

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 2015-16

Dear Sir/Madam,

With reference to Captioned subject, Kindly find herewith revamped Annual Report For Financial Year 2015-16. 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

24th
Annual Report
2015 - 2016



**NARMADA MACPLAST DRIP IRRIGATION
SYSTEMS LIMITED**

CIN : L25209GJ1992PLC017791

DATE OF AGM: 30-09-2016

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED

[CIN: L25209G]1992PLC017791]

ANNUAL REPORT 2015-16

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

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NOTICE

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

ORDINARY BUSINESS:

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

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

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

SPECIAL BUSINESS

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

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

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

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

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

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

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

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

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

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

VRAJLAL VAGHASIA
MANAGING DIRECTOR
DIN- 02442762

Date: 30th May, 2016
Place: Ahmedabad

NOTES:

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

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
3. Pursuant to the Listing Regulation, details of directors seeking appointment/reappointment at the Meeting are given in detail, is annexed hereto.
4. Shareholders are requested to bring their copy of Annual Report to the meeting.
5. Members/Proxies should fill Attendance Slip for attending the meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 26th September, 2016 to Friday, 30th September, 2016 (both days inclusive).
7. Members seeking any information or clarification on Accounts are requested to send written queries to the Company, at least one week before the date of the meeting. Replies will be provided in respect of such written queries received only at the meeting.
8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the administrative office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Share registrars and Transfer Agents.

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

Item No. 5

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

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

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

Your Directors proposed to pass following resolution as Ordinary Resolution.

Item No. 6

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

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

Your Directors proposed to pass following resolution as Ordinary Resolution.

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

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

*Sheet of Vajubhai Directorship in other Companies

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

* Sheet of Jitenbhai Directorship

Sr no.	Name of the companies
	Nil

DIRECTORS' REPORT

To
The Members
Narmada Macplast Drip Irrigation Systems Limited
Ahmedabad

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

1. FINANCIAL RESULTS:

(Rs. In Lacs)

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

2. STATE THE COMPANY'S AFFAIRS AND OPERATIONS:

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

3. CHANGE IN NATURE OF BUSINESS:

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

4. TRANSFER TO RESERVES:

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

5. DIVIDEND:

Your directors have not recommended any dividend.

6. FIXED DEPOSITS:

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

7. Share Capital

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

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

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

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

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

10. DIRECTORS:

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

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

11. ANNUAL RETURN:

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

12. ANNUAL PERFORMANCE EVALUATION:

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

13. MEETINGS OF BOARD:

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

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

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

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

15. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 134 Clause (C) of Sub-Section (3) of the Companies Act, 2013, in relation to financial statements for the year 2015-16, the Board of Directors state:

- a) In the preparation of the annual accounts for the financial year ended 31st March 2016, as far as possible and to the extent, if any, accounting standards mentioned by the auditors in their report as not complied with, all other applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit and loss account of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concern basis; and
- e) The directors in the case of a listed company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. DECLARATION BY BOARD AS PER REQUIREMENT OF SECTION 178 (1)

In compliance with Section 178 (1) of the Companies Act, 2013 the Board of Directors do hereby declare that:

- a. The Company has proper constitution of the Board of Directors including Independent Directors.
- b. The Company has constituted Nomination and Remuneration Committee, Stakeholders Relationship Committee, Audit Committee as per requirements of provisions of the Companies Act 2013.
- c. The Company has the policy for selection and appointment of independent directors who are persons of reputation in the society, have adequate educational qualification, sufficient business experience and have integrity & loyalty towards their duties.
- d. Company pays managerial remuneration to its Managing/Whole Time Director.
- e. The Independent Directors are not paid sitting fee for attending Board and other committee meetings held by the Board from time to time.
- f. The Company is not paying any commission on net profits to any directors.

17. AUDITORS AND AUDIT:

STATUTORY 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 of Directors of the Company recommended ratifying their appointment as Statutory Auditors of the Company for the financial year 2016-17.

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. Thakrar & Associates, Company Secretaries** in Practice to conduct Secretarial Audit of the Company for Financial Year 2015-16. 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 Regulation, it is stated that the Company is not having major operations 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 Regulation.

