

# **NB FOOTWEAR LIMITED**



**30th Annual Report  
2017 - 2018**

**BOARD OF DIRECTORS**

Mr Kannan A Yadav	Managing Director & CEO
Mr Rajen K Desai	Director
Mr S Krishnan	Director - Independent
Mr Sudhakar Mahabal Shetty	Director – Independent
Mr Gregory Periera	Director
Mrs Krishnaveni Kannan Yadav	Director

**AUDITORS**

M/s. J V Ramanujam & Co,  
Chartered Accountants,  
New No.233, Old No.113, First Floor,  
R K Mutt Road, Raja Annamalaipuram,  
Chennai 600 028

**BANKERS**

Union Bank of India  
Broadway Branch  
Chennai - 600 108.

**REGISTERED OFFICE**

No. 87/84A, Mosque Street, Seduvalai Village,  
VELLORE 632 104,  
Email : [nbfootwearltd@gmail.com](mailto:nbfootwearltd@gmail.com)  
Website: [www.nbfootwear.info](http://www.nbfootwear.info)

**CORPORATE OFFICE**

6E, GEE GEE Emerald, 6<sup>th</sup> Floor,  
No.151, Village Road, Nungambakkam  
CHENNAI – 600 034, TAMIL NADU

## **NB FOOTWEAR LIMITED**

**CIN L19201TN1987PLC014902**

### **NOTICE CONVENING THIRTIETH ANNUAL GENERAL MEETING**

NOTICE is hereby given that the THIRTIETH ANNUAL GENERAL MEETING of the Company will be held at Hotel Khanna, No. 16, Officers Line, Vellore 632 104 on Friday, the 28<sup>th</sup> September 2018 at 10.00 a.m. to transact the following business

#### **ORDINARY BUSINESS**

01. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2018 and the Statement of Profit and Loss for the year ended on that date together with the report of Directors and Auditors thereon.
02. To appoint a Director in place of Mr Rajen K Desai who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment.
03. To consider and if thought fit, to approve with or without modification(s) the following resolution as an Ordinary resolution :

RESOLVED THAT pursuant to Section 139,141,142 and other applicable provisions, if any, of the Companies Act 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s . J V Ramanujam & Co, Chartered Accountants (Firm Registration Number 02947S) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on the same remuneration”.

#### **SPECIAL BUSINESS:**

04. To consider and if thought fit, to approve with or without modification(s) the following resolution as a special resolution :

RESOLVED THAT pursuant to the provisions of Sections 196(3) and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Members be and is hereby accorded to the re-appointment of Mr Kannan A Yadav as Managing Director of the Company, for a period of 3(three) years with effect from April 1, 2019 without any remuneration and on such terms and conditions as set out below with liberty to the Board to vary, alter and modify such terms and conditions including salary, allowances, perquisites and commission at any time during the tenure of his office as may be agreed to by the Board of Directors and Mr Kannan A Yadav.

#### **Terms and Conditions of Appointment**

1. Period of Appointment:- Appointment shall be for a period of 3 (three) years beginning from April 1, 2019 and ending on March 31, 2022.
2. Other Terms: - Subject to the direction, control and superintendence of the Board of Directors and service rules of the Company, Mr Kannan A Yadav shall have the responsibility for the day to day management of the Company and shall perform such duties and exercise such powers as are entrusted to or conferred upon him by the Board, in the best interests of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

05. To consider and if thought fit, to approve with or without modification(s) the following resolution as a special resolution :

RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as may be amended from time to time, Mr.S Krishnan (DIN 00583985) a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for re-appointment, be and is hereby appointed as an Independent Director of the Company with effect from April 1, 2019 till March 31, 2024.

06. To consider and if thought fit, to approve with or without modification(s) the following resolution as a special resolution :

RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as may be amended from time to time, Mr.Sudhakar Mahabal Shetty (DIN 00249448) a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for re-appointment, be and is hereby appointed as an Independent Director of the Company with effect from April 1, 2019 till March 31, 2024.

#### **Explanatory statement**

##### **Item No.4**

Re-appointment of Mr Kannan A Yadav as Managing Director of the Company

The Nomination and Remuneration committee and the Board of Directors of the Company (the Board), at their respective meetings held on May 30, 2018, have subject to the approval of the members, unanimously approved and recommended the re- appointment of Mr Kannan A Yadav (DIN 00249225) as Managing Director of the Company for a period of 3 years upto March 31, 2022 with effect from April 1, 2019.

