Director for attending Board/Board committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/management, site visits, induction and training (organized by the Company for Directors) and in obtaining professional advice from independent advisors in the furtherance of his/her duties as a director.

➤ **Remuneration for Managing Director /Executive Directors /KMP/rest of the employees:**

- The remuneration / compensation / commission, etc., as the case may be, to the Managing Director / Executive Director (Whole-time Director) will be governed by the relevant provisions of the Act and applicable Rules and Regulations and will be determined by the NRC and recommended to the Board for approval.
- The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required.
- The Company pays remuneration to its Managing Director / Executive Directors way of salary, perquisites and allowances. In addition to the salary, perquisites and allowances, the Company provides Managing Director / executive Directors such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197of the Act.
- The Managing Director and Executive Directors, so long as they function as such shall not be entitled to any sitting fees for attending any meetings of Board or Committees thereof.
- Further, the Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management, if any, based on the standard market practice and prevailing HR policies of the Company.
- The company provides retirement benefit as applicable.
- The Company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company.

➤ **Remuneration payable to Director for services rendered in other capacity:**

The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such Director in any other capacity unless:

- The services rendered are of a professional nature; and
- The NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

➤ **Policy implementation:**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.

➤ **Review of the Policy:**

This Policy will be reviewed and reassessed by the NRC as and when required and appropriate recommendations shall be made to the Board to update this Policy based on changes that may be brought about due to any regulatory amendments or otherwise.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

Annexure 'IV'

The particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

| Sr. No. | Name of the Director/ KMP* and Designation | Remuneration of Directors for financial year 2014-15 (in Rs.) | Ratio of Remuneration to Median Remuneration of Employees | % Increase in Remuneration | Comparison of the Remuneration of KMP against Company's Performance |
|---------|--|---|---|----------------------------|---|
| 1 | Vrajlal Vagharia Chairman & Managing Director | 1,78,000 | 1.998:1 | 0.00 | Net Worth increased by 7.03 % in financial year 2014-15 |
| 2 | Jitenkumar Vagharia Whole Time Director | 1,20,000 | 1.347:1 | 0.00 | Net Worth increased by 7.03 % in financial year 2014-15 |
| 3 | Kantibhai Devani Independent Director | - | - | - | - |
| 4 | Vinesh Babaria Independent Director | - | - | - | - |
| 5 | Ketanbhai Baldha Independent Director | - | - | - | - |

NOTES:

- The MRE per annum for the financial year 2014-15 was Rs. 89100 and that of 2013-14 was Rs. 54,600. The MRE increased by 63.19 % during the financial year 2014-15.
- There were five (5) permanent employees on the rolls of the Company as on 31st March, 2015.
- Relationship between average increase in remuneration and Company's Performance:*
Net Worth increased by 7.03 % whereas the Average increase in remuneration was 14.19%.
- The Profit After Tax of the Company increased by 896.50% in the financial year 2014-15 whereas the remuneration of Key Managerial Personnel in the said financial year increased by NIL.
- The Company is suspended company as such the details of variation in Market capitalization , price earning ratio, increase over decrease in the market quotations of the shares of the Company is not given. Net Worth of the Company has been increased by 7.03 % in financial year 2014-15.
- Average percentage increase in the Salaries of Employees other than Managerial Personnel:* The average percentage increase in the salaries of employees other than Managerial Personnel in the last financial year i.e. 2014-15 was 23.65% whereas the Net Worth of the Company increased by 7.03%. The increment in salaries of managerial personnel is NIL.
- There are no key parameters for any variable component of remuneration availed by directors.
- During the financial year 2014-15, no employee received remuneration in excess of the highest paid director.
- It is hereby affirmed that the remuneration is as per the Remuneration policy of the Company.

FOR AND ON BEHALF OF THE BOARD

Date: 14th August, 2015
Place: Ahmedabad

VRAJLAL VAGHASIA (DIN - 02442762)
CHAIRMAN & MANAGING DIRECTOR

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

The Company is committed to good corporate governance and taking steps for implementing corporate governance norms as prescribed by SEBI. The Company respects the rights of its shareholders to incorporation on the performance of the company and considers itself a trustee of its shareholders.

2. Board of Directors:

• Composition & category of Directors and their other Directorships and Committee Memberships:

The Board of Directors of the Company is having optimum combination of executive and Non-Executive Directors in compliance of Clause 49 of the Listing Agreement.

The Board of Directors of the Company comprises Five Members – Two (2) Executive Director and Three (3) Non-Executive and independent Directors. The composition of Board of Directors, the number of other Directorships or Board Committees of which he is a Member / Chairman is as under:

| Name of Director | Category | Other Directorships/Board Committees | |
|-------------------------|--------------------------------------|--------------------------------------|-----------------|
| | | Directorships | Board Committee |
| Mr. Vrajlal Vaghasia | Promoter & Executive Director | NIL | NIL |
| Mr. Jitenkumar Vaghasia | Promoter & Executive Director | NIL | NIL |
| Mr. Kantibhai Devani | Non-Executive & Independent Director | NIL | NIL |
| Mr. Vinesh Babaria | Non-Executive & Independent Director | NIL | NIL |
| Mr. Ketanbhai Baldha | Non-Executive & Independent Director | NIL | NIL |

- Directorships in other Companies mentioned above exclude Directorships in Private Limited Companies, foreign companies and companies under Section 8 of the Companies Act, 2013.
- While calculating the number of Membership / Chairmanship in Committees of other Companies, Membership / Chairmanship of only Audit Committee and Shareholders' / Investors' Grievance Committee have been considered pursuant to Clause 49 of the Listing Agreement. None of the Director is a Member in more than ten Committees and acts as a Chairman in more than five Committees across all companies in which he is a Director.
- Mr. Vrajlal Vaghasia and Mr. Jitenkumar Vaghasia are relatives of each other.

• Board Meetings:

Five (5) Board Meetings were held, during the financial year 2014-15, details of Board Meeting are as under:

| | | |
|---------------------------------|-------------------------------|---------------------------------|
| 30 th May, 2014 | 14 th August, 2014 | 12 th November, 2014 |
| 13 th February, 2015 | 23 rd March, 2015 | - |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

All the meetings of Board of Directors of the Company are scheduled well in advance and the Board meets at least once in a quarter to review the quarterly performance and the financial results. Agenda of the meeting were prepared and all necessary papers were circulated to Members of the Board in advance. All Members of the Board have access to all information of the Company and are free to recommend inclusion of any matter in the Agenda for discussions.

▪ **Attendance of Directors at the Board Meetings and Last Annual General Meeting:**

| Name of Director | Board Meetings Attended | Attendance in AGM (Yes/No) |
|-------------------------|-------------------------|----------------------------|
| Mr. Vrajilal Vaghasia | 4 | YES |
| Mr. Jitenkumar Vaghasia | 4 | YES |
| Mr. Ketanbhai Baldha | 4 | YES |
| Mr. Vinesh Babaria | 4 | YES |
| Mr. Kantibhai Devani | 4 | YES |

3. AUDIT COMMITTEE:

▪ **Terms of Reference:**

The Audit Committee has been mandated with the same terms of reference specified in Clause 49 II of the Listing Agreement with the Stock Exchange, as revised from time to time and as well as those stipulated by SEBI Guidelines.

▪ **Composition:**

Presently, the Audit Committee comprises two Non-Executive and Independent Directors (Mr. Ketanbhai Baldha & Mr. Vinesh Babaria) and one Executive Director (Mr. Jitenkumar Vaghasia). Mr. Ketanbhai Baldha is a Chairman of the Audit Committee.

▪ **Meeting and the Attendance during the year 2014-15:**

during the year 2014-15 Four (4) Audit Committee meetings were held on 30th May, 2014, 14th August, 2014, 12th November, 2014 and 13th February 2015. The Committee also met prior to finalization of accounts for the year ended on 31st March, 2015. The details of attendance at the Audit Committee meetings is as under:

| Name of Director | Designation | No. of Meetings Attended |
|-------------------------|-------------|--------------------------|
| Mr. Ketanbhai Baldha | Chairman | 4 |
| Mr. Vinesh Babaria | Member | 4 |
| Mr. Jitenkumar Vaghasia | Member | 4 |

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee constitutes with Mr. Ketanbhai Baldha, Mr. Vinesh Babaria and Mr. Kantibhai Devani, all are Non-Executive and Independent Directors. Mr. Ketanbhai Baldha is a Chairman of the Committee.

The Remuneration Committee recommends to the Board the compensation, terms of Executive Director(s) and its responsibilities include:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulation of criteria for evaluation of Independent Directors and the Board;

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Devising a policy on Board diversity.

▪ **Meeting and the Attendance during the year 2014-15:**

During the year, no meeting of Remuneration Committee / Nomination and Remuneration Committee was held.

▪ **Remuneration Policy:**

The Company pays remuneration to its Managing Director and Whole Time Director by way of salary, perquisites and allowances. Salary is paid within the ceiling prescribed under the applicable provisions of the Companies Act and as approved by the shareholders of the Company.

The Company has paid remuneration of Rs. 1,78,000/- to Mr. Vrajlal Vaghasia, Managing Director and Rs. 1,20,000 to Mr. Jitenkumar Vaghasia, Whole Time Director during the financial year 2014-15.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholder Relationship Committee, specifically, deals with the matters relating to redressal of shareholder and investor complaints such as transfer of shares, non-receipt of annual report, non-receipt of declared dividend etc.

The Committee comprises of three directors. Mr. Vinesh Babaria is the Chairman of the Committee and Mr. Ketanbhai Baldha and Mr. Jitenkumar Vaghasia are members of the Committee. During the year 2014-15, committee met four times.

During the year under review, the Company has not received any compliant.

6. Details of General Meetings

▪ **Annual General Meeting:**

The last three Annual General Meeting of the Company were held within the statutory time period and the details of the same are as under:

| Financial Year | Location | Date | Time |
|-----------------------|---|----------------------------------|-------------|
| 2011-2012 | Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar | 29 th September, 2012 | 4.00 P.M. |
| 2012-2013 | Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar | 30 th September, 2013 | 4.00 P.M. |
| 2013-2014 | Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar | 30 th September, 2014 | 4.00 P.M. |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

▪ Extra Ordinary General Meeting:

During the last three years, only one Extra Ordinary General meeting (EGM) was held. The details of the EGM are as under:

| Financial Year | Location | Category | Date | Time |
|----------------|---|----------|----------------------------|-----------|
| 2011-12 | Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol, District Gandhinagar | EGM | 07 th May, 2011 | 3.00 P.M. |

▪ Special Resolutions passed during last three years:

During the last three years, no Special resolution was passed.

There were no resolutions put through postal ballot last year. There is no business at the ensuing AGM requiring implementation of the postal ballot under the applicable rule.

7. Disclosures:

- Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large. There are no materially significant related party transactions during the Financial Year 2014-15 that may have potential conflict with the interest of the Company at large.
- Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority(ies), on any matter related to capital markets, during the last three years. The company has received notices from BSE Limited for non submission of various compliances under the Listing agreement.
- CEO Certificate: The Managing Director of the Company has furnished the requisite certificate to the Board of Directors under Clause 49 V of the Listing Agreement.
- Whistle Blower Policy/ Vigil mechanism: The Company has adopted a Whistle-Blower Policy/ Vigil mechanism, which provides a formal mechanism for all employees of the Company to make protected disclosures to the Management about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. No employee of the Company has been denied access to the Audit Committee.

8. Means of Communication:

- Half -Yearly result is not sent to each shareholder.
- Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirement of Clause 41 of the Listing Agreement.
- No presentation has been made to Institutional Investors or to analysts.
- The Management Discussion and Analysis Report is attached with the Director's report in this Annual Report.

9. Compliance Certificate of the Auditors:

The Certificate from the Auditors of the Company, M/s. S. D. Mehta & Co., Chartered Accountants, Ahmedabad, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49, is attached to the Directors' Report forming part of the Annual Report. This Certificate has also been forwarded to the Stock Exchanges where the securities of the Company are listed.