EXPLANATION TO THE SECRETARIAL AUDITORS' REMARKS

The Directors submit their explanations to then various observations made by the Secretarial Auditors in their report for the year 2015-16. Para nos. of Auditors' Report and reply are us under:

Basis for Qualified Opinion –

1.	Non Appointment of Company Secretary/CFO/Internal Auditor	As Company have not major operation and doesn't have sufficient funds to pay salary therefore the Company has not appointed Company Secretary/CFO/Internal Auditor, though the Company is trying to follow best Governance Standard as per listing regulations.
2.	Non appointed Woman Director	As company not find any Suitable person to act as a Woman Director of the Company, Company is in process to find and appoint Woman Director in company.

3.	Not provided e-voting facilities and not published advertisement in news paper	Company was unaware regarding evoting requirements, therefore Company failed to comply with e - voting requirements.
4.	Not filed necessary e-forms as prescribed under the Companies Act, 2013	Company shall take necessary steps to complete pending ROC compliance.

18. 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 'IV' 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.

19. 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.

20. RELATED PARTY TRANSACTIONS:

All the transactions entered into with related parties as defined under the Companies Act, 2013 and the Listing Regulation, 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 2015-16, 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.

21. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

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

22. 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 Regulation 27 of the Listing Regulation 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 and Listing Regulation attached hereto and forms part of this Report.

23. 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.

24. CORPORATE SOCIAL RESPONSIBILITY(CSR) COMMITTEE:

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

25. 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.

26. 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 Regulation viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. During the year under review, in compliance with the Listing Regulations.

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.

27. INDEPENDENT DIRECTORS MEETING:

During the year under review, the Independent Directors of the Company met on 23rd March, 2016, 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.

28. 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 III' to this report.

29. 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.

30. 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. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2015-2016, no complaints were received by the Company related to sexual harassment.

31. 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
For Narmada Macplast Drip Irrigation Systems Limited

VRAJLAL VAGHASIA
MANAGING DIRECTOR
DIN - 02442762

JITEN VAGHASIA
WHOLE TIME DIRECTOR
DIN - 02433557

Date: 30th May. 2016
Place: Ahmedabad

“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, 2015)				No. of Shares held at the end of the year (i.e. 31 st March, 2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares*	
A. Promoters									
(1) Indian									
a) Individuals / HUF	0	1654600	1654600	45.67	0	1654600	1654600	45.67	0.00
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	1654600	1654600	45.67	0	1654600	1654600	45.67	0.00
(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	1654600	1654600	45.67	0	1654600	1654600	45.67	0.00
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) FIs	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	2.34	22600	61800	84400	2.34	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. 2 lakh	31100	148330 0	151440 0	41.80	31100	148330 0	151440 0	41.80	0.00
ii) Individual shareholders nominal share capital in excess of Rs 2 lakh	25000	293100	318100	8.78	25000	293100	318100	8.78	0.00
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	185440 0	193490 0	53.41	80500	185440 0	193490 0	53.41	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	80500	196820 0	204870 0	54.75	80500	188790 0	196840 0	54.75	0.00
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	354250 0	362300 0	100.0 0	80500	354250 0	362300 0	100.0 0	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (i.e. 1 st April, 2015)			Shareholding at the end of the year (i.e. 31 st March, 2016)			% 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	156640 0	43.23	0.00	156640 0	43.23	0.00	0.00
2	Jiten Vaghasia	88200	2.43	0.00	88200	2.43	0.00	0.00
	Total	165460 0	45.67	0.00	165460 0	45.67	0.00	0.00

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

No change in promoter shareholding during the Year.

(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 beginning of the year (i.e. 1 st April, 2015)		Cumulative Shareholding during the year -2015-16	
		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
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
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.

(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	Vrajlal Vaghasia				
	At the beginning of the year	1566400	43.23	1566400	43.23
	Increase / Decrease	0	0.00	1566400	43.23
	At the End of the year	-	-	1566400	43.23
2	Jitenkumar Vaghasia				
	At the beginning of the year	88200	2.43	88200	2.43
	Increase / Decrease	0	0.00	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	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
Change in Indebtedness during the financial year				
• Addition	0	10,73,461	0	10,73,461
• Reduction	0	0	0	0
Net Change	0	10,73,461	0	10,73,461
Indebtedness at the end of the financial year				
i) Principal Amount	0	69,70,975	0	69,70,975
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	69,70,975	0	69,70,975

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/WTM/ Manager		Total Amount
		Mr. Vrajesh Vaghsia	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/WTD: 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

VRAJLAL VAGHASIA
MANAGING DIRECTOR
DIN - 02442762

Date: 30th May, 2016
Place: Ahmedabad

“Annexure II”

SECRETARIAL AUDIT REPORT

FORM MR-3

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[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 thereon.