It is proposed to seek the Member's approval for the re-appointment of Mr Kannan A Yadav as Managing Director in terms of the applicable provisions of the Act.

#### **Remuneration**

Mr Kannan A Yadav was re-appointed as Managing Director of your Company with effect from April 1, 2014. In accordance with the provisions of Schedule V of the Act, where the Company's profits are inadequate, a special resolution of the shareholders may be obtained for appointment and payment of remuneration to Managing director for a period not exceeding three years. In order to comply with the relevant provisions of the Act, your Board decided to seek approval of the members for his re-appointment as Managing Director of the Company, for a period of 3 years with effect from April 1, 2019.

Given that the Company's operations have not been carried out for the past several years, no remuneration is being paid to the Managing Director of the Company. However, in the event that the Company's operations are revived, the Board may vary, alter and modify the terms and conditions of the appointment of the Managing Director, including fixing of his salary, allowances, perquisites at any time during the tenure of his office, subject to requisite approvals being obtained in this behalf.

In any case, the aggregate of salary, allowances, perquisites in any one of the financial year shall be subject to the limit prescribed under Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any modification or re-enactment for the time being in force.

Mr Kannan A Yadav has given a declaration to the Company that he is not disqualified under Section 164 of the Act for appointment as a Director under the Act and has also given his consent to act as a Managing Director and CEO of the Company. The additional information required to be furnished in respect of the aforesaid director as required under SEBI (Listing Obligations and Disclosure Requirements) 2015 is set out as an Annexure to this Notice.

As per the provisions of Companies Act, 2013 appointment of such Managerial personnel requires approval of the shareholders in the general meeting by way of a special resolution.

The Board commends the resolution as set out in item No. 4 of the Notice for your approval.

None of the Directors except Mr Kannan A Yadav and Mrs Krishnaveni Kannan Yadav are interested or concerned in the aforesaid resolution.

**Item Nos. 5 & 6**

Re-appointment of Mr S Krishnan and Mr. Sudhakar Mahabal Shetty as Independent Directors of the Company.

As per Section 149(10) of the Companies Act, 2013 (CA 2013), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment for another term of five consecutive years on the Board of a Company, upon passing of a special resolution by the members in a General meeting.

In the opinion of the Board, Mr.S Krishnan and Mr. Sudhakar Mahabal Shetty fulfills the conditions specified in the Act are independent of the management of the Company (except for 38200 shares held by Mr Sudhakar Mahabal Shetty held in the Company).

Copy of the draft letter for appointment of Mr. S Krishnan and Mr. Sudhakar Mahabal Shetty as an Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that their continued association with the Company would be of immense benefit to the Company and it is desirable to continue to avail the services of both Mr. S Krishnan and Mr. Sudhakar Mahabal Shetty as Independent Directors on the Board of your Company. Accordingly, the Board recommends passing of the Resolution of Item Nos. 5 & 6 of the Notice as a Special Resolution.

The additional information required to be furnished in respect of the aforesaid directors as required under SEBI (Listing Obligations and Disclosure Requirements) 2015 is set out as an Annexure to this Notice.

Except Mr. S. Krishnan and Mr. Sudhakar Mahabal Shetty, being the appointees, none of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 5 & 6 respectively.