10. General Shareholder Information:

I. Annual General Meeting

Date and Time : **30th September, 2015 at 4.00 P.M.**
Venue : Plot No. 119-120, Santej-Vadsar Road,
At & Post Santej, Taluka: Kalol,
Dist.: Gandhinagar

II. Financial Calendar (Tentative)

Financial Year : 1st April, 2014 - 31st March, 2015
First Quarter Results : Second week of August, 2014
Second Quarter Results : Second week of November, 2014
Third Quarter Results : Second week of February, 2015
Results for the year ending
31st March, 2015 : Last week of May, 2015

III. Book Closure Date : **26th September, 2015 to 30th September, 2015**
(Both days inclusive)

IV. Registered Office : Plot No. 119-120, Santej-Vadsar Road,
At & Post Santej, Taluka: Kalol,
Dist.: Gandhinagar

V. Dividend Payment Date : No dividend is recommended for the financial year 2014-15

VI. Listing of Equity Shares on Stock Exchange:

Your Company's equity shares are listed on

| Sr. No. | Name of Stock Exchange | Address of Stock Exchange |
|----------------|---|--|
| 1 | The Ahmedabad Stock Exchange Ltd. | Kamdhenu Complex, Opp. Sahajanand College, Ambawadi, Ahmedabad – 380 015 |
| 2 | The BSE Ltd. | Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 |
| 3 | The Saurashtra Kutch Stock Exchange Ltd | Popatbhai Sorathiya bhawan, Sardar Bazar, Rajkot – 360 001 |
| 4 | Madras Stock Exchange Ltd | No. 30, Second Line Beach, Chennai – 600 001 |

Annual Listing Fees for the year 2014-15 have been paid to the BSE only.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

VII. Stock Code:

- a) The Ahmedabad Stock Exchange Limited, Ahmedabad : 39200
- b) The BSE Limited, Mumbai : 517431
- c) The Saurashtra Kutch Stock Exc. Ltd. : Not Available
- d) The Madras Stock Exchange Ltd. : Not Available

VIII. Registrar & Share Transfer Agent:

The Company has appointed M/s. Purva Sharegistry Pvt. Ltd. as the Registrar and Share Transfer Agent for Demat shares w.e.f November, 2011 having their Registered Office at:

Unit no. 9, Shiv Shakti Ind. Estate,
J.R. Boricha marg, Opp. Kasturba Hospital Lane
Lower Parel (E) Mumbai 400 011
Tel: 91-22-2301 6761 / 8261
Fax: 91-22-2301 2517

IX. Share Transfer System:

Trading in Equity Shares of the Company is permitted only in dematerialized form w.e.f. 23rd March, 2001 as per circular issued by the Securities and Exchange Board of India (SEBI).

The transfer of shares in physical form is processed and completed by M/s. Purva Sharegistry Pvt. Ltd., Registrar & Share Transfer Agent, within the statutory stipulated period. In case where shares are held in electronic form, the transfers are processed by NSDL/CDSL through the Depository Participants and Registrar.

X. Distribution of Shareholding (as on 31st March, 2015):

| No. of Equity Shares Held | No. of Shareholders | % of Shareholders | Total No. of Shares Held | % of Shareholding |
|---------------------------|---------------------|-------------------|--------------------------|-------------------|
| 1-500 | 2273 | 82.18 | 787500 | 21.74 |
| 501-1000 | 278 | 10.03 | 249400 | 6.88 |
| 1001-2000 | 125 | 4.51 | 207200 | 5.72 |
| 2001-3000 | 44 | 1.59 | 117500 | 3.24 |
| 3001-4000 | 4 | 0.14 | 13100 | 0.36 |
| 4001-5000 | 17 | 0.61 | 80700 | 2.23 |
| 5001-10000 | 11 | 0.40 | 78200 | 2.16 |
| 10001 & Above | 14 | 0.51 | 2089400 | 57.67 |
| Total | 2766 | 100.00 | 3623000 | 100.00 |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

XI. Categories of Shareholding (as on 31st March, 2015):

| Category of Holder | No. of Shares | % of Shareholding |
|---------------------------------------|----------------------|--------------------------|
| Promoters / Persons acting in concert | 1654600 | 45.67 |
| Banks / Institutions / Mutual Funds | 48700 | 1.34 |
| Private Corporate Bodies | 84400 | 2.33 |
| Indian Public | 1832500 | 50.58 |
| NRIs | 1500 | 0.04 |
| Any other – (HUF) | 1300 | 0.04 |
| Total | 3623000 | 100.00 |

XII. Details on use of public funds obtained in the last three years:

No funds have been raised from the public during the last three years.

XIII. Outstanding GDR / ADRs / Warrants and Convertible bonds, conversion date and likely impact on the equity: No GDRs / ADRs / Warrants issued by the company.

XIV. Investor Correspondence:

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address and any other query relating to shares of the Company, please write to:

RTA: 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
Tel: 91-22-2301 6761 / 8261
Fax: 91-22-2301 2517

For any other general matters or in case of any difficulties / grievances please write to:

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED

Corp. Office: A-16 Parulnagar Society, 1st floor, Bhuyangdev Char Rasta, Sola Road
Ghatlodia, Ahmedabad – 380 061

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMY OVERVIEW:

The Indian GDP grew at 7.3 % in FY15 as against 6.9 % in FY14. Industry growth increased to 5.9% and services sector growth also increased to 10.6% in FY2014-15. Agricultural sector growth slipped to 1.1 % mainly on account of erratic monsoon. Private consumption recorded a growth of 7.1 %. Declining oil prices, weakening food inflation, improved job prospects, and a stable currency helped to lift the consumer confidence. The growth in capital formation was increased from 3.0% in 2013-14 to 4.1% in FY15.

Overall, the macroeconomic situation in India improved during 2014-15. Also, in view of the Government's commitment to reforms, the economic outlook for FY16 looks positive and a GDP growth of over 8% is expected in FY16 as per the projections of the Government.

OPPORTUNITIES AND THREATS

The rise the agriculture and infrastructure sectors bode well for the pipe market. The government spends on programmes for safe drinking water; rural sanitation, etc. are expected to generate substantial demand for piping products. Rise in PVC resin prices is the biggest potential threat for the Industry.

FUTURE OUTLOOK

The Company is identifying the various opportunities available with the Company. Looking at the overall scenario of the economic conditions, the company is planning for the maximum utilization of the available resources. The Company expects in raising the demands of the products in which the company is engaged. Thus, the Overall outlook for the coming year looks good and may benefit our company at large.

RISKS AND CONCERNS

The risk associated with the products of the Company is always a cause of concern for the Company. The general risk associated with the competition from large organization as well as from the unorganized and small-scale organizations affects the domestic market to a large extent. our company is confident of performing better in spite of such business risks.

INTERNAL CONTROL SYSTEMS

The Company does not have any formal internal audit system. The internal policies of the Company ensure efficient use and protection of assets and resources, compliance with policies and reliability of the financial and operational reports. The management is taking steps to introduce the internal audit system commensurate with the size and nature of the business of the company. The Audit Committee of the Board of Directors deals with the adequacy of internal controls and budgeting functions.

FINANCIAL PERFORMANCE

The Company's performance was satisfactory during the year 2014-15.

HUMAN RESOURCES

The Company continued to have cordial and harmonious relations with its employees during the year under review.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis report describing the Company's objective, expectations or predictions may be "forward – looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets, changes.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all Board Members and Senior Management Personnel have affirmed compliance with Narmada Macplast Drip Irrigation Systems Limited Code of Business Conduct and Ethics for the year ended 31st March, 2015.

For, **NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD**

VRAJLAL VAGHASIA
CHAIRMAN & MANAGING DIRECTOR
DIN- 02442762

Date: 14th August, 2015
Place: Ahmedabad

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

To
The Members of
Narmada Macplast Drip Irrigation Systems Limited

1. We have reviewed the compliance of conditions of Corporate Governance by **Narmada Macplast Drip Irrigation Systems Limited** (the Company) during the year ended **31st March, 2015** with the relevant records and documents maintained by the Company and furnished to us.
2. The Compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an express of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement except the following:
(a) The Company has not appointed Woman Director as per Clause 49(II)(A)(1) of the Listing Agreement.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, S. D. Mehta & Co.
Chartered Accountants
F.R. No. 137193W

Date: 14th August, 2015
Place: Ahmedabad

Shaishav Mehta
Partner
M. No. 32891



Independent Auditor's Report

To
The Members of
Narmada Macplast Drip Irrigation System Limited.

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Narmada Macplast Drip Irrigation System Limited, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit & Loss, the Cash Flow Statement, and a summary of significant accounting policies and other explanatory information for the year then ended.

Management's Responsibility for the Standalone Financial Statements

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the statement of Profit and Loss, of the profit / loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet and Cash Flow statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. Company does not have any pending litigations which would impact its financial position.
 - ii. Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the investor Education and Protection Fund by the Company.

For, S.D.Mehta & Co.
Chartered Accountants

Place: Ahmedabad
Date: 03/09/2015

Shaishav D. Mehta
Partner
M. No.032891

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of Narmada Macplast Drip Irrigation System Limited for the year Ended on 31st March, 2015. We report that:

(i)

(a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account.

(ii)

(a) Physical verification of inventory has been conducted at reasonable intervals by the management.

(b) The procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventory and any material discrepancies were noticed on physical verification.

(iii)

(a) & (b)

As the company has not granted any loans to parties covered u/s 189 of the Companies Act, 2013, the question of rate of interest, terms and conditions, receipt of installments, interest and overdue amount do not arise.

(iv) There is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of fixed assets. There is no continuing failure to correct major weakness, if any in internal control system.

(v) The company has not accepted deposits from the public within the meaning of sections 73 to 76 of the Act and rules framed thereunder.

(vi) The central government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

(vii)

(a) & (b)

The company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues, where applicable; with the appropriate authorities.

(c)

The para of transfer to Investor education and protection fund is not applicable to the company.

- (viii) The company has accumulated losses of Rs. 237.09 lacs. The accumulated losses exceed fifty percent of share capital. It has not incurred any cash loss during the year under report.
- (ix) The company has not defaulted in repayment of dues to a financial institutions or Banks or debenture holders.
- (x) The company has not given any guarantees for loans taken by others from bank or financial institutions.
- (xi) The term loan were applied for the purpose for which the loans were obtained.
- (xii) No fraud on or by the company has been noticed or reported during the year.

For, S. D. Mehta & Co.
Chartered Accountants

Place-Ahmedabad
Date- 03/09/2015

Partner

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

PART I - BALANCE SHEET

Balance Sheet as at 31st March, 2015

(In Rupees)

| Particulars | Note No. | For the year ended March 31,2015 | For the year ended March 31,2014 |
|--|----------|----------------------------------|----------------------------------|
| (1) | (2) | (3) | (4) |
| I EQUITY AND LIABILITIES | | | |
| (1) Shareholders' funds | | | |
| (a) Share capital | 1.01 | 36230000 | 36230000 |
| (b) Reserves and Surplus | 1.02 | (16,259,538) | (17,044,117) |
| (2) Share application money pending allotment | | 1,350,000 | 1,350,000 |
| (3) Non Current liabilities | | | |
| (a) Long-term borrowing | 1.03 | 5,897,514 | 5,495,514 |
| (b) Other Long term liabilities | 1.04 | 605,000 | 485,000 |
| (4) Current liabilities | | | |
| (a) Trade Payable | 1.05 | 9,173,101 | 10,084,410 |
| (b) Short term provision | 1.06 | 13,698 | 13,000 |
| Total | | 370,09,775 | 366,13,807 |
| II ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Fixed Assets | | | |
| (i) Tangible Assets | 1.07 | 35,41,213 | 38,21,904 |
| (b) Non current Investment | 1.08 | 67,00,116 | 41,96,711 |
| (c) Long Term Loan and Advances | 1.09 | 1,80,24,261 | 1,88,37,023 |
| (d) Other non-current assets | 1.10 | 457,185 | 273,323 |
| (2) Current Investment | | | |
| (a) Inventories | 1.11 | 24,31,000 | 31,93,148 |
| (b) Trade Receivables | 1.12 | 49,68,624 | 37,38,014 |
| (c) Cash and bank balance | 1.13 | 8,87,376 | 25,53,684 |
| Total | | 3,70,09,775 | 3,66,13,807 |

Significant Accounting Policies and Notes to Accounts as per

1&2

Note

As per our report of event date attached
For, S D Mehta & Co.