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 **March 31, 2016** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 **March 31, 2016** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of 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 and company has complied with the standard.
- (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*
- 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 filed 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:

The Company is suspended on the Board of BSE Limited

For Thakrar And Associates
Practising Company Secretaries

Place : Rajkot
Date : 14/08/2016

Viral Hareshbhai Thakrar
Proprietor
Membership No. : A46235
CP No. : 16856

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.

‘ANNEXURE A’

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 Thakrar And Associates
Practising Company Secretaries

Viral Hareshbhai Thakrar
Proprietor
Membership No. : A46235
CP No. : 16856

Place : Rajkot
Date : 14/08/2016

“Annexure III”

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 197 of 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.

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 Vaghasia Chairman & Managing Director	1,78,000	1.998:1	0.00	Net Worth increased by 2.83 % in financial year 2015-16
2	Jitenkumar Vaghasia Whole Time Director	1,20,000	1.347:1	0.00	Net Worth increased by 2.83 % in financial year 2015-16
3	Kantibhai Devani Independent Director	-	-	-	-
4	Vinesh Babaria Independent Director	-	-	-	-
5	Ketanbhai Baldha Independent Director	-	-	-	-

NOTES:

FOR AND ON BEHALF OF THE BOARD

Date: 30th May, 2016
Place: Ahmedabad

VRAJLAL VAGHASIA (DIN - 02442762)
CHAIRMAN & MANAGING DIRECTOR

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 the Listing Regulation. 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:**

Six (6) Board Meetings were held, during the financial year 2015-16, details of Board Meeting are as under:

20 th April, 2015	30 th May, 2015	14 th August, 2015
6 th November, 2015	13 th February, 2015	5 th March, 2016

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	6	YES
Mr. Jitenkumar Vaghasia	6	YES
Mr. Ketanbhai Baldha	6	YES
Mr. Vinesh Babaria	6	YES
Mr. Kantibhai Devani	6	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 2015-16:**

Four (4) Audit Committee meetings were held during the year 2015-16. The Committee also met prior to finalization of accounts for the year ended on 31st March, 2016. 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

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

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;
 - 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.

During the period under review, one Nomination and Remuneration Committee meetings were held respectively on , 05.03.2016

Name of Director	Position	No. of Meetings	Meetings attended
Mr. Ketanbhai Baldha	Non-Executive and Independent Directors	1	1
Mr. Vinesh Babaria	Non-Executive and Independent Directors	1	1
Mr. Kantibhai Devani	Non-Executive and Independent Directors	1	1

The remuneration committee has been constituted to recommend/review the remuneration package of the Managing/ Whole Time Directors based on performance and defined criteria.

DETAILS OF REMUNERATION PAID TO DIRECTORS DURING 2015-16

- The Company paid remuneration to Managing Director and Whole Time Director.
- The Company does not have scheme for grant of stock option to the directors.

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 2015-16, 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
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.
2014-2015	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	30 th September, 2015	4.00 P.M.

▪ Extra Ordinary General Meeting:

During the last three years, No Extra Ordinary General meeting (EGM) was held. The details of the EGM are as under:

▪ 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 2015-16 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.

Corporate Governance certificate: The Managing Director of the Company has furnished the requisite certificate to the Board of Directors under Listing Regulation.

- 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 the Listing Regulation.
- 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 Cluase 49 of the Listing Agreement and Listing Regulation, 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, 2016 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 2015 - 31st March, 2016
First Quarter Results : Second week of August, 2015
Second Quarter Results : Second week of November, 2015
Third Quarter Results : Second week of February, 2016
Results for the year ending 31st March, 2016 : Last week of May, 2016

- III. Book Closure Date** : 26th September, 2016 to 30th September, 2016
(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 2015-16
- 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.	Kamdheni 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 2013-14, 2014-15 and 2015-16 have been paid to the BSE.

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 Shareregistry 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 CDSL through the Depository Participants and Registrar.