By order of the Board of Directors  
**For NB FOOTWEAR LIMITED**

Place : Mumbai  
Dated : 30<sup>th</sup> May 2018

**(KANNAN A YADAV)**  
MANAGING DIRECTOR & CEO

**NOTES :-**

01. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the AGM. Proxies submitted on behalf of Companies, Societies etc. must be supported by an appropriate resolution/authority, as applicable. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person shall not act as a proxy for more than 50 (Fifty) members and holding in aggregate not more than 10% (ten percent) of the total share capital of the Company provided that such person shall not act as proxy for any other person.
02. The Register of Members and Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September 2018 to 27<sup>th</sup> September 2018 (both days inclusive).
03. Members holding shares in electronic form are requested to intimate any change in address to their respective Depository Participants and those holding shares in physical form are to intimate the above said changes to the Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai 600 002.
04. The Securities Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit PAN to their Depository Participant(s) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their details to the Company's Registrar and Transfer Agent.
05. Members, who have not registered their email address so far, are requested to register their email ids for receiving all communications including Annual Report, Notices etc. from the Company electronically.
06. As a measure of austerity, copies of Annual Report will not be distributed at the AGM. Members are therefore requested to bring their copies of the Annual Report to the Meeting.
07. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules issued thereunder and Clause 35B of the Listing Agreement, Members are provided with a facility to cast their vote by electronic means through e-voting platform provided by CDSL. The detailed instructions for e-voting are annexed to this Notice.
08. Members holding shares in single name are advised to avail the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Companies Act, 2013 read with the Rules issued thereunder. Members holding shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled to M/s. Cameo Corporate Services Limited. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing this facility.
09. Information required under Regulation 36 (3) of SEBI (LODR) Regulation, 2015 with respect to the Directors retiring by rotation and being eligible, seeking re-appointment is as under :-

01	Name of the Director	Rajen K Desai
02	Director Identification Number	00382740
03.	Date of Appointment	22/03/1996
04.	Number of shares held in the Company	1,14,900
05.	Directorships and Committee Memberships held in other Companies (excluding alternate directorships, directorships in private limited companies, foreign companies and Companies under Section 8 of the Companies Act, 2013. Membership and Chairmanship of Audit Committee and Shareholders Relationship Committee have been included).	Director in Transchem Limited, Arangetram trading company Private Limited, Adithya Money care Private Limited, Limpid Investment Private Limited, Grandeur Corporation Private Limited

Except Mr Rajan K Desai (DIN 00382740) no other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the re-appointment of the above director as a Non-Executive Director of the Company.

By order of the Board of Directors  
**For NB FOOTWEAR LIMITED**

Place : Mumbai  
Dated : 30<sup>th</sup> May 2018

**(KANNAN A YADAV)**  
MANAGING DIRECTOR & CEO

**ANNEXURE TO NOTICE**

1. Information required to be furnished in respect of the Managing director as required under SEBI (Listing Obligations and Disclosure Requirements) 2015.

01	Name of the Director	Kannan A Yadav
02	Director Identification Number	00249225
03.	Date of Birth	24/05/1963
04.	Date of Appointment	22/03/1996
05.	Brief resume of the Director including nature of expertise in specific functional areas.	A graduate in Commerce and having three decades of experience in administration and trading
06.	Number of shares held in the Company	2,20,000
07.	Inter-se relationship between Directors	Mrs Krishnaveni Kannan Yadav, his spouse is also a director on the Board of the Company
08.	Directorships and Committee Memberships held in other Companies (excluding alternate directorships, directorships in private limited companies, foreign companies and Companies under Section 8 of the Companies Act, 2013. Membership and Chairmanship of Audit Committee and Shareholders Relationship Committee have been included).	Whole Time Director in Adithya Investments and Communication Limited and Director in Adithya Money care private limited.

1. Information required to be furnished in respect of the Independent directors as required under SEBI (Listing Obligations and Disclosure Requirements) 2015

01	Name of the Director	Sudhakar Mahabal Shetty,
02	Director Identification Number	00249448
03.	Date of Appointment	22/03/1996
04.	Brief resume of the Director including nature of expertise in specific functional areas.	A graduate in Commerce and having two decades of experience in administration and trading
05.	Number of shares held in the Company	38,200
06.	Inter-se relationship between Directors	None
07.	Directorships and Committee Memberships held in other Companies (excluding alternate directorships, directorships in private limited companies, foreign companies and Companies under Section 8 of the Companies Act, 2013. Membership and Chairmanship of Audit Committee and Shareholders Relationship Committee have been included).	Director in Prerna Healthcare Private Limited