For and on behalf of the Board of Directors

Shaishav D. Mehta
Partner
Membership No. 32891
Date: 03/09/2015
Place: Ahmedabad

Vrajlal Vaghasia
Managing Director
DIN: 02442762

Jiten Vaghasia
Whole Time Director
DIN: 02433557

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

PART II - STATEMENT OF PROFIT AND LOSS

Profit and loss statement for the year ended 31st March, 2015

(In Rupees)

| Particulars | Note No. | For the Year ended March 31,2015 | For the Year ended March 31,2014 |
|--|----------|----------------------------------|----------------------------------|
| (1) | (2) | (3) | (4) |
| I Revenue from operations | 1.14 | 156,995 | 78,363 |
| II Other Income | 1.15 | 3,353,245 | 2,075,292 |
| III Total Revenue (I+II) | | 3,510,240 | 2,153,655 |
| IV Expenses: | | | |
| Cost of Material Consumed | 1.16 | 762,148 | 783,305 |
| Employee Benefit Expenses | 1.17 | 630,820 | 270,900 |
| Depreciation and amortization expense | 1.18 | 280,691 | 433,349 |
| Other Expenses | 1.19 | 1,116,563 | 756,499 |
| Total Expenses | | 2,790,222 | 2,244,053 |
| V Profit before Exceptional and Extraordinary Items and tax (III-IV) | | 720,018 | (90,398) |
| VI Exceptional Items | | - | - |
| VII Profit before Extraordinary Items and tax (V-VI) | | 720,018 | (90,398) |
| VIII Extraordinary Items | | - | - |
| IX Profit before Tax (VII-VIII) | | 720,018 | (90,398) |
| X Tax expenses: | | | |
| (1) Current Tax | | - | - |
| (2) Deferred Tax | | - | - |
| XI Profit / (Loss) for the period (IX-X) | | 720,018 | (90,398) |
| XI Earning per equity share | | | |
| (Face value of Rs.10 each) | | | |
| (1) Basic | | 0.22 | (0.03) |
| (2) Diluted | | 0.22 | (0.03) |

Significant Accounting Policies and Notes to the Accounts

as per Note

As per our report of even date attached.

For, S. D. Mehta & Co.

Chartered Accountants

1 & 2

For and on behalf of the Board of Directors

Shaishav D. Mehta

Partner

Membership No. 32891

Date: 03/09/2015

Place: Ahmedabad

Vrajlal Vaghasia

Managing Director

DIN: 02442762

Jitenkumar Vaghasia

Whole Time Director

DIN: 02433557

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

1 Notes on Accounts:

1.01 Share Capital

(i) Authorised, Issued, Subscribed and Paid-Up Capital

(In Rupees)

| Sr. No | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|--------|--|-----------------------------------|-----------------------------------|
| (a) | Authorised 50,00,000 Equity Shares of Rs. 10/- each (Previous year 50,00,000 Equity Share of 10/- each) | 50,000,000 | 50,000,000 |
| | Total | 50,000,000 | 50,000,000 |
| (b) | Issued, Subscribed and Paid Up 36,23,000 Equity Share of Rs 10/- Each | 3,62,30,000 | 3,62,30,000 |
| | Total | 3,62,30,000 | 3,62,30,000 |

(ii) Reconciliation of number of equity shares outstanding as at beginning and at the end of the reporting period, is as under:

| Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---|-----------------------------------|-----------------------------------|
| Number of Shares Outstanding at the beginning of the year | 36,23,000 | 36,23,000 |
| Add: Shares allotted during the year | - | - |
| Number of Equity shares outstanding at the end of the year | 36,23,000 | 36,23,000 |

(iii) Rights , preferences and restrictions attached to Equity Shares:

- The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-.
- Each holder of equity shares is entitled to one vote per share except partly paid up shares.
- No member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
- In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

1 Notes on Accounts:

- (iv) The details of shareholders holding more than 5 % of issued equity share capital is set out below:

| Sr. No. | Name of Shareholder | As at March 31, 2015 | | As at March 31, 2014 | |
|---------|---------------------|----------------------|--------------|----------------------|--------------|
| | | No. of Shares | % to Total | No. of Shares | % to Total |
| 1 | Vrajlal Vaghasia | 15,66,400 | 43.23 | 15,63,700 | 43.16 |
| | | 15,66,400 | 43.23 | 15,63,700 | 43.16 |

- (v) There were no shares reserved at the year-end for issue under options and contracts / commitments for the sale of shares / disinvestment.
- (vi) Calls Unpaid: The shareholders of the company has not paid call money amounting to Rs. 14,15,000/- (Fourteen lacs fifteen thousand).

1.02 Reserves and Surplus

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|--|-----------------------------------|-----------------------------------|
| | Capital Reserve | 4,962,038 | 4,789,877 |
| | Share Forfeiture Premium | 1,767,000 | 1,767,000 |
| | Surplus / (Deficit) in Statement of Profit & Loss | | |
| | Opening balance | (23,600,994) | (23,338,436) |
| | (+) Net Profit/(Net Loss) for the current year | 720,018 | (90,398) |
| | (-) Proposed Dividends / Interim Dividend / Transfer to Reserves | - | - |
| | Less : Preliminary exp. | 107,600 | 172,160 |
| | Closing Balance | (22,988,576) | (23,600,994) |
| | Total | (16,259,538) | (17,044,117) |

1.03 Long-term borrowings

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|---|-----------------------------------|-----------------------------------|
| (i) | Loans and advances from directors and their relatives | 5,897,514 | 5,495,514 |
| | Total | 5,897,514 | 5,495,514 |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

1 Notes on Accounts:

1.04 Other long term liabilities

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|--------------------------------|-----------------------------------|-----------------------------------|
| (i) | Security and Business Deposits | 605,000 | 485,000 |
| | Total | 605,000 | 485,000 |

1.05 Trade Payables

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|---|-----------------------------------|-----------------------------------|
| (i) | Outstanding for period exceeding six months Unsecured, considered good | 9,173,101 | 10,084,410 |
| | Total | 9,173,101 | 10,084,410 |

1.06 Short-term provisions

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|---------------------|-----------------------------------|-----------------------------------|
| (i) | Unpaid Expenses | - | 13,000 |
| (ii) | Service Tax Payable | 12,554 | - |
| (iii) | VAT Payable | 1,144 | - |
| | Total | 13,698 | 13,000 |

1.07 Fixed Assets

| Sr. No. | Description | Gross Block | | | | Depreciation and Amortisation | | | | Net Block | |
|---------|--|---------------------|---------------------------|---------------------------|----------------------|-------------------------------|--------------|------------------------------|----------------------|----------------------|----------------------|
| | | As at April 1, 2014 | Additions during the year | Disposals during the year | As at March 31, 2015 | As at April 1, 2014 | For the year | On Disposals during the year | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2014 |
| | Tangible Assets | | | | | | | | | | |
| 1 | <u>Land</u> Land | 829,241 | | | 829,241 | - | - | | 829,241 | 829,241 | |
| 2 | <u>Building</u> Building | 6,028,383 | | | 6,028,383 | 5,941,190 | 101,646 | | 6,042,836 | 1,985,547 | 2,067,193 |
| 3 | <u>Plant and Machinery</u> Plant & Machinery | 14,456,845 | | | 14,496,845 | 13,704,801 | 143,360 | | 13,848,161 | 648,684 | 792,044 |
| 4 | Air Conditioner | 20,444 | | | 20,444 | 12,165 | 1,498 | | 13,863 | 6,781 | 8,279 |
| 5 | Mobile | 8,125 | | | 8,125 | 4,836 | 595 | | 5,431 | 2,694 | 3,289 |
| 6 | Dye | 15,300 | | | 15,300 | 9,103 | 1,122 | | 10,225 | 5,075 | 6,197 |
| 7 | <u>Furniture and Fixture</u> Furniture & Fixture | 415,160 | | | 415,160 | 404,600 | 2,734 | | 407,334 | 7,826 | 10,560 |
| 8 | <u>Laboratory Equipment</u> Laboratory Equipments | 481,134 | | | 481,134 | 445,616 | 9,196 | | 454,812 | 26,322 | 35,516 |
| 9 | <u>Motor Car</u> Four Wheeler | 37,000 | | | 37,000 | 29,931 | 2,208 | | 32,139 | 4,861 | 7,069 |
| 10 | <u>Motor Vehicle</u> Vehicle | 522,658 | | | 522,658 | 499,798 | 5,918 | | 505,716 | 16,942 | 22,860 |
| 11 | <u>Computer</u> Computer | 502,599 | | | 502,599 | 542,945 | 12,413 | | 555,358 | 7,241 | 19,654 |
| | Total | 25,416,889 | - | - | 25,416,889 | 21,594,985 | 280,691 | - | 21,875,676 | 3,541,213 | 3,821,904 |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

1 Notes on Accounts:

1.08 Non Current Investment

| (In Rupees) | | | |
|-------------|-----------------------------|-----------------------------------|-----------------------------------|
| Sr. No | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
| (I) | Investment in equity shares | 2,623,090 | 2,623,090 |
| (II) | Investment in bank | 62,500 | 62,500 |
| (III) | Fixed Deposit | 4,014,526 | 1,511,121 |
| | Total | 6,700,116 | 4,196,711 |

1.09 Long term loans and Advances

| (In Rupees) | | | |
|-------------|-----------------------------|-----------------------------------|-----------------------------------|
| Sr. No | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
| (I) | Loans and advances to other | 18,024,261 | 18,837,023 |
| | Total | 18,024,261 | 18,837,023 |

1.10 Other non current assests

| (In Rupees) | | | |
|-------------|-----------------------------|-----------------------------------|-----------------------------------|
| Sr. No | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
| (I) | TDS Receivable (08-09) | 21,528 | - |
| (II) | TDS Receivable (FY 2012-13) | 10,062 | - |
| (III) | TDS Receivable (FY 2013-14) | 92,448 | - |
| (IV) | TDS Receivable (FY 2014-15) | 59,824 | - |
| (V) | Deposit | 273,323 | 273,323 |
| | Total | 457,185 | 2,73,323 |

1.11 Inventories

| 2 (In Rupees) | | | |
|---------------|--------------|-----------------------------------|-----------------------------------|
| Sr. No | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
| (I) | Finish Goods | 2,431,000 | 3,193,148 |
| | Total | 2,431,000 | 3,193,148 |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

1 Notes on Accounts:

1.12 Trade Receivables

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|---|-----------------------------------|-----------------------------------|
| (i) | Outstanding for period exceeding six months Unsecured, considered good | 4,968,624 | 3,738,014 |
| | Total | 4,968,624 | 3,738,014 |

1.13 Cash and cash equivalents

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|---------------------|-----------------------------------|-----------------------------------|
| (i) | Balances with banks | 832,442 | 2,512,318 |
| (ii) | Cash on hand | 54,934 | 41,366 |
| | Total | 887,376 | 2,553,684 |

1.14 Revenue From Operations

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|--------------|-----------------------------------|-----------------------------------|
| (i) | Sales | 156,995 | 78,363 |
| | Total | 156,995 | 78,363 |

1.15 Other Income

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|----------------------------|-----------------------------------|-----------------------------------|
| (i) | Interest on FDR | 226,005 | 132,292 |
| (ii) | Rent Income | 1,759,390 | 1,933,000 |
| (iii) | Sundry Balance Written off | - | 10,000 |
| (iv) | Commission Income | 1,367,850 | - |
| | Total | 3,353,245 | 2,075,292 |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

1 Notes on Accounts:

1.16 Cost of Materials Consumed

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|-----------------------------------|-----------------------------------|-----------------------------------|
| | Opening Stock | 3,193,148 | 3,968,148 |
| | Plus : Purchase of stock in trade | - | 8,305 |
| | Less Closing Stock | 2,431,000 | 3,193,148 |
| | Total | 762,148 | 783,305 |

1.17 Employee Benefit Expenses

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|---------------------------|-----------------------------------|-----------------------------------|
| (i) | Salaries and wages | 291,200 | 252,500 |
| (ii) | Bonus | 41,620 | 18,400 |
| (iii) | Remuneration of Directors | 298,000 | - |
| | Total | 630,820 | 270,900 |

1.18 Depreciation and amortization expense

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|---------------------------------|-----------------------------------|-----------------------------------|
| (i) | Depreciation of Tangible assets | 280,691 | 433,349 |
| | Total | 280,691 | 433,349 |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

1 Notes on Accounts:

1.13 Other Expenses

(In Rupees)

| Sr. No. | Particulars | For the year ended March 31, 2015 | For the year ended March 31, 2014 |
|---------|-----------------------------------|-----------------------------------|-----------------------------------|
| | Account Charges | 30,000 | 30,000 |
| | Advertisement | 7,990 | 11,600 |
| | Bank Charges | 75 | 306 |
| | BIS Licence Charges | 120,224 | 23,022 |
| | Advocate Fees | 18,500 | - |
| | Exhibition & Travelling Expenses | 235,065 | - |
| | Computer Expense | 16,050 | 3,650 |
| | Conveyance Expense | 18,575 | 14,340 |
| | Diwali Expense | 1,591 | 720 |
| | Donation | - | 2,000 |
| | Electricity Expense | - | 139,008 |
| | Factory Maintenance | 207,159 | 5,000 |
| | Factory License Fees | - | 600 |
| | Factory Miscellaneous expense | 46,783 | 1,550 |
| | Fuel Expense | 18,820 | 21,886 |
| | Insurance Expense | 4,999 | - |
| | Legal Expense | 700 | 99,843 |
| | Professional Charges | 103,082 | 25,000 |
| | Membership Fees | 3,747 | - |
| | Mobile Expenses | 48,371 | 49,895 |
| | Newspaper | 129 | 1,360 |
| | Office Expense | 14,917 | 92,491 |
| | Postage and Courier | 734 | 1,498 |
| | ROC filling Charges | 1,800 | 25,000 |
| | Security Expenses | 19,000 | 16,500 |
| | Service Tax | - | 22,794 |
| | Stationery and Printing | 5,085 | 3,303 |
| | Repairing and Maintenance Expense | 21,000 | - |
| | Preliminary Expense | 64,560 | - |
| | Tea Expense | 8,036 | 5,428 |
| | Telephone Expense | 22,610 | 23,617 |
| | Late Payment of Service Tax | 1,914 | - |
| | Travelling Expense | - | 135,368 |
| | Land Stamp Duty Expenses | 73,494 | - |
| | Vehicle Expense | 1,040 | 300 |
| | Water Expense | - | 200 |
| | Xerox | 513 | 220 |
| | Total | 1,116,563 | 756,499 |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

1 Notes on Accounts:

1.20 Earning Per Share (EPS):

Earning per share is calculated by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

| Particulars | Unit | 2014-15 | 2013-14 |
|---|------|-----------|-----------|
| Net Profit as per Statement of Profit & Loss Statement | Rs. | 720,018 | (90,398) |
| Weighted average of number of equity shares outstanding during the year | No. | 3,340,000 | 3,278,400 |
| Basic Profit / (Loss) per share of face value of Rs. 10/- Each | Rs. | 0.22 | (0.03) |

Note 2: Disclosure of Significant Accounting Policies

2.01 Basis of preparation of Financial Statements:

The Financial statements are prepared to comply in all material respects with the Accounting Standards notified by the relevant provisions of Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use.

2.02 Use of Estimates:

The preparation of financial statement in conformity with generally accepted accounting principles requires management of the company to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which the results are known / materialized.

2.03 Segmental Reporting:

By applying the definitions of "business segment" and "geographical segment", contained in AS-17, it is concluded that there is neither more than one business segment nor more than one geographical segment and as such, segment information as per AS-17 is not required to be disclosed.

2.04 Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue on sale of product is recognized on delivery of the product, when all significant contractual obligations have been satisfied, the property in goods is transferred for a price, significant risk and reward of ownership have been transferred and no effective ownership control is retained. Interest income is recognized on time proportion basis.

2.05 Foreign Currency Transactions:

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions.

Exchange difference arising on foreign currency transactions settled during the year are recognized in the Profit and Loss Account for the year, other than exchange difference related to the liabilities for acquisition of fixed assets that are adjusted to the cost of the related fixed assets. All monetary items denominated in foreign currency are translated at exchange rates prevailing on the balance sheet date. The resultant exchange differences are recognized in the Profit and Loss Account for the year, other than exchange differences related to the liabilities for acquisition of fixed assets that are adjusted to the cost of fixed assets.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

In the case of forward contracts, the difference between the forward rate and the exchange rate on the date of the transaction is recognized in the Profit and Loss Account over the life of the contract, except in case of liabilities relating to acquisition of fixed assets, which is adjusted to the carrying cost of the fixed asset.

| | |
|--|---------|
| Amount remitted in foreign currency | Rs. NIL |
| Earning in foreign currency on FOB basis | Rs. NIL |

2.06 Borrowing Costs:

Borrowing costs directly attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such asset till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs, if any, are charged to Profit and Loss account as period cost.

2.07 Tangible Assets:

Tangible assets are stated at cost less accumulated depreciation and impairment losses, if any. Direct cost comprises of all expenditure of capital in nature attributable to bringing the fixed asset to working condition for its intended use and incidental expenses including interest relating to acquisition, until Tangible assets are ready to use be put to use.

2.08 Depreciation:

Fixed assets include all expenditure of capital nature and are stated at cost (net of Cenvat, whenever applicable) less accumulated depreciation.

In respect of addition and sale of assets during the period, depreciation is provided on periodical basis.

The depreciation on the assets for the current financial year, is calculated on the basis of remaining useful life of the assets, as per the provisions of Companies Act' 2013.

2.09 Investments:

Non Current Investments are stated at cost. Provision for diminution in the value of non-current investments is made, only if, in the opinion of the management, such a decline is regarded as being other than temporary.

2.10 Inventories:

Inventories are valued as under:

- (1). Raw Material is valued at cost.
- (2). Finished goods are valued at lower of cost or net realizable value.

2.11 Cash and cash equivalent:

Cash and cash equivalents for the purpose of the cash flow statements comprise cash at bank and in hand and short term investments with an original maturity of three month or less.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

2.12 Provisions, Contingent Liabilities and Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. This are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclose in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.13 Taxes on Income:

Income tax expense comprises of current tax and deferred tax (charge or credit).

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions under the Income Tax Act, 1961.

2.14 Preliminary Expenses:

Preliminary Expenses are written off in five equal installments.

2.15 Related Party Disclosures:

Related Party disclosures as required under the Accounting Standard (AS) – 18 on “Related Party Disclosures” notified in Companies (Accounting Standards) Rules, 2006 are given below:

(A) Name of the related parties and description of relationship:

| Sr. No. | Description of Relationship | Name of the Related Party (With whom transactions has taken place during the year) |
|---------|-----------------------------|---|
| 1 | Key Managerial Personnel | a) Vajubhai Vaghasia |
| | | b) Jitenbhai Vaghasia |

(B) Details of Transactions with Related Parties during the year and balances outstanding as at March 31, 2015:

(In Rupees)

| Sr. No. | Particulars | Enterprise having significant influence | | Relatives of Key Managerial Person | |
|---------|------------------------|---|---------|------------------------------------|---------|
| | | 2014-15 | 2013-14 | 2014-15 | 2013-14 |
| 1 | Directors Remuneration | 2,98,000 | - | - | - |

2.16 General:

- (1) Any other accounting policy not specifically referred to are consistent with generally accepted accounting principles.
- (2) Debit/credit balances under the head "Current liabilities", "Sundry debtors", "Unsecured loans" and "Loans and advances" are subject to confirmation from respective parties.
- (3) On the basis of the information available with the company, there are no Micro, Small and Medium enterprise to whom the company owes dues, which are outstanding for more than 45 days at the balance sheet date.
- (4) The Company does not have any Contingent liabilities in the nature of claims or guarantees.
- (5) The assets whose useful life has been expired as on 31.03.2014 are written off during the year against general reserves.
- (6) Previous year's figures have been regrouped, reclassified wherever necessary to correspond with the current year's classifications/disclosures.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

| Cash flow statement for the year ended 31st March' 2015 | | | | |
|--|---------------------------------------|-------------|---------------------------------------|----------|
| (Amount in Rupees) | | | | |
| Particulars | For the year ended 31st March,2015 | | For the year ended 31st March,2014 | |
| | Amount | Amount | Amount | Amount |
| (A) Cash flow from operating activities | - | | | |
| (1) Net profit after tax and extraordinary items | | 720,018 | | (90,398) |
| ADD:(i) Depreciation Written off | 280,691 | | 390,309 | |
| (ii) Provision for income tax | | | | |
| (iii) Preliminary expenses Written off | 64,560 | | 43,040 | |
| (iv) Loss from partnership firm | - | | - | |
| LESS: (i) Deferred tax Asset | | | | |
| | | 345,251 | - | 433,349 |
| (2) Operating profit before working capital changes | - | 1,065,269 | - | 342,951 |
| Working capital changes | | | | |
| Add: (i) Decrease in Current Assets (Except Cash & Cash Equivalents) | - | | 339,059 | |
| (ii) Increase in Current Liabilities | - | | 90,286 | |
| Less: (i) Decrease in Current Liabilities | 910,611 | | - | |
| (ii) Increase in Current assests (Except Cash & Cash Equivalents) | 468,461 | (1,379,072) | | 429,345 |
| (3) Cash generated from operating before tax | | (313,803) | | 772,296 |
| Less: Income Tax Paid | | - | | - |
| (4) Cash flow before extraordinary items | | (313,803) | | 772,296 |
| Add/ (less) extraordinary items | | - | | - |
| Net cash inflow / outflow from operating activities | | | | |
| After tax & extraordinary items | | (313,803) | | 772,296 |
| | | | | |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

| | | | | |
|---|-----------|--------------------|---------|------------------|
| <u>(B) Cash flow from investing activities</u> | | | | |
| Add : Proceeds on account of changes in Investments | | | | |
| Less : Purchase of Fixed assets & Investments | 2,503,405 | | | |
| Net Cash inflow / outflow from investing activities | | (2,503,405) | | - |
| <u>(C) Cash flow from financing activities</u> | | | | |
| Add : Changes in Long term Loans & Advances | 842,900 | | 17,120 | |
| Proceeds of Share Capital | 308,000 | | - | |
| Less : Advances given | | | 318,651 | |
| Less : Repayment of Loans | - | | | |
| Net cash inflow / outflow from financing activities | | 1,150,900 | | (301,531) |
| (D) net increase / decrease in cash & cash equivalent | | (1,666,308) | | 470,765 |
| (E) Add: Cash & Cash Equivalents in the beginning of the year | | 2,553,684 | | 2,082,919 |
| (F) Cash & Cash Equivalents at the end of the year | | 887,376 | | 2,553,684 |

For, S. D. Mehta & Co.
Chartered Accountants

For and on behalf of the Board of Directors

Shaishav D. Mehta
Partner
Membership No. 32891

Vrajil Vagharia
Managing Director
DIN: 02442762

Jitenkumar Vagharia
Whole Time Director
DIN: 02433557

Date: 03/09/2015
Place: Ahmedabad

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

Narmada Macplast Drip Irrigation Systems Limited

CIN - L25209GJ1992PLC017791

Regd. Office: - Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol,
District Gandhinagar – 382 721

ATTENDANCE SLIP

Please complete the attendance slip and hand it over at the entrance of the Meeting hall.

I/We hereby record my presence at the 23rd Annual General Meeting of the Company to be held on Wednesday, September 30, 2015 at 4.00 p.m. at the Registered office of the Company.

DP ID |

FOLIO NO |

Client ID |

NO OF SHARES |

| | |
|--|--|
| Name of the Shareholder (In Block Letters) | |
| Signature of Shareholder | |
| Name of the proxy (In Block Letters) | |
| Signature of the Proxy | |

NOTE: (1) This attendance is valid only in case shares are held on the date of this Annual General Meeting.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

Narmada Macplast Drip Irrigation Systems Limited

CIN - L25209GJ1992PLC017791

Regd. Office: - Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol,
District Gandhinagar – 382 721

| | |
|------------------------------|--|
| Name of the Member(s): | |
| Registered Address: | |
| E-mail Id: | |
| Folio/ DP ID – Client ID No. | |

I/We being a Member(s) of _____ shares of the above named Company, hereby appoint

1. Name: _____
Address: _____
E-mail Id: _____
Signature: _____ of failing him
2. Name: _____
Address: _____
E-mail Id: _____
Signature: _____ of failing him
3. Name: _____
Address: _____
E-mail Id: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf the behalf at the 23rd Annual General Meeting of the Company to be held on Wednesday, September 30, 2015 at 04:00 p.m. at the Registered Office of the Company and at any adjournment thereof such resolutions as are indicated below:

| Resoluti on No. | Resolutions | Vote (Optional see Note 3) (Please mention no. of shares) | |
|--------------------|--|---|---------|
| Ordinary Business | | For | Against |
| 1 | Adoption of Audited Financial Statements for the financial year 2014-15 | | |
| 2 | To appoint a Director in place of Mr. Jitenkumar Vaghasia (DIN -02433557) who retires by rotation and being eligible, offers himself for re-appointment. | | |
| 3 | To ratify the appointment of the M/s. S. D. Mehta & Co., Chartered Accountants, Auditors of the Company | | |

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

Signed this _____ day of _____ 2015.

Signature of Shareholder: _____

Signature of Proxyholder(s): _____

Affix
Revenue
Stamp

NOTE :

1. This form of proxy in order to be effective should be duly completed and deposited at Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol, District: Gandhinagar – 382 721, Gujarat not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 23rd Annual General Meeting.
3. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. The Proxy need not to be a Member of the Company.
5. Please fill in full particulars.
6. Company reserves the right to ask for identification of the proxy.