X. Distribution of Shareholding (as on 31st March, 2016):

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	10.05	249400	6.88
1001-2000	125	4.52	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

XI. Categories of Shareholding (as on 31st March, 2016):

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:

In case any problem or query shareholders can contact at:

Name : Mr. Jiten Vaghasia, Compliance officer
Address : Naramada Macplast Drip Irrigation Limited,
16/A Parulnagar Society, 1st floor, Bhuyandev Char Rasta,
Opp. Mahakali Temple, Sola Road, Gathlodia, Ahmedabad - 380061
Phone : +91 9824300528
Email : naramadadrip@gmail.com

Shareholders may also contact Company's Registrar & Share Transfer Agent at:

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

Annexure to Corporate Governance Report

**DECLARATION REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT BY
BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL**

We, **Vrajlal Vaghasia, Managing Director** and **Jiten Vaghasia, Whole Time Director** of the Company, hereby certify that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct. The Board has adopted a code of conduct for all Board members and senior management of the company.

The Company has taken Corporate Governance certificate from the Practising Chartered Accountant as part of best governance practices. by the Company issued which is given as an annexure to the Directors' Report.

We further confirm that during the year, none of the Directors or any of the Key managerial persons had done any trading in shares of the Company in the secondary market. Further the company had not made any allotment of shares to any Directors or any of the key managerial personnel during the year.

The above Report was adopted by the Board at their meeting held on 30th May 2016.

For Narmada Macplast Drip Irrigation Limited

Place: Ahmedabad

Date: 30/05/2016

Jiten Vaghasia
(DIN -02433557)
Whole time Director

Vrajlal Vaghasia
(DIN - 02442762)
Managing Director

**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: 30th May, 2016
Place: Ahmedabad

Shaishav Mehta
Partner
M. No. 32891

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMY OVERVIEW:

Overall, the macroeconomic situation in India improved during 2015-16. Also, in view of the Government's commitment to reforms, the economic outlook for FY17 looks positive and a GDP growth of over 8% is expected in FY17 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 your 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. Your 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 2015-16.

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.

Independent Auditors' Report

To the Members of,
Narmada Macplast Drip-irrigation Systems Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of **Narmada Macplast Drip-irrigation Systems Limited** which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in the section 134(5) of the Companies Act, 2013 ("the Act") 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 of the financial statements that give true and fair view in order to design audit procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of

such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentations 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 on the financial statements.

4. 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; of the state of the affairs of the company as at 31st March 2016, and its profits and cash flows for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section (11) of section 143 of the Companies Act, 2015 we give in the "**Annexure-A**" a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
- ii. 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**"; and
 - g. 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 accordance to the explanation given to us:
 - i. The company does not have any pending litigations which would impact its financial position;
 - ii. The 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
(Registration No. 137193W)

Date: 30th May, 2016
Place: Ahmedabad

Shaishav D. Mehta
Partner

Membership No.: 032891

Annexure-A to Independent Auditors' Report

Referred to in Paragraph 5(i) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

1. In respect of Fixed Assets:

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of its Fixed Assets.
- b. All the Fixed Assets of the Company have been physically verified by the management at reasonable period during the year and no material discrepancies have been noticed on such verification.
- c. Title Deeds of immovable properties are held in the name of company.

2. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.

3. The Company has not granted loans, secured or unsecured to one party covered in the Register maintained under Section 189 of the Companies Act, 2013 during the year under audit.

4. In respect of loan, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

5. During the year, the company has not accepted any deposits from public.

6. Company is not required to maintained cost records pursuant to section 148 (1) of the Companies Act, 2013.

7. In respect of Statutory Dues:

- a. According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Income Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed dues, payable in respect of above as at 31st March, 2016 for a period of more than six months from the date on which they became payable.

- b. According to the information and explanations given to us and on the basis of our examination of books of account and record, No disputed dues were outstanding as on 31/03/2016.

8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of dues to banks.

9. There were no moneys raised by way of initial public offer or further public offer (including debt instruments) during the year under audit and no term loans were obtained during the year under consideration.

10. To the best of our knowledge and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

11. The managerial remuneration has been paid and provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the companies act, 2013.

12. The company is not a Nidhi company. As such The Nidhi rules, 2014 are not applicable.

13. All transactions with the related parties are in compliance with the sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by applicable accounting standards.