01	Name of the Director	S Krishnan
02	Director Identification Number	00583985
03.	Date of Birth	02-09-1962
04.	Date of Appointment	17-10-1998
05.	Brief resume of the Director including nature of expertise in specific functional areas.	A Graduate in Physics from University of Madras. He is also Associate Member of Institute of Chartered Accountants of India and Institute of Company Secretaries of India. Has over three decades of varied experience in industry comprising of automobile, leather footwear, pharmaceuticals, liquor, sugar, hotels and FMCG.
06.	Number of shares held in the Company	Nil
07.	Inter-se relationship between Directors	None
08.	Directorships and Committee Memberships held in other Companies (excluding alternate directorships, directorships in private limited companies, foreign companies and Companies under Section 8 of the Companies Act, 2013. Membership and Chairmanship of Audit Committee and Shareholders Relationship Committee have been included).	Director in Adgear Media Private Limited and Krenen Exports Private Limited



## DIRECTORS' REPORT

### Board's Report to the Members

Your Directors present herewith the Thirtieth Annual Report along with the Annual Accounts for the year ended 31<sup>st</sup> March 2018.

#### 01. FINANCIAL RESULTS

The financial performance of your Company for the year ended 31<sup>st</sup> March 2018 is summarized below:

S. No.	Description	For the year ended 31 <sup>st</sup> March 2018 (Rs. In Lakhs)	For the year ended 31 <sup>st</sup> March 2017 (Rs. In Lakhs)
01.	Total Income	0.00	0.00
02.	Total Expenditure	8.29	8.16
03.	Profit/(Loss) before exceptional and extraordinary items	(8.29)	(8.16)
04.	Extraordinary items	0.00	0.00
05.	Net Profit/(Loss)	(8.29)	(8.16)

#### 02. PERFORMANCE

There was no manufacturing activity during the year under review. The minimum expenditure incurred in running the offices has resulted in a net loss of Rs. 8.29 lakhs.

#### 03. DIVIDEND

In view of the loss, your Directors do not propose any dividend for the year ended 31<sup>st</sup> March 2018.

#### 04. OPPORTUNITIES, CHALLENGES AND CONCERNS

Your Company has not been able to revive its operations, due to continuing unfavorable factors such as economic slowdown, inflationary pressure and other external factors that have affected the operations of the Company. Nevertheless, the Directors are confident of converting the challenges into opportunities going forward.

#### 05. PUBLIC DEPOSITS

During the financial year 2017-18, your Company did not accept any deposits from the public.

#### 06. INDUSTRIAL RELATIONS

The industrial relations of the Company have been cordial.

#### 07. EXTRACT OF ANNUAL RETURN

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 the Companies (Management and Administration) Rules, 2014, are set out herewith as Annexure (B) to this Report.

#### 08. LOANS AND INVESTMENTS

The Company has neither given any loan nor issued any guarantee / made investments during the year under review, in accordance with Section 186 of the Companies Act, 2013 read with the rules issued there under.

#### 09. RELATED PARTY TRANSACTIONS

During the financial year 2017-18, there were no transactions with related parties which qualify as material transactions and hence the requirement of attaching form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013, as Annexure to this Report is Not applicable to the Company.

The details of related party transactions as required under Accounting Standard - 18 are set out in Notes to the financial statements forming part of this Annual Report.

#### 10. DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

There are no Directors/Employees who were in receipt of the remuneration as prescribed under Section 197 of the Companies Act 2013 read with Companies (Appointment and Remuneration) of Managerial Personnel Rules, 2014 during the year under review and hence annexure required under the said Section is not required to be attached.

#### 11. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr Rajen K Desai, Director of the company retire by rotation in the ensuing Annual General Meeting and being eligible offer himself for re-appointment. The resolution seeking approval of members for the re-appointment is included in the notice to AGM.

Further in line with the requirement of Companies Act, 2013 Mr. Kannan A Yadav, was re-appointed as Managing

Director to hold office for a period of 5 years from April 1, 2014 to March 31, 2019. The Board at its meeting held on May 30, 2018 decided to re-appoint him as Managing Director for another term of 3 years with effect from April 1, 2019. Resolution seeking approval for the said appointment is included in the Notice for AGM.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as SEBI (LODR) Regulations, 2015.

Further in line with the requirement of the above provisions, Mr S Krishnan and Mr Sudhakar Mahabel Shetty were appointed as Independent Directors on the Board of your Company to hold office for a period of 5 years from April 1, 2014 to March 31, 2019. The Board at its meeting held on May 30, 2018 recommended the re-appointment of Mr S Krishnan and Mr Sudhakar Mahabal Shetty as Independent Directors to hold office for another term of 5 years with effect from April 1, 2019 till March 31, 2024. Resolution seeking approval for the said appointment are included in the Notice for AGM.

## 12. NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

The details of the number of Board and Audit Committee Meetings of the Company are set out in the Corporate Governance Report which forms part of this Report.

## 13. CORPORATE GOVERNANCE

In compliance with the requirements of SEBI (LODR) Regulations, 2015, a separate Report on Corporate Governance along with the Auditors Certificate on its compliance forms an integral part of this Report.

## 14. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2018, the applicable accounting standards and Schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;
- 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 your Company as at 31<sup>st</sup> March 2018 and the Loss of the Company for the year ended 31<sup>st</sup> March 2018;

- c) proper and sufficient care have 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 accounts have been prepared on a 'going concern' basis.
- e) proper internal financial control laid down by the Directors have been followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws were in force and that such systems were adequate and operating effectively.

## 15. STATUTORY AUDITORS AND AUDITORS' REPORT

At the twenty ninth Annual General Meeting of the Company held on 28<sup>th</sup> September 2017, M/s. J V Ramanujam & Co, Chartered Accountants (Firm Registration No. 002947S) were appointed as Statutory Auditors to hold office until the conclusion of the Thirtieth Annual General Meeting of the Company.

M/s. J V Ramanujam & Co, Chartered Accountants who retire at the ensuing Annual General Meeting of your Company are eligible for re-appointment. Your Company has received written consent and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued thereunder.

The Audit Committee and the Board of Directors recommend the appointment of M/s. J V Ramanujam & Co, Chartered Accountants as the Statutory Auditors of your Company for the financial year 2018-19 till the conclusion of next Annual General Meeting.

With reference to the Auditors observation on Company's ability to continue as a going concern in the foreseeable

future, the Directors wish to submit that the Company is looking at various options including core team to execute business segments.

As regards Auditors observation in Para vii (b) in Annexure to Auditors Report, the Directors submit that the disputed dues to Central Excise Act, 1944 and Sales Tax Law have been pending from 1999-2000 and 1995-1996 onwards; that the Company is confident of obtaining favourable outcome in these cases. Hence, these amounts have not been deposited with the concerned authorities.

#### **16. SECRETARIAL AUDITORS' REPORT**

The Secretarial Audit Report of the Company for Financial Year 2017-18 given by Mrs. Bhoomijha Murali, Company Secretary in Practice is annexed to Directors Report (Annexure A).

The Company was declared sick by the Board for Industrial and Financial Reconstruction (BIFR) on 21/05/2001; that the Company's operations have been discontinued for more than fifteen years; that however Company is taking every effort to appoint a qualified Company Secretary.

With regard to the remark provided in the Secretarial Auditor's Report that 100% of the promoter's shareholding is not held in dematerialized form, the Directors wish to submit that as on 30<sup>th</sup> May 2018, 99% of promoters and promoters group are in dematerialized form; that all efforts are taken to dematerialize the entire shareholding of promoters and promoters' group.

#### **17. RISK MANAGEMENT**

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

#### **18. VIGIL MECHANISM**

Your Company is committed to high standards of ethical and legal standards. Accordingly, the Board of Directors

has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 and SEBI (LODR) Regulations 2015.

#### **19. CORPORATE SOCIAL RESPONSIBILITY**

The provisions of the Companies Act, 2013 on Corporate Social Responsibility are not applicable to the Company.

#### **20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND ADAPTATION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to conservation of energy, technology absorption and adaptation and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules for the financial year ended 31<sup>st</sup> March 2018 are NIL.

#### **21. DETAILS OF INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS**

The Company has in place adequate financial controls with respect to Financial Statements. No material weakness in such controls was observed during the year under review.

#### **22. SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS**

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.

#### **23. ACKNOWLEDGEMENT**

Your Directors wish to convey their gratitude and appreciation to Government Departments, shareholders, bankers, business associates and employees for their continued support.

By order of the Board of Directors  
For **NB FOOTWEAR LIMITED**

**(KANNAN A YADAV)**  
MANAGING DIRECTOR & CEO

Place : Mumbai  
Dated : May 30, 2018

**ANNEXURE (A) TO BOARD'S REPORT**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2018**

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To

The Members,

M/s. NB FOOTWEAR LIMITED,

No. 87/84A, Mosque Street,

Seduvalai Village,

VELLORE 632 104

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NB FOOTWEAR 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2018 ('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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2018 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 Overseas Direct Investment, Foreign Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - (Not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period);
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India
- (ii) The Listing Agreement entered into by the Company with Stock Exchanges.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except to the extent as mentioned below:

- a) SEBI has mandated the appointment of a Company Secretary as Compliance Officer for the purpose of listing regulations. However, the present Compliance Officer is not the Company Secretary of the Company.
- b) The Company has not achieved 100% of promoters and promoter group's shareholding in dematerialized form as per SEBI Guidelines.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no change in the composition of Board of Directors during the period under review.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors and Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

Place : Chennai  
Date : May 30, 2018

**Bhoomijha Murali**  
Practising Company Secretary  
ACS No. 10779 CP 12673

**ANNEXURE (B) TO BOARD'S REPORT**

**EXTRACT OF ANNUAL RETURN AS ON 31<sup>ST</sup> MARCH 2018**

**FORM NO. MGT-9**

i) CIN	L19201TN1987PLC014902
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(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**

ii) Registration Date	Date	Month	Year
	24	09	1987
iii) Name of the Company	NB FOOTWEAR LIMITED		
iv) Category of the Company			
1. Public Company	✓		
2. Private Company			
<b>Sub Category of the Company</b>			
1. Government Company			
2. Small Company			
3. One Person Company			
4. Subsidiary of Foreign Company			
5. NBFC			
6. Guarantee Company			
7. Limited by Shares			
8. Unlimited Company			
9. Company having share capital	✓		
10. Company not having share capital			
11. Company Registered under Section 8			
v) Address of Registered Office and Contact Details			
Company Name	NB FOOTWEAR LIMITED		
Address	No. 87/84A, Mosque Street, Seduvalai Village,		
Town / City	VELLORE		
Pin Code	632 104		
Country Name	India		
Country Code	IND		
Telephone with STD Area Code Number	+91 44 2467 0596		
Fax Number	+91 44 4208 1858		
Email Address	nbfootwearltd@gmail.com		

Website, if any		www.nbfootwear.info
Name of the Police Station having jurisdiction where the Registered Office is situated		Vellore Police Station
vi) Whether shares listed on recognized Stock Exchange(s)		Yes
vii) Details of Stock Exchanges where shares are listed		
S.No.	Stock Exchange	Scrip Code
01.	BSE Limited (BSE)	523242
vii) Names and Address of Registrar & Share Transfer Agent(s) RTA for Demat Work		
Name of Registrar & Transfer Agents		Cameo Corporate Services Limited
Address		'Subramanian Building' No.1, Club House Road, CHENNAI 600 002
Town / City		Chennai
State		Tamil Nadu
Pin Code		600 002
Telephone with STD Area Code Number		+91 44 2846 0390
Fax Number		+91 44 28461173
Email Address		cameo@cameoindia.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.

Names and description of main products/service	NIC Code of the Product / Service	% of total turnover of the Company
Footwear	15201	NIL

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any holding, subsidiary and Associate Company.

IV. SHAREHOLDING PATTERN (Equity share capital break-up as percentage to total equity)

A. Category-wise Shareholding

	Category of shareholders	No. of shares held at the beginning of the year (As on 01/04/2017)				No. of shares held at the end of the year (As on 31/03/2018)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A</b>	<b>Promoters</b>									
1)	Indian									
	a) Individuals/ HUF	341400	-	341400	2.53	341400	-	341400	2.53	0.00
	b) Central Govt.	-	-	-	-	-	-	-	-	-
	c) State Govts.	-	-	-	-	-	-	-	-	-
	d) Bodies Corporate	9632700	100000	9732700	72.09	9632700	100000	9732700	72.09	0.00
	e) Banks/FI	-	-	-	-	-	-	-	-	-
	f) Any other(Specify)	-	-	-	-	-	-	-	-	-
	Sub Total (A)(1)	9974100	100000	10074100	74.62	9974100	100000	10074100	74.62	NIL
2)	Foreign	-	-	-	-	-	-	-	-	0.00
	a) NRI Individuals	-	-	-	-	-	-	-	-	0.00
	b) Other Individuals	-	-	-	-	-	-	-	-	0.00
	c) Bodies Corporate	-	-	-	-	-	-	-	-	0.00
	d) Banks/FI	-	-	-	-	-	-	-	-	0.00
	e) Any other(Specify)	-	-	-	-	-	-	-	-	0.00
	Sub Total (A)(2)	-	-	-	-	-	-	-	-	0.00
	Total shareholding of promoter(s) A= (A)(1)+(A)(2)	9974100	100000	10074100	74.62	9974100	100000	10074100	74.62	NIL
<b>B</b>	<b>Public Shareholding</b>									
1)	Institutions	-	-	-	-	-	-	-	-	0.00
	a) Mutual Funds/ UTI Banks/FI.	-	-	-	-	-	-	-	-	0.00
	b) Central Govt	-	-	-	-	-	-	-	-	0.00
	c) State Govt(s)	-	-	-	-	-	-	-	-	0.00
	d) Venture Capital Funds	-	-	-	-	-	-	-	-	0.00
	e) Insurance Companies	-	-	-	-	-	-	-	-	0.00
	f) FII's Foreign Venture	-	-	-	-	-	-	-	-	0.00
	g) Capital Funds	-	-	-	-	-	-	-	-	0.00
	h) Others (Specify)	-	-	-	-	-	-	-	-	0.00
	Sub Total (B)(1)	-	-	-	-	-	-	-	-	0.00



	Category of shareholders	No. of shares held at the beginning of the year (As on 01/04/2017)				No. of shares held at the end of the year (As on 31/03/2018)				% of change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>2)</b>	<b>Non Institutions</b>									
a)	Bodies Corporate									
	i. Indian	429436	321006	750442	5.56	436336	321006	757342	5.61	0.05
	ii. Overseas	0	0	0	0	0	0	0	0	0
b)	Individuals									
	i. Individual shareholders holding nominal share capital upto Rs. 2 lakh.	317360	712185	1029545	7.63	313760	709885	1023645	7.58	-0.04
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	460400	1184313	1644713	12.18	460400	1183413	1643813	12.18	-0.01
c)	Others									
	i. Non resident Indian	200	0	200	0	200	0	200	0	0
	ii. Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
	iii. Foreign Nationals	0	0	0	0	0	0	0	0	0
	iv. Clearing Members	1000	0	1000	0.01	900	0	900	0.01	0
	v. Trust	0	0	0	0	0	0	0	0	0
	vi. Foreign Bodies	0	0	0	0	0	0	0	0	0
	vii. Directors & their relatives	0	0	0	0	0	0	0	0	0
	viii. Hindu Undivided Families	0	0	0	0	0	0	0	0	0
	Sub Total (B)(2)	1208396	2217504	3425900	25.38	1211596	2214304	3425900	25.38	0.00
	Total public shareholding B= (B)(1)+(B)(2)	1208396	2217504	3425900	25.38	1211596	2214304	3425900	25.38	0.00
C	Shares held by Custodian for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Grand Total (A+B+C)	11182496	2317504	13500000	100.00	11185696	2314304	13500000	100.00	100.00

**B. SHAREHOLDING OF PROMOTERS**

S. No.	Shareholder's Name	No. of shares held at the beginning of the year (As on 01/04/2017)			No. of shares held at the end of the year (As on 31/03/2018)			% of change during the year
		No. of shares	% of total shares of the Company	% of shares pledged/encumbered in total shares*	No. of shares	% of total shares of the Company	% of shares pledged/encumbered in total shares*	
01	Rajen Desai	114900	0.85	0.00	114900	0.85	0.00	0.00
02.	Gregory Pereira	6500	0.05	0.00	6500	0.05	0.00	0.00
03.	Kannan A Yadav	220000	1.63	0.00	220000	1.63	0.00	0.00
04.	Adithya Investments & Comm Ltd	290800	2.15	0.00	290800	2.15	0.00	0.00

05.	Grandeur Corporation Pvt Ltd	6274900	46.48	0.00	6274900	46.48	0.00	0.00
06.	Arangettam Trading Co Pvt Ltd	133400	0.99	0.00	133400	0.99	0.00	0.00
07.	Transchem Limited	474000	3.51	0.00	474000	3.51	0.00	0.00
08.	Chameleon Commodities Pvt Ltd	2260900	16.75	0.00	2260900	16.75	0.00	0.00
09.	Solar Securities Ltd	4700	0.03	0.00	4700	0.03	0.00	0.00
10	Limpid Investments Pvt Ltd	194000	1.44	0.00	194000	1.44	0.00	0.00
11.	PI Drugs & Pharmaceuticals	100000	0.74	0.00	100000	0.74	0.00	0.00
	Total	10074100	74.62	0.00	10074100	74.62	0.00	0.00

\*The % of shares pledged/encumbered represents % of shares pledged/encumbered as a % of the total shares of the Company. The term 'encumbrance' has the same meaning as assigned to it in regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

**C. CHANGE IN PROMOTERS' SHAREHOLDING : NIL**

S. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative share holding during the year (01/04/2017 to 31/03/2018)	
		No. of shares at the beginning (01/04/2017) / end of the year (31/03/2018)	% of total shares of the Company				No. of shares	% of total shares of the Company

**D. SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRs AND ADRs**

S. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative share holding during the year (01/04/2017 to 31/03/2018)	
		No. of shares at the beginning (01/04/2017) / end of the year (31/03/2018)	% of total shares of the Company				No. of shares	% of total shares of the Company
01.	Priya Jayant Kapadia	198000	1.47	01/04/2017	0.00	N.A	198000	1.47
	Sonal Jayant Kapadia	198000	1.47	31/03/2018				
02.	Sonal Jayant Kapadia	198000	1.47	01/04/2017	0.00	N.A	198000	1.47
	Priya Jayant Kapadia	198000	1.47	31/03/2018				
03	MG GLOBAL FINANCIAL SERVICES LTD	102400	0.75	01/04/2017	0.00	N.A	102400	0.75
		102400	0.75	31/03/2018				
04	DALAL STREET CONSULTANTS	90000	0.67	01/04/2017	0.00	N.A.	90000	0.67
		90000	0.67	31/03/2018				
05	NAVA BHARAT VENTURES LIMITED	76830	0.56	01/04/2017	0.00	N.A.	76830	0.56
		76830	0.56	31/03/2018				
06	FINE ESTATES PRIVATE LIMITED	73800	0.55	01/04/2017	0.00	N.A.	73800	0.55
		73800	0.55	31/03/2018				
07.	VIGIL STOCKS AND SHARES PVT LTD	73800	0.55	01/04/2017	0.00	N.A.	73800	0.55
		73800	0.55	31/03/2018				
08.	SURBHI INVESTMENTS & TRADING COMPANY PRIVATE LIMITED	73800	0.55	01/04/2017	0.00	N.A.	73800	0.55
		73800	0.55	31/03/2018				
09.	BRIJWASI SECURITIES PRIVATE LIMITED	72000	0.53	01/04/2017	0.00	N.A.	72000	0.53
		72000	0.53	31/03/2018				
10.	J HENRY SCHRODDER BANK AG	61000	0.45	01/04/2017	0.00	N.A.	61000	0.45
		61000	0.45	31/03/2018				

**E. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

S. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative share holding during the year (01/04/2017 to 31/03/2018)	
		No. of shares at the beginning (01/04/2017) / end of the year (31/03/2018)	% of total shares of the Company				No. of shares	% of total shares of the Company
	Directors							
01.	Rajen Desai	114900 114900	0.85 0.85	01/04/2017 31/03/2018	0.00	N.A.	114900	0.85
02.	Gregory Periera	6500 6500	0.05 0.05	01/04/2017 31/03/2018	0.00	N.A.	6500	0.05
03.	Kannan A Yadav	220000 220000	1.63 1.63	01/04/2017 31/03/2018	0.00	N.A.	220000	1.63
04.	Sudhakar Mahabal Shetty	38200 38200	0.28 0.28	01/04/2017 31/03/2018	0.00	N.A.	38200	0.28
	Key Managerial Personnel							
	NIL							

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Rs.)

	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (as on 01/04/2017)				
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in indebtedness during the financial year				
● Addition	-	-	-	-
● Reