

# **NAVCOM INDUSTRIES LIMITED**

Reg. Office :- B-12 Chincholi M.I.D.C., Pune - Solapur Highway, Solapur - 413 006  
Tel. No. :- (0217) - 3090955

CIN:L29299PN1991PLC063431

BSE Ltd.  
[Bombay Stock Exchange Ltd]  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Fax No: 022 2272 3121/2041

**By Online Submission**

**KIND ATTN: CORPORATE SERVICES DEPARTMENT**

**Subject: - Submission of Annual Report for the year ended on 31<sup>st</sup> March, 2016.**

**Script Code No.:- 519200**

Pursuant to regulation 34 of (Listing Obligations and Disclosure Requirements), Regulations 2015 we are forwarding herewith the Annual Report for the year ended on 31<sup>st</sup> March, 2016 which was approved and adopted by the Shareholders of the Company in the Annual General Meeting held on 30<sup>th</sup> September, 2016 as per provisions of the Companies Act, 2013.

You are requested to take the note of the same and place the same in your records.

Thanking You.

Yours Faithfully,  
For Navcom Industries Limited



Pravin Lunkad  
Chairman

Encl: As above.

# **NAVCOM INDUSTRIES LIMITED**

**Address:-**

B-13 Chicholi MIDC, Pune Solapur Road  
Solapur - 413006

**ANNUAL REPORT FOR THE FINANCIAL YEAR**

**ENDED ON 31<sup>ST</sup> MARCH, 2016**

## **NAVCOM INDUSTRIES LIMITED**

Regd. Office: B-13 Chicholimide, Pune Solapur Road,

Solapur – 413006

Email: pravinlunkad@pranavgroup.com

CIN: L29299PN1991PLC063431

### **NOTICE**

NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of Navcom Industries Limited will be held on Friday 30<sup>th</sup> day of September, 2016 at 11.30 A.M. at the Registered Office of the Company at B-13 Chicholimide, Pune Solapur Road, Solapur – 413006 to transact the following business:

1) To receive, consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March 2016, together with the Director's Report and the Auditor's Report thereon.

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

"RESOLVED THAT Ms. Shruti Lunkad [DIN: 00475115], Director, who retires by rotation and being eligible offers herself for reappointment, be and is hereby reappointed as the Director of the Company, liable to retire by rotation."

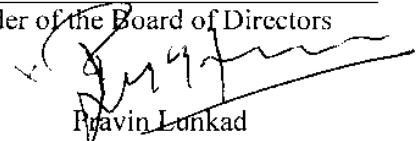
3) To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Ms. Mrugnaina Lunkad [DIN: 00918743], Director, who retires by rotation and being eligible offers herself for reappointment, be and is hereby reappointed as the Director of the Company, liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the resolution passed by the Members at the 23<sup>rd</sup> Annual General Meeting (AGM) held on 30<sup>th</sup> September, 2014, the Company hereby ratifies the appointment of M/s. Sanjay N. Pawar & Associates, Chartered Accountants, having Firm Registration No: 122769W as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 26<sup>th</sup> Annual General Meeting to be held in the Year 2017 on such remuneration plus Service Tax thereon at the applicable rates and reimbursement of out of pocket and travelling expenses etc. as may be mutually agreed between the Board of Directors of the Company and the Auditors."

By Order of the Board of Directors



Pravin Lunkad  
Director

[DIN: 01627175]

Place: Pune

Date: 13/08/2016

**NOTES:-**

1. A MEMBER ENTITLED TO ATTEND & VOTE AT THIS MEETING MAY APPOINT A PROXY TO ATTEND AND ON A POLL VOTE INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be received by the Company at its registered office, not later than 48 Hours before the commencement of the Meeting. A Person shall not act as Proxy for more than 50 Members and holding in the aggregate not more than 10% of the total voting share capital of the Company. However a single person may act as the Proxy, for a Member holding more than 10% of the total voting share capital of the Company, provided that such Person shall not act as a Proxy for any other Person.
3. Notice is hereby also given that the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24<sup>th</sup> September, 2016 to Wednesday, 30<sup>th</sup> September, 2016 (both days inclusive) for the purpose of Annual General Meeting.

**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]

**NAVCOM INDUSTRIES LIMITED**

Regd. Office: B-13 Chicholimide, Pune Solapur Road,  
Solapur – 413006  
Email: pravinlunkad@pranavgroup.com  
CIN: L29299PN1991PLC063431

Name of the Member(s):  
Registered Address & E-mail Id:  
Folio No.:

I/We being the member(s) of \_\_\_\_\_ Shares of the above named Company hereby appoint:

(1)Name: \_\_\_\_\_

Address & E-mail Id \_\_\_\_\_ or failing him;

(2)Name: \_\_\_\_\_

Address & E-mail Id \_\_\_\_\_ or failing him

(3)Name: \_\_\_\_\_

Address & E-mail Id \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held Friday 30<sup>th</sup> day of September, 2016 at 11.30 A.M. at the Registered Office or any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No	Resolutions	Voting	
		For	Against
1	To receive, consider and adopt the Financial Statements of the Company for the year ended 31 <sup>st</sup> March, 2016.		
2	Re- Appointment of Ms. Shruti Lunkad [DIN: 00475115] as the Director of the Company who is liable to retire by rotation.		
3	Re- Appointment of Ms. Mrugnaina Lunkad [DIN: 00918743] as the Director of the Company who is liable to retire by rotation.		
4	Ratification of appointment of M/s. Sanjay N. Pawar & Associates, Chartered Accountants, having Firm Registration No: 122769W as the Auditors of the Company for FY 2016-2017.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of the Shareholder \_\_\_\_\_

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of first /Proxy Holder

\_\_\_\_\_  
Signature of Second Holder

\_\_\_\_\_  
Signature of Third 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.**

## **NAVCOM INDUSTRIES LIMITED**

Regd. Office: B-13 Chicholimide, Pune Solapur Road,

Solapur – 413006

Email: pravinklunkad@pranavgroup.com

CIN: L29299PN1991PLC063431

### **DIRECTORS' REPORT**

To,  
The Members,  
Navcom industries limited,

The Board of Directors have pleasure in presenting before you the 25<sup>th</sup> Annual Report and Audited Statements of Accounts for the year ended as on 31<sup>st</sup> March, 2016.

#### **1. FINANCIAL RESULTS**

The Financial Results for the year ended on 31<sup>st</sup> March, 2016 are briefly given below:-

<b>PARTICULARS</b>	<b>2015-2016 (In Rs.)</b>	<b>2014-2015 (In Rs.)</b>
Sales & Other Income	3,86,15,012	3,33,17,503
Profit/Loss before Interest, Depreciation & Income Tax and Extraordinary Items	(2,47,045)	54,774
Less : Interest	-	-
Depreciation	74,473	2,676
Profit/ (Loss) for the Year before tax	(3,21,518)	52,098
Less : Provision for Tax Current Tax	-	10,000
Deferred tax (credit)/charge	-	-
Profit/(Loss) after Tax	(3,21,518)	42,098

#### **2. MANAGEMENT DISCUSSION AND ANALYSIS**

##### **Structure of the Company and thrust of the Business:**

With the steps taken by the promoters to restart the operations of the company the company achieved a turnover of Rs. 386.15 Lacs for the financial year 2015-16 against Rs. 333.31 Lacs for the financial year 2014-15. As the company is mainly doing trading activity accordingly the profit margin was quite low. Moreover due to liquidity crunch the company is not in a position to restart its business activity in full swing.

##### **Risks, Concerns and Outlook:**

The Promoters of the Company have rich experience in Oil & Food Industry and they are looking for a proper opportunity to re-start the business activities of the company in

full swing in the same line. However as the Net worth of the Company is negative the Company is facing liquidity problems to start its business operations in full swing.

#### **Internal Control Systems and its adequacy:**

At present the volume of the business of the Company is low and does not call for stringent internal controls and systems. However as the business of the Company will grow, the management will ensure that proper and effective systems are in place. The Company will strengthen the controls with the help of Professionals in the line.

#### **Human Resource and Industrial Relations:**

The Promoters of the Company have rich experience as regards Human Resource and Industrial Relations. Once the activities of the Company are put in line and the plan for revival of the company is finalized, the management will take due care to appoint experts in the respective fields and will ensure that manpower development is strengthened.

### **3. CAUTIONARY STATEMENT**

Statements made in this 'Management Discussion and Analysis Report' describing the Company's Projections, estimates, expectations or predictions may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

### **4. TRANSFER TO RESERVES**

Company has carried forward the Loss of the year of Rs. 3,21,518/- to the Balance in Profit & loss Account.

### **5. DIVIDEND**

The Directors do not recommend any Dividend.

### **6. PUBLIC DEPOSITS**

During the Financial Year 2015-16, your Company has not accepted any Deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

### **7. HOLDING COMPANIES, SUNSIDIARY COMPANIES AND ASSOCIATE COMPANIES**

Company does not have any Holding Companies, Subsidiary Companies and Associate Companies.

### **8. EXTRACT OF ANNUAL RETURN – [CLAUSE (A) OF SECTION 134 (3)]**

The Details forming part of the extract of the Annual Return in Form MGT-9 in accordance with Section 92(3) of the Companies Act, 2013 read with Company

(Management and Administration) Rules, 2014, are set out herewith as **Annexure I** to this report.

**9. NUMBER OF MEETINGS OF THE BOARD: [CLAUSE (B) OF SECTION 134(3)]**

During the financial year 2015-2016 Twelve (12) Board Meetings were convened and held on 5<sup>th</sup> April, 2015, 30<sup>th</sup> May, 2015, 10<sup>th</sup> June, 2015, 14<sup>th</sup> August, 2015, 25<sup>th</sup> August, 2015, 5<sup>th</sup> September, 2015, 30<sup>th</sup> September, 2015, 14<sup>th</sup> November, 2015, 1<sup>st</sup> December, 2015, 5<sup>th</sup> February, 2016, 12<sup>th</sup> February, 2016 and 10<sup>th</sup> March, 2016.

Proper notices were given and the proceedings were properly recorded and signed in the Minutes Book as required by the Articles of Association of the Company. The intervening gap between the meetings was within the period prescribed under Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**10. DIRECTORS' RESPONSIBILITY STATEMENT [CLAUSE (C) OF SECTION 134(3)]**

Directors' Responsibility Statement prepared pursuant to the provisions of Section 134(5) of the Companies Act, 2013, is furnished below as required under Section 134(3)(c).

Directors state that:-

- a) In the preparation of the Annual Financial Statements for the year ended 31<sup>st</sup> March, 2016, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures;
- b) Accounting Policies as mentioned in Part-B to the Financial Statements have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and of the Loss of the Company for the year ended on that date;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Annual Financial Statements have been prepared on a going concern basis;
- e) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**11. DECLARATION BY INDEPENDENT DIRECTORS U/S 149 (6) [CLAUSE (D) OF SECTION 134(3)]**

All Independent Directors have given declarations under Section 149(7) of the Companies Act, 2013, that they meet the Criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

**12. AUDITORS AND AUDITORS' REPORT**

**a) Statutory Auditor:**

In the Annual General Meeting held on 30<sup>th</sup> September, 2014, the Company had appointed M/s. Sanjay N. Pawar & Associates, Chartered Accountants, having Firm Registration No: 122769W as the Auditors of the Company. Accordingly the Auditors have furnished their Report dated 30<sup>th</sup> May, 2016.

The qualifications of the Auditors and the replies given in the Notes to Accounts are self explanatory.

**b) Secretarial Audit:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Shekhar Ghatpande & Co., Company Secretaries having Membership No FCS: 1659 CP No: 782 to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as **Annexure - II** to this Report which is qualified by the Secretarial Auditors on certain points.

**c) Cost Audit:**

For the Financial Year under Report the appointment of Cost Auditor and obtaining of their Report was not applicable to the Company.

**13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 [CLAUSE (G) OF SECTION 134(3)]**

During the Financial year 2015-2016, Company had not provided any Loans, Guarantee and Investment under Section 186 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014.

**14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) IN FORM AOC-2 [CLAUSE (H) OF SECTION 134(3)]**

During the year under report, Company did not have any contracts or arrangements with related parties referred to in Section 188(1). Hence the disclosure in Form AOC-2 is Nil, which is annexed hereto as **Annexure III** to this Report.

**15. MATERIAL CHANGES & COMMITMENTS, BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT [CLAUSE (L) OF SECTION 134 (3)]**

No material changes took place, nor were any commitments made by the Board affecting the financial position of the Company between the closures of this Financial Year under Report till the date of this Report.

**16. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

During the Year under Report, there are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

**17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

**A. Conservation of Energy:**

(i) The steps taken or impact on conservation of energy:

(ii) The steps taken by the company for utilizing alternate sources of energy:

(iii) The capital investment on energy conservation equipments:

Information required in respect of Conservation of Energy in terms of Section 217(1)(e) of the Companies Act, 2013, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is NIL.

**B. Technology absorption:**

Information required in respect of Technology Absorption in terms of Section 217(1)(e) of the Companies Act, 2013, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is NIL.

**C. Foreign Exchange Earnings and Outgo:**

Foreign Exchange Earnings : - Rs. Nil.

Foreign Exchange Outgo : - Rs. Nil

**18. STATEMENT ON RISK MANAGEMENT POLICY OF THE COMPANY [CLAUSE (N) OF SECTION 134(3)]**

At present the Company has not formulated any Policy for Risk Management, however during the course of business the Management looks after and study the Risks involved.

**19. DETAILS OF CSR (CORPORATE SOCIAL RESPONSIBILITY) POLICY DEVELOPED BY THE COMPANY AND INITIATIVES TAKEN DURING THE YEAR [CLAUSE (O) OF SECTION 134(3)]**

The provisions of Section 135 of the Companies Act, 2013 in respect of CSR activities are not applicable to the Company. The Company voluntarily also has not undertaken any CSR activity.

**20. BOARD EVALUATION**

Pursuant to provisions of the Companies Act, 2013, Rules there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other statutory committees. Performance evaluation has been carried out as per Nomination and Remuneration Policy.

**21. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There has been no change in the nature of business during the Financial Year under review.

**22. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

Ms. Shruti Lunkad was appointed as an Additional Director of the Company w.e.f. 10<sup>th</sup> June, 2015.

During the year Mr. Prashant Kumbhare resigned as the Director of the Company w.e.f. 10<sup>th</sup> March, 2016.

**23. DIRECTORS PROPOSED TO BE RE- APPOINTED AT THE ANNUAL GENERAL MEETING:**

Ms Shruti Lunkad and Ms. Mrugnaina Lunkad the Directors retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

**24. COMPOSITION OF COMMITTEES:**

**a) Audit Committee**

The Audit Committee was constituted in June 2002. At close of financial year 2015-2016 i.e. as on 31st March, 2016 it comprises of three Directors, viz. Mr. Pravin S. Lunkad, Chairman Promoter Non Executive Director, and Mr. Gurasidhdapa Kalashetti, Non Executive Independent Director and Ms. Mrugnaina Lunkad Non Executive Non Independent Director. During the Year the Audit Committee was

reconstituted on resignation of Mr. Prashant Kumbhare Non Executive Independent Director who was replaced by appointment of Ms. Mrugnaina Lunkad Non Executive Non Independent Director. The Audit Committee as on the close of the Financial Year was not duly constituted.

Audit Committee held total four Meetings during the Financial Year under review, on 30<sup>th</sup> May, 2015, 14<sup>th</sup> August, 2015, 14<sup>th</sup> November, 2015, and 12<sup>th</sup> February, 2016. All the members were present to all Meetings. The terms of reference of the Audit Committee includes the matters specified in Regulation 18(3) read with Part C of Schedule II of the Listing Regulations as well as those in Section 177 of the Companies Act, 2013.

#### **b) Remuneration Committee**

The Remuneration Committee was constituted in June 2002. At close of financial year 2015-2016 i.e. as on 31st March, 2016 it comprises of three Directors, viz. Mr. Pravin S. Lunkad, Chairman Promoter Non Executive Director, and Mr. Gurasidhdapa Kalashetti, Non Executive Independent Director and Ms. Mrugnaina Lunkad Non Executive Non Independent Director. During the Year the Remuneration Committee was reconstituted on resignation of Mr. Prashant Kumbhare Non Executive Independent Director who was replaced by appointment of Ms. Mrugnaina Lunkad Non Executive Non Independent Director.

However as the Company does not have any Executive Directors and the Managerial staff, it did not meet during the Year under report.

#### **c) Shareholder's / Investor's Grievance Committee**

The Shareholder's / Investor's Grievance Committee was constituted in June 2002. At close of financial year 2015-2016 i.e. as on 31st March, 2016 it comprises of three Directors, viz. Mr. Pravin S. Lunkad, Chairman Promoter Non Executive Director, and Mr. Gurasidhdapa Kalashetti, Non Executive Independent Director and Ms. Mrugnaina Lunkad Non Executive Non Independent Director. During the Year the Shareholder's / Investor's Grievance Committee was reconstituted on resignation of Mr. Prashant Kumbhare Non Executive Independent Director who was replaced by appointment of Ms. Mrugnaina Lunkad Non Executive Non Independent Director.

The details of complaints received and redressed during the year is as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	0	0	0

The said Committee met Four times on 13<sup>th</sup> July, 2015, 7<sup>th</sup> September, 2015, 25<sup>th</sup> September, 2015 and 22<sup>nd</sup> February, 2016 to effect the transfer proposals received by the Company.

**25. PARTICULARS OF EMPLOYEES: (RULE 5(2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014**

None of employee in the Company who is in receipt of remuneration aggregating to Rs. 102/- Lacs or more per year or Rs. 8.50 Lacs or more per month when employed for a part of the year and the particulars as required under (Rule 5(2) Of Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014.

**26. CASH FLOW**

A Cash Flow Statement for the year ended 31<sup>st</sup> March 2016 is attached to the Financial Statement.

**27. CORPORATE GOVERNANCE:**

The Corporate Governance provisions as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) are applicable to those companies whose Paid up Equity Share Capital exceeds Rs. 10/- Crs AND the Net Worth of those companies exceeds Rs. 25/- Crs., as on the last day of the previous Financial Year.

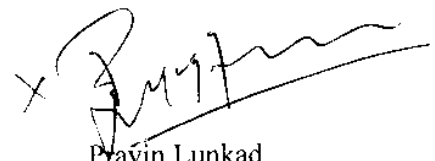
The Paid up Equity Share Capital of the Company is Rs. 8.83 Crs and Net Worth is in Negative, it does not comply with both the said Criteria. Hence the Corporate Governance provisions are not applicable to the Company, and the Company has not furnished the Report of Corporate Governance.

**28. ACKNOWLEDGMENT**

Your Directors wish to express their gratitude to the well wishers of the Company at all levels.

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By Order of the Board of Directors



Pravin Lunkad  
Director  
[DIN: 01627175]

Place: Pune  
Date: 13/08/2016

**Annexure- I**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company  
(Management & Administration) Rules, 2014

**I. Registration & Other Details:**

1.	CIN	L29299PN1991PLC063431
2.	Registration Date	30/09/1991
3.	Name of the Company	Navcom Industries Limited
4.	Category/Sub-category of the Company	Company Limited by Shares /Indian Non-Government Company
5.	Address of the Registered office & contact details	B-13 Chicholimide, Pune Solapur Road, Solapur – 413006 Email I.D.: pravinlunkad@pranavgroup.com
6.	Whether listed company	- Yes -
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Satellite Corporate Services Private Limited Address : B-302 Sony Apartments, Opp. St. Jude High School, Jari Mari, Sakinaka, Mumbai - 400 072 Phone:- 022 285 20461 E-mail ID:- service @satellitecorporate.com

**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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading of Food & Agro Product	4630	100%

**III. Particulars of Holding, Subsidiary and Associate Companies –**

The Company is not having any Holding, Subsidiary and Associate Companies. Hence this Clause is not applicable.

#### IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

#### i) Category-wise Share Holding

[illegible]

i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	18,15,000	18,15,000	20.54		18,48,500	18,48,500	20.92	0.38
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		16,68,297	16,68,287	18.88		14,68,297	14,68,297	16.62	-2.26
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	21,100	21,100	0.24	-	21,100	21,100	0.24	-
Overseas Corporate Bodies	-	1,87,300	1,87,300	2.12	-	1,87,300	1,87,300	2.12	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-		37,18,497	37,18,497	42.08		36,83,297	36,83,297	41.68	-0.40
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	46,11,797	46,11,797	52.19		46,11,797	46,11,797	52.19	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	88,36,997	88,36,997	100		88,36,997	88,36,997	100	

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year i.e. as on 1 <sup>st</sup> April, 2015			Shareholding at the end of the year i.e. as on 31 <sup>st</sup> March, 2016			% change in shareholding during the year
		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	Pravin Surajmal Lunkad	28,76,100	32.55	-	28,76,100	32.55	-	-
2	Aruna Pravin Lunkad	6,31,500	7.15	-	6,31,500	7.15	-	-
3	Payal Pravin Lunkad	4,92,000	5.57	-	4,92,000	5.57	-	-
4	Shruti Pravin Lunkad	2,25,600	2.55	-	2,25,600	2.55	-	-
	<b>TOTAL:-</b>	<b>42,25,200</b>	<b>47.82</b>	<b>-</b>	<b>42,25,200</b>	<b>47.82</b>	<b>-</b>	<b>-</b>

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

There was no change in the Promoters Shareholding during the year report.

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

Sr. No.	Name of Shareholders	No. of shares (As on 1 <sup>st</sup> April, 2015)	% of Total Shares of the Company	No. of shares as on 31 <sup>st</sup> March, 2016	% of Total Shares Of the Company
As per list attached.					

v) Shareholding of Directors and Key Managerial Personnel:

SN	Name of Director and Key Managerial Personnel	Shareholding as at the beginning of the year i.e. as on 1 <sup>st</sup> April, 2015		Shareholding as at the End of the year i.e. as on 31 <sup>st</sup> March, 2016	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Pravin Surajmal Lunkad	28,76,100	32.55	28,76,100	32.55
2	Mrugnaina Pravin Lunkad	-	-	-	-
3	Gurasidhdapa Mallikarjhun Kalashetti	-	-	-	-
4	Prashant Premdeo Kumbhare (*)	-	-	-	-
5	Shruti Pravin Lunkad	2,25,600	2.55	2,25,600	2.55

(\*) Resigned w.e.f. 10<sup>th</sup> March, 2016.

**V) Indebtedness (Indebtedness of the Company including interest outstanding/accrued but not due for payment.)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI) Remuneration of Directors and Key Managerial Personnel:**

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

Company had not appointed Managing Director, Whole time Director & Manager in the Board hence this clause is not applicable to the Company.

**B. Remuneration to other Directors:**

Sr. No.	Name of Director	Particular of remuneration			Total Amount (Rs)
		Fees for Attending Board (Rs)	Commission (Rs)	Others (Rs)	
1	Independent Directors	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-

**C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD:**

Company is a Public Company having paid up Capital of less than Ten Crores, hence Company is not required to appointment any Key Managerial Personnel as per Section of 203 of Companies Act, 2013. Hence disclosure is not required.

**VII) Penalties / Punishment/Compounding of Offences:**

During the Financial Year, there is no instance of any Penalty/ Punishment/Compounding /under Companies Act. 2013 against any Director, Key Managerial Personnel and other Officer in Default.

### **Annexure III**

#### **FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto

**1. Details of contracts or arrangements or transactions not at Arm's length basis.**

SL No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
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There was no transaction which was not at Arm's Length Basis

**2. Details of contracts or arrangements or transactions at Arm's length basis**

SL No	Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
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There was no transaction which was at Arm's Length basis

## **Independent Auditor's Report**

**To**  
**The Members**  
**NAVCOM INDUSTRIES LIMITED.**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **NAVCOM INDUSTRIES LIMITED.** ('the company') which comprise the balance sheet as at 31<sup>st</sup> March 2016, the statement of profit & loss and the cash flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Management and Board of Directors of the Company are responsible for the matter stated in 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 Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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 operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to 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.

### **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 standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the



accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate for our audit opinion *except in some cases confirmation of balances of Debtors, Creditors, banks and other parties under Loans and Advances.*

### 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:

- (i) in the case of the balance sheet, of the State of Affairs of the Company as at 31st March 2016;
- (ii) in the case of statement of profit & loss, of the LOSS for the year ended on that date; and
- (iii) in the case of cash flow statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. 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; *except in some cases confirmation of balances of accounts and parties included in Current Assets, loans and advances and current liabilities have not been obtained.*
  - b) Subject to our remarks in Para (a) above, 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) Subject to our remarks in Para (a) above, The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014: *except AS 18 Related Party, and AS-22 Accounting for Taxes on Income.*
  - e) On the basis of written representations received from the directors, as on 31st March, 2016, and taken on record by the Board of Directors, none of the




directors is disqualified as on 31<sup>st</sup> March, 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 3"; and

g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

- i. The Company does not have any pending litigations which impact its financial position
- ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
- iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

For Sanjay N Pawar & Associates  
Chartered Accountants

  
CA. Sanjay N Pawar  
Partner  
M.No.112470  
Firm Reg. No. 122769W  
Place: Pune  
Date: May 30, 2016



## Annexure A to the Auditor's Report

The Annexure referred to in our report to the members of NAVCOM INDUSTRIES LIMITED ("the Company") for the year ended 31st March, 2016.

On the basis of such checks as we considered appropriate to the information and explanation given to us during the course of our audit, we report that:

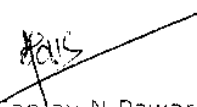
- (i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the management has physically verified the fixed assets at reasonable intervals. No material discrepancies were noticed on such physical verification.
- (ii) (a) According to information and explanations given to us, the Management has physically verified the inventories during the year. In our opinion, having regard to the nature of business and location of stocks, the frequency of verification is reasonable.
- (b) In our opinion and according to information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business.
- (c) In our opinion and according to information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book record were not material and have been properly dealt in the books of account.
- (iii) The company has not granted unsecured loans to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of company and the nature of its business with regard to purchases of inventory and fixed assets and the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanation given to us, no major weakness has not been noticed or reported.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.
- (vii) (a) According to information and explanations given to us and based on the records of the company examined by us, company is generally regular in



depositing undisputed statutory dues including Income Tax, Sales Tax, Service Tax, Excise Duty, Wealth Tax, Custom Duty and other material statutory dues.

- (b) According to the information and explanation given to us and based on the records of the company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.
- (c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.
- (viii) Accumulated losses of the Company at the end of the financial year are more than fifty per cent of its net worth. The company has incurred cash loss during the financial year and there was a cash loss in the financial year immediately preceding the financial year.
- (ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks and financial institutions during the year. The company has not issued any debentures during the year.
- (x) In our opinion and according to information and explanations given to us, the terms and conditions of guarantees given by the company for loans taken by others from banks or financial institutions are not, *prima facie*, prejudicial to the interests of the company.
- (xi) In our opinion and according to information and explanations given to us, the term loans taken by the company were applied for the purpose for which they were obtained.
- (xii) According to the information and explanations given to us no fraud on or by the company has been noticed or reported during the course of our audit.

For Sanjay N Pawar & Associates  
Chartered Accountants

  
CA. Sanjay N Pawar  
Partner  
M.No.112470  
Firm Reg. No. 122769W  
Place: Pune  
Date: May 30, 2016



## **Annexure - B to the 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 **NAVCOM INDUSTRIES LIMITED** ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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**

According to the information and explanations given to us and based on our audit, the following material weaknesses has been identified as at March 31, 2016:

- a) The Company did not have an appropriate internal control system for customer acceptance, credit evaluation and establishing customer credit limits for sales, which could potentially result in the Company recognising revenue without establishing reasonable certainty of ultimate collection.
- b) The Company's internal control system for inventory with regard to receipts, issue for delivery and physical verification were not operating effectively. Further, the internal control system for identification and allocation of overheads to inventory was also not operating effectively. These could potentially result in material misstatements in the Company's trade payables, consumption, inventory and expense account balances.

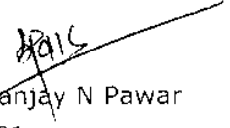
A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.



In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 standalone financial statements of the Company, and these material weaknesses does not affect our opinion on the standalone financial statements of the Company.

For Sanjay N Pawar & Associates  
Chartered Accountants

  
CA. Sanjay N Pawar  
Partner  
M.No.112470  
Firm Reg. No. 122769W  
Place: Pune  
Date: May 30, 2016



**NAVCOM INDUSTRIES LIMITED**  
**BALANCE SHEET AS ON 31 MARCH 2016**

		Figures in Rupees	
	Note No.	31-Mar-2016 ₹	31-Mar-2015 ₹
<b>I EQUITY AND LIABILITIES</b>			
1 <b>SHAREHOLDERS' FUNDS</b>			
Share Capital	2	82,348,470	82,348,470
Reserves And Surplus	3	(274,855,177)	(274,533,659)
		(192,506,707)	(192,185,189)
2 <b>SHARE APPLICATION MONEY PENDING ALLOTMENT</b>			
3 <b>NON CURRENT LIABILITIES</b>			
4 <b>CURRENT LIABILITIES</b>			
Trade Payables	4	197,150,313	233,512,375
Other Current Liabilities	5	2,335	24,765
		197,152,648	233,537,140
<b>TOTAL</b>		<b>4,645,942</b>	<b>41,351,952</b>
<b>II ASSETS</b>			
1 <b>NON-CURRENT ASSETS</b>			
Fixed assets			
Tangible assets	6	2,011,967	76,135
Capital work-in-progress		2,011,967	76,135
Long-term loans and advances	7	-	1,615
		2,011,967	77,750
2 <b>CURRENT ASSETS</b>			
Trade receivables	8	2,194,669	40,832,769
Cash and cash equivalents	9	439,307	439,307
Short-term loans and advances	10	-	2,126
		2,633,975	41,274,202
<b>TOTAL</b>		<b>4,645,942</b>	<b>41,351,952</b>

Summary of significant account policies followed by the company.

The notes are an integral part of these financial statements.  
 In terms of our report attached

**FOR SANJAY N PAWAR AND ASSOCIATES**  
 Chartered Accountants

CA. SANJAY N. PAWAR  
 Partner  
 M. No. 112470  
 FRN No: 122769W  
 Pune, May 30, 2016



For and on behalf of the Board of Directors

**For NAVCOM INDUSTRIES LIMITED**

PRAVIN S. LUNKAD  
 Director

SHRUTI P LUNKAD  
 Director

**NAVCOM INDUSTRIES LIMITED**

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON 31 MARCH, 2016.**

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON 31 MARCH, 2016.			Figures in Rupees	
	Particulars	Note No.	2015-16 ₹	2014-15 ₹
I	REVENUE FROM OPERATION	10	38,615,012	33,317,503
	Gross Sales		-	-
	Less: Excise duty		38,615,012	33,317,503
	Revenue from operation		38,615,012	33,317,503
	Total Revenue			
II	EXPENDITURE	6 11	38,528,420	33,104,546
	Purchase of stock in trade		74,473	2,676
	Depreciation and amortisation expense		333,636	158,183
	Other expenses			
	Total Expenses		38,936,530	33,265,405
III	Profit / (Loss) before Tax		(321,518)	52,098
	Tax Expenses:		-	10,000
	Less: Tax Expenses Current Tax / Excess Provision		-	10,000
	Write Off			
		(321,518)	42,098	
IV	Profit/(Loss) For The Year			
	Appropriations			
	General Reserve		(321,518)	42,098
	Balance Carried to Balance Sheet		(321,518)	42,098
	Earing Per Share ( Equity Shares Of Rs. 10 Each.)		(0.06)	0.01
	Basic and Diluted ( in Rs.)			

Summary of significant account policies followed by the company.

The notes are an integral part of these financial statements.

**FOR SANJAY N PAWAR AND ASSOCIATES**  
Chartered Accountants

CA. SANJAY N. PAWAR  
Partner  
M. No. 112470  
FRN No: 122769W  
Pune, May 30, 2016



For and on behalf of the Board of Directors

**For NAVCOM INDUSTRIES LIMITED**

PRAVIN S. LUNKAD  
Director

SHRUTI P LUNKAD  
Director

**NAVCOM INDUSTRIES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016.**

**1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Method Of Accounting**

a. The Company follows mercantile system of accounting and recognises income & expenditure on accrual basis, net duties are recorded in the books

b. Financial statements are based on historical cost. These cost are not adjusted to reflect the impact of changing value in the purchasing power of money.

**1.2 Revenue Recognition**

Sale of goods is recognized on shipment or dispatch to customer, sale of goods on Consignment basis is recognized on sale of the relative goods by consignee.

**1.3 Retirement Benefits**

Retirement benefits to employees are provided for by payments to provident fund and by payment of gratuity on retirement of employees after putting in qualifying years of service.

**1.4 Deferred Revenue Expenditure.**

Revenue expenses of substantial magnitude which are expected to benefit for some years in future are charged considering relative benefit of the expenditure.

**1.5 Fixed Assets and Depreciation**

i) Fixed Assets are stated at cost less depreciation. Cost comprises of direct cost of acquisition or construction and other attributable cost.

ii) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

iii) Depreciation is calculated on pro-rata basis from the date of additions except in the case of Assets costing upto Rs.5000 each, where each such asset is fully depreciated in the year of purchase.

iv) Cost of Leasehold land is amortised over the lease period.

v) During the year under consideration Company has incurred Rs.20,10,305/- as Lease Renewal Charges, the same has been amortised over the remaining lease period.

vi) On assets sold, discarded, etc. depreciation is provided upto the date of sale/discard.

**1.6 Investments**

Investments are stated at cost.

**1.7 Inventories**

Stocks of raw materials, packing materials, stores, spares and fuel are stated at cost and are valued on FIFO basis. Goods in transit in bonded warehouse are valued at costs incurred till the year end. Goods in process are stated at estimated cost ascertained by reducing gross margin, if any from the estimated selling price. Finished goods are valued at cost or selling price whichever is lower, wherein cost includes material costs, labour and Factory overheads.

**1.8 Sundry Debtors, Advances and Deposits**

Balances considered irrecoverable are written off and those considered doubtful are provided for.

**1.00 Contingent Liabilities**

Contingent liabilities are disclosed in the accounts by way of note giving nature of liability and its quantum, if ascertained.

**1.01 Taxes on Income**

a. Taxes include current taxes only. Current tax is based on tax payable in respect of taxable income for the year.

b. In view of uncertainty of realization, no provision for deferred tax asset has been made in the accounts.

c. The Company provides tax liability on the basis of current tax and deferred tax. Since company has loss for the year and being a sick company and having unabsorbed depreciation and other available deductions, the Company is not liable for Income Tax as well as Tax on profit under section 115 JB of the Income Tax Act, 1961. Therefore, no provision for current tax liability has been made. As regards deferred tax, no asset has been recognized because of uncertainty of its realization.



**NAVCOM INDUSTRIES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016.**

		31-Mar-16 ₹	31-Mar-15 ₹
<b>2</b>	<b>Share Capital</b>		
	<b>Authorised</b> 1,50,00,000 Equity Shares of Rs. 10/- each. ( Previous year : 1,50,00,000 Equity Shares.)	150,000,000	150,000,000
	<b>Issued,Subscribed and Paid up</b> 88,36,997 Equity Shares of Rs. 10/- each fully paid up. ( Previous year : 88,36,997 Equity Shares.) Less : Calls In Arrears	88,369,970 6,021,500	88,369,970 6,021,500
		82,348,470	82,348,470

Shares held by each shareholder holding more than 5% of the aggregate shares in the Company

Sr.no	Name of share Holders	Current Year		Previous Year	
		%	No of Shares	%	No of Shares
1	Aruna Pravin Lunkad	7.15	631,500	7.15	631,500
2	Pravin Surajmal Lunkad	32.55	2,876,100	31.42	2,777,000
3	Payal Pravin Lunkad	5.57	492,000	5.57	492,000
4	UTI Mutual Fund	7.38	652,600	7.38	652,600
5	Public	47.36	4,184,797	48.48	4,283,897
	Total	100	8,836,997	100	8,836,997

<b>3</b>	<b>Reserves and Surplus</b>		
	1. Capital Reserve		
	Share Premium As Per Previous Year Balance Sheet	101,268,000	101,268,000
	Less : Calls In Arrears	(18,064,500)	(18,064,500)
		83,203,500	83,203,500
	2. Capital Incentive	2,500,000	2,500,000
	3. Profit and Loss Account.		
	Balance brought forward from previous year	(360,237,159)	(360,279,256)
	Transferred from Profit & Loss Account.	(321,518)	42,098
		(360,558,677)	(360,237,159)
		(274,855,177)	(274,533,659)
<b>4</b>	<b>Trade Payable</b>		
	Acceptances		
	Other than acceptances	197,150,313	233,512,375
		197,150,313	233,512,375
<b>5</b>	<b>Other Current Liabilities</b>		
	a. TDS Liability	2,265	14,765
	b. Income Tax Provision	70	10,000
		2,335	24,765



**NAVCOM INDUSTRIES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016.**

		Figures in Rupees	
		31-Mar-16 ₹	31-Mar-15 ₹
<b>7</b>	<b>Long Term Loan and Advances</b>		
	a. Other Advances		
	Doubtful	-	1,615
		-	1,615
<b>8</b>	<b>Trade Receivables</b>		
	a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
	Secured, considered good		
	Unsecured, considered good	2,194,669	40,832,769
	Doubtful		
	Less: Provision for doubtful trade receivables		
	b. Other Trade receivables	2,194,669	40,832,769
	Secured, considered good		
	Unsecured, considered good	-	
	Doubtful		
	Less: Provision for doubtful trade receivables		
		-	-
		2,194,669	40,832,769
<b>9</b>	<b>Cash and cash equivalents</b>		
	a. Cash on hand	436,162	436,162
	b. Balances with bank		
	(i) In current accounts	3,145	3,145
	(ii) In deposit accounts		
		439,307	439,307
<b>10</b>	<b>Short-term Loans and advances</b>		
	a. Prepaid expenses - Unsecured, considered good	-	2,126
		-	2,126



**NAVCOM INDUSTRIES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016.**

		<b>2015-16</b>	<b>2014-15</b>
		<b>₹</b>	<b>₹</b>
<b>10</b>	<b>Revenue From Operations</b>		
	Sale	38,615,012	33,317,503
		<u>38,615,012</u>	<u>33,317,503</u>
<b>11</b>	<b>Other Expenses</b>		
	Sales Promotion Expenses	-	4,033
	Rent, Rates & Taxes	251,804	112,360
	Legal & Professional Fees	54,169	41,690
	Audit Fees	17,175	-
	Other Expenses (Including Office & General Expenses, Computer Expenses, Security charges, etc.)	10,488	100
		<u>333,636</u>	<u>158,183</u>
		<u>333,636</u>	<u>158,183</u>

**12 Contingent Liabilities**

NIL

NIL

**13** Necessary provisions for revenue and expenses have been made in the accounts on the basis of the available record and estimate of the management.

**14** The Company has become a 'sick industrial company' within the meaning of provisions of Section 3 (1) (c) of Sick Industrial Companies (Special Provisions) Act, 1985.

**15** Certain old outstanding balances are written off during the year, as the same is confirmed by the board of directors time to time. The same are not disclosed as per AS 5 Net Profit or Loss for the period, prior period items & changes in Accounting Policies, as the same balances crystallised during the year as per Management. Please refer the para 4 of 'Auditors' Responsibility' in Independent Auditor's Report.

**16** Confirmation of certain balances of Bank Accounts and Parties included in Current Assets, Loans and Advances and Current Liabilities have not been obtained, net balances of sister concern are grouped under the current assets.

**17** Finance Charges include hire charges on vehicle loan, Bank charges, Interest, Commission, trade deposits etc.

**18** Amount paid and/or provided to the auditors excluding service tax Audit fees

15,000

5,000

**19** As the Company do not have any information as to which of its creditors is registered under The Micro, Small and Medium Enterprises Development Act 2006, no disclosure as required by the said Act is given.



**NAVCOM INDUSTRIES LIMITED**

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016.**

- 20 Related Party Disclosures as required under Accounting Standard on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India are given below:

A Description of Relationship  
Key Management Personnel

B No transactions were carried out with Related parties in the ordinary course of business.

**21 Earning Per share ( Basic and Diluted.)**

Particulars	2015-16	2014-15
Profit for the year after taxation	(321,518)	42,098
Weighted average number of Equity Shares at the end of the year.	8,836,997	8,836,997
Basic and Diluted earning Per Share	(0.04)	0.00

Earning per share is calculated in accordance with Accounting Standard ( AS 20) 'Earning Per Share' prescribed by Companies (Accounting Standards) Amendment Rules, 2009.

- 22 Figures for previous year have been regrouped wherever considered necessary and practicable.

**Signatures to Notes**

**FOR SANJAY N PAWAR AND ASSOCIATES**  
Chartered Accountants

CA. SANJAY N. PAWAR  
Partner  
M. No. 112470  
FRN No: 122769W  
Pune, May 30, 2016



**For NAVCOM INDUSTRIES LIMITED**

PRAVIN S. LUNKAD  
Director

SHRUTI P LUNKAD  
Director

**NAVCOM INDUSTRIES LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH, 2015.**

Sr.No.	PARTICULARS	31-Mar-16	31-Mar-15
(A)	<b>Cash Flow From Operating Activity</b>		
	Net Profit Before Extra Ordinary Items	(321,518)	52,098
	Adjustment for		
	Depreciation	74,473	2,676
	Provision For Taxation	-	(10,000)
	<b>Operating Profit Before Working Capital Changes</b>	(247,045)	44,774
	Trade and other receivable	38,638,100	86,611,112
	Inventories		
	Trade Payable	(36,362,062)	(86,676,260)
	Other Current Liabilities	(22,430)	22,500
	Short-term loans and advances	2,126	(2,126)
	Long-term loans and advances		
	<b>Net Cash Inflow/(Outflow) From Operating Activity</b>	2,008,689	(0)
(B)	<b>Cash Flow From Investing Activity</b>		
	Purchase fixed assets / capital work in progress	(2,010,305)	
	Long-term loans and advances	1,615	
	<b>Net Cash Inflow / (Outflow) From Investing Activity</b>	(2,008,689)	-
(C)	<b>Cash Flow From Financing Activity</b>		
	Proceeds from borrowing		
	<b>Net Cash Inflow / (Outflow) From Financing Activity</b>	-	-
	Increase In Cash and Cash Equivalent ( A+B+C )	0	(0)
	Cash and cash equivalents at the beginning	439,307	439,307
	Cash and cash equivalents at the close	439,307	439,307
	Change in cash and cash equivalents	0	0

**FOR SANJAY N PAWAR AND ASSOCIATES**  
Chartered Accountants

CA. SANJAY N. PAWAR  
Partner  
M. No. 112470  
FRN No: 122769W  
Pune, May 30, 2016



**For NAVCOM INDUSTRIES LIMITED**

PRAVIN S. LUNKAD  
Director

SHRUTI P LUNKAD  
Director

NAVCOM INDUSTRIES LIMITED  
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016.

Notes : 6  
Fixed Assets

Sr. No	Particulars	Rate	Gross Block			Depreciation			Figures in Rupees	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Net Block
1	<b>Tangible Assets</b>									
1	Land (Leased Hold)	0	121750		0	121750	45615	2676	0	73459
2	Lease Renewal Charges		0	2010305		2010305	-	71797		1938508
	<b>TOTAL</b>		<b>121750</b>	<b>2010305</b>	<b>0</b>	<b>2132055</b>	<b>45615</b>	<b>74473</b>	<b>0</b>	<b>2011967</b>
										<b>76135</b>