14. The company has not made any preferential allotment or Private placement of shares of fully or partly convertible debentures during the year under review.
15. The company has not entered into any non cash transactions with directors or persons connected with it.
16. Company is not required to be registered u/s. 45-IA of the Reserve Bank of India Act, 1934.

For, **S. D. Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Date: 30th May, 2016
Place: Ahmedabad

Shaishav D. Mehta
Partner

Membership No.: 032891

Annexure-B to Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Narmada Macplast Drip Irrigation Systems** Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal

financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, **S. D. Mehta & Co.**
Chartered Accountants
(Registration No. 137193W)

Date: 30th May, 2016
Place: Ahmedabad

Shaishav D. Mehta
Partner
Membership No.: 032891

PART I - BALANCE SHEET

Narmada Macplast Drip Irrigation Systems Limited

Balance Sheet as at 31st March, 2016

(In Rupees)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
(1)	(2)	(3)	(4)
I EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	1.01	36,230,000	36,230,000
(b) Reserves and Surplus	1.02	(15,734,953)	(16,259,538)
(2) Share application money pending allotment		-	1,350,000
(3) Non Current liabilities			
(a) Long - term borrowings	1.03	6,970,975	5,897,514
(b) Other Long term liabilities	1.04	521,000	605,000
(4) Current liabilities			
(a) Trade Payable	1.05	9,058,887	9,173,101
(b) Short term provisions	1.06	41,960	13,698
Total		37,087,869	37,009,775
II ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	1.07	3,315,101	3,541,214
(b) Non-current investments	1.08	7,016,159	6,700,116
(c) Long term loans and advances	1.09	18,034,261	18,024,261
(d) Other non-current assets	1.10	522,639	457,185
(2) Current assets			
(a) Inventories	1.11	1,022,000	2,431,000
(b) Trade Receivables	1.12	6,127,827	4,968,624
(c) Cash and bank balances	1.13	1,049,882	887,375
Total		37,087,869	37,009,775

Significant Accounting Policies and Notes to the Accounts as per Note 1 & 2

As per our report of even date attached.

For, S. D. Mehta & Co.

Chartered Accountants

For and on behalf of the Board of Directors

Shaishav D. Mehta

Partner

Membership No. 32891

Vrajlal Vagharia

Director

DIN: 02442762

Jitenkumar Vagharia

Director

DIN: 02433557

Date: 30/05/2016

Place: Ahmedabad

PART II - STATEMENT OF PROFIT AND LOSS

Narmada Macplast Drip Irrigation Systems Limited

Profit and loss statement for the year ended 31st March, 2016

(In Rupees)

Particulars	Note No.	For the Year ended March 31,2016	For the Year ended March 31,2015
(1)	(2)	(3)	(4)
I Revenue from operations	1.14	1,073,004	156,995
II Other Income	1.15	3,001,965	3,353,245
III Total Revenue (I+II)		4,074,969	3,510,240
IV Expenses:			
Cost of Material Consumed	1.16	1,409,000	762,148
Employee Benefit Expenses	1.17	714,684	630,820
Depreciation and amortization expense	1.18	253,113	280,691
Other Expenses	1.19	1,100,948	1,052,003
Total Expenses		3,477,745	2,725,662
V Profit before Exceptional and Extraordinary Items and tax (III-IV)		597,224	784,578
VI Exceptional Items		-	-
VII Profit before Extraordinary Items and tax (V-VI)		597,224	784,578
VIII Extraordinary Items		-	-
IX Profit before Tax (VII-VIII)		597,224	784,578
X Tax expenses:			
(1) Current Tax		137,199	-
(2) Deffered Tax		-	-
XI Profit / (Loss) for the period (IX-X)		460,025	784,578
XI Earning per equity share (Face value of Rs.10 each)			
(1) Basic		0.14	0.24
(2) Diluted		0.14	0.24

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

Shaishav D. Mehta
Partner

Membership No. 32891

Date: 30/05/2016

Place: Ahmedabad

1 & 2

For and on behalf of the Board of Directors

Vrajlal Vaghasia
Director
DIN:02442762

Jitenkumar vaghasia
Director
DIN:02433557

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, 2016	For the year ended March 31, 2015
(a)	Authorised 50,00,000 Equity Shares Of Rs.10/-each (previous year 50,00,000 Equity Shares of Rs.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 Shares of Rs.10/- each	36,230,000	36,230,000
		-	-
	Total	36,230,000	36,230,000

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

(Nos.)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Number of Shares Outstanding at the beginning of the year	3,623,000	3,623,000
Add: Shares allotted during the year	-	-
Number of Equity shares outstanding at the end of the year	3,623,000	3,623,000

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

(a) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-.

(b) Each holder of equity shares is entitled to one vote per share except partly paid up shares.

(c) 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.

- (d) 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.
- (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, 2016		As at March 31, 2015	
		No. of Shares	% to Total	No. of Shares	% to Total
1	Vrajlal Vaghasia	1,566,400	43.23	1,566,400	43.23
		1,563,700	47.70	1,563,700	47.70

- (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, 2016	For the year ended March 31, 2015
	Capital Reserve	4,962,038	4,962,038
	Share Forfeiture Premium	1,767,000	1,767,000
	Surplus / (Deficit) in Statement of Profit & Loss		
	Opening balance	(22,880,976)	(23,600,994)
	(+) Net Profit/(Net Loss) for the current year	460,025	784,578
	(-) Proposed Dividends / Interim Dividend / Transfer to Reserves	-	-
	(-) Preliminary expenses written off during the year	-	64,560
		(22,420,951)	(22,880,976)
	Less : Preliminary expenses to the extent not written off	43,040	107,600
	Closing Balance	(22,463,991)	(22,924,016)
	Total	(15,734,953)	(16,259,538)

1.03 Long - term borrowings

(In Rupees)

Sr.No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Loans and advances from directors and their relatives	6,970,975	5,897,514
	Total	6,970,975	5,897,514

1.04 Other long term liabilities

(In Rupees)

Sr.No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Security and Business Deposits	521,000	605,000
	Total	521,000	605,000

1.05 Trade Payables

(In Rupees)

Sr.No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Outstanding for period exceeding six months Unsecured, considered good	9,058,887	9,173,101
	Total	9,058,887	9,173,101

1.06 Short - term Provisions

(In Rupees)

Sr.No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Unpaid Expenses	41,400	-
(ii)	Service Tax Payable	-	12,554
(iii)	VAT Payable	560	1,144
	Total	41,960	13,698

1.08 Non Current investments

(In Rupees)

Sr. No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Investment in equity shares	2,623,090	2,623,090
(ii)	Investment in bank shares	62,500	62,500
(iii)	Fixed Deposit	4,330,569	4,014,526
	Total	7,016,159	6,700,116

1.09 Long term loans and advances

(In Rupees)

Sr. No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Loans and advances to others	18,034,261	18,024,261
	Total	18,034,261	18,024,261

1.10 Othre non current assests

(In Rupees)

Sr. No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	TDS Receivable (F.Y. 2008-09)	-	21,528
(ii)	TDS Receivable (F.Y. 2012-13)	-	10,062
(iii)	TDS Receivable (F.Y. 2013-14)	-	92,448
(iv)	TDS Receivable (F.Y. 2014-15)	-	59,824
(v)	TDS Receivable (F.Y. 2015-16)	125,278	-
(v)	Deposits	397,361	273,323
	Total	522,639	457,185

1.11 Inventories

(In Rupees)

Sr.No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Finished goods	1,022,000	2,431,000
	Total	1,022,000	2,431,000

1.12 Trade Receivables

(In Rupees)

Sr. No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Outstanding for period exceeding six months Unsecured, considered good	6,127,827	4,968,624
	Total	6,127,827	4,968,624

1.13 Cash and cash equivalents

(In Rupees)

Sr. No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Balances with banks	976,535	832,442
(ii)	Cash on hand	73,347	54,933
	Total	1,049,882	887,375

1.14 Revenue From Operations

(In Rupees)

Sr. No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Sales	1,073,004	156,995
	Total	1,073,004	156,995

1.15 Other Income

(In Rupees)

Sr. No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Interest on FDR	351,159	226,005
(ii)	Rent Income	1,555,010	1,759,390
(iii)	Interest on incometax Refund	2,770	-
(iv)	Commission Income	1,089,378	1,367,850
(v)	Othre incom	3,648	
	Total	3,001,965	3,353,245

1.16 Cost of Materials Consumed

(In Rupees)

Sr. No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	Opening Stock	2,431,000	3,193,148
	Plus : Purchase of stock in trade	-	-
	Less Closing Stock	1,022,000	2,431,000
	Total	1,409,000	762,148

1.17 Employee Benefit Expenses

(In Rupees)

Sr. No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Salaries and wages	389,330	291,200
(ii)	Bonus	27,354	41,620
(iii)	Remuneration of Directors	298,000	298,000
	Total	714,684	630,820

1.18 Depreciation and amortization expense

(In Rupees)

Sr. No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(i)	Depreciation of Tangible assets	253,113	280,691
	Total	253,113	280,691

1.19 Other Expenses

(In Rupees)

Sr.No.	Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	Account Charges	30,000	30,000
	Advertisement	19,369	7,990
	Bank Charges	453	75
	BIS Licence Charges	235,025	120,224
	Advocate Fees	40,000	18,500
	Exhibition & travelling Expenses	-	235,065
	Computer Expense	14,985	16,050
	Conveyance Expense	21,685	18,575
	Diwali Expense	990	1,591
	Electricity Expense	1,820	-
	Factory Maintenance	-	207,159
	Factory Miscellaneous expense	-	46,783
	Fuel Expense	17,975	18,820
	Insurance Expense	5,952	4,999
	Legal Expenses	3,576	700
	Professional Charges	41,825	103,082
	Membership Expense	2,103	3,747
	Mobile Expenses	55,268	48,371
	Newspaper	-	129
	Office Expense	82,210	14,917
	Postage and Courier	1,674	734
	ROC filling Charges	-	1,800
	Security Expenses	37,866	19,000
	Stationery and Printing	4,253	5,085
	Repairing and Maintenance Expense	1,200	21,000
	Tea Expense	8,871	8,036
	Telephone Expense	26,460	22,610
	Late Payment of Service Tax	-	1,914
	Travelling Expense	106,039	-
	Land Stamp Duty Expenses	-	73,494
	Vehicle Expenses	-	1,040
	Sundry Balance Written off	276,669	-
	Xerox	120	513
	Priliminary Expenses	64,560	-
	Total	1,100,948	1,052,003

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	2015-16	2014-15
Net Profit as per Statement of Profit & Loss Statement	Rs.	460,025	784,578
Weighted average of number of equity shares outstanding	No.	3,278,400	3,278,400
Basic Profit / (Loss) per share of face value of Rs. 10/-	Rs.	0.14	0.24

1.07 Fixed Assets

Sr. No.	Description	Gross Block				Depreciation and Amortisation				Net Block	
		As at April 1, 2015	Additions during the year	Disposal s during the year	As at March 31, 2016	As at April 1, 2015	For the year	On Disposal s during the year	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
	Tangible Assets										
	<u>Land</u>										
1	Land	829,241			829,241	-	-	-		829,241	829,241
	<u>Building</u>										
2	Building	8,028,383			8,028,383	6,042,836	96,696		6,139,532	1,888,851	1,985,547
	<u>Plant and Machinery</u>										
3	Plant & Machinery	14,496,845			14,496,845	13,848,161	117,412		13,965,573	531,272	648,684
4	Air Conditioner	20,444			20,444	13,663	1,227		14,890	5,554	6,781
5	Mobile	8,125			8,125	5,431	488		5,919	2,206	2,694
6	Dye	15,300			15,300	10,225	919		11,144	4,156	5,075
	<u>Furniture and Fixture</u>										
7	Furniture & Fixture	415,160			415,160	407,334	2,026		409,360	5,800	7,826
	<u>Laboratory Equipment</u>										
8	Laboratory Equipments	481,134			481,134	454,812	6,815		461,627	19,507	26,322
	<u>Motor Car</u>										
9	Four Wheeler	37,000			37,000	32,139	1,518		33,657	3,343	4,861
	<u>Motor Vehicle</u>										
10	Vehicle	522,658			522,658	505,716	4,386		510,102	12,556	16,942
	<u>Computer</u>										
11	Computer	562,599	27,000		589,599	555,358	21,627		576,985	12,614	7,241
	Total	25,416,889	27,000	-	25,443,889	21,875,675	253,113	-	22,128,788	3,315,101	3,541,214

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.

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.

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 disclosed 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 LIMITED

ANNUAL REPORT

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Cash flow statement for the year ended 31st March' 2016

(Amount in Rupees)				
	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
Particulars	Amount	Amount	Amount	Amount
(A) Cash flow from operating activities				
(1) Net profit after tax and extraordinary items		460,025		720,018
ADD: (i) Depreciation Written off	253,113		280,691	
(ii) Provision for income tax				
(iii) Preliminary expenses Written off	64,560		64,560	
(iv) Loss from partnership firm			-	
LESS: (i) Deferred tax Asset		317,673	-	345,251
(2) Operating profit before working capital changes	-	777,698	-	1,065,269
Working capital changes				
Add: (i) Decrease in Current Assets (Except Cash & Cash Equivalents)	249,797		-	
(ii) Increase in Current Liabilities	-		-	
Less: (i) Decrease in Current Liabilities	85,952		910,611	
(ii) Increase in Current assets (Except Cash & Cash Equivalents)		163,845	468,461	(1,379,072)
(3) Cash generated from operating before tax		941,543		(313,803)
Less: Income Tax Paid		-		-
(4) Cash flow before extraordinary items		941,543		(313,803)
Add/ (less) extraordinary items		-		-
Net cash inflow / outflow from operating activities		941,543		(313,803)
After tax & extraordinary items				
(B) Cash flow from investing activities				
Add : Proceeds on account of changes in Investments				
Less : Purchase of Fixed assets & Investments	418,497		2,503,405	
Net Cash inflow / outflow from investing activities		(418,497)		(2,503,405)
(C) Cash flow from financing activities				
Add : Changes in Long term Loans & Advances			842,900	
Proceeds of Share Capital			308,000	
Less : Advances given			-	
Less : Repayment of Loans	360,539			
Net cash inflow / outflow from financing activities		(360,539)		1,150,900
(D) net increase / decrease in cash & cash equivalent		162,507		(1,666,308)
(E) Add: Cash & Cash Equivalents in the beginning of the year		887,376		2,553,684
(F) Cash & Cash Equivalents at the end of the year		1,049,883		887,376
For, S. D. Mehta & Co. Chartered Accountants	For and on behalf of board			
Shaishav D. Mehta	Director	Director		
Partner	Vrajlal vaghasia	JitenKumar vaghasia		
(M. No. 032891)	DIN :02442762	DIN : 02433557		
Place: Ahmedabad				
Date: 30/05/2016				

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED

CIN: L25209GJ1992PLC017791

Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol, District Gandhinagar-382721

ATTENDANCE SLIP

DP ID*		Folio	
Client ID*		No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the **24TH ANNUAL GENERAL MEETING** of the Company held on Friday, 30th September, 2016 at 04:00 P.M. at Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol, District Gandhinagar-382721

Signature of the Shareholder | Proxy

* Applicable for investors holding shares in electronic form.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED

CIN: L25209GJ1992PLC017791

Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol, District Gandhinagar-382721

Form No. MGT- 11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Members:

Registered Address:

E-mail Address:

Folio No. | Client ID:

DP Id:

I/we, being the member(s) of _____ shares of NARMADA MACPLAST DRIP IRRIGATION SYSTEMS Ltd, hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
- 2) _____ of _____ having e-mail id _____ or failing him
- 3) _____ of _____ having e-mail id _____

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **24TH ANNUAL GENERAL MEETING** of the Company, to be held on Friday, 30th September, 2016 at 04:00 P.M. at Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol, District Gandhinagar-382721

and at any adjournment thereof in respect of such resolutions as are indicated below:

S.NO	RESOLUTIONS
	ORDINARY BUSINESS
1	Adoption of financial statements for the year ended on March 31, 2016
2	To re-appoint Shri Vrajilal Vaghasia who retires by Rotation
3	To re-appoint M/s. SD Mehta & Co. as the Statutory Auditor for the Financial year 2016-17.
4	To reappoint Shri Vrajilal Vaghasia as Managing Director of the Company
5	To reappoint Shri Jiten Vaghasia as Whole Time Director of the Company

Signed this day of 2016

.....
Signature of first proxy
holder

.....
Signature of Second proxy
holder

.....
Signature of Third proxy
holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

Book Post

To

If Undelivered please return to :

**NARMADA MACPLAST DRIP IRRIGATION
SYSTEMS LIMITED**

PLOT NO. 119-120, SANTEJ-VADSAR,
AT & POST SANTEJ, TALUKA: KALOL,
DISTRICT: GANDHINAGAR – 382 721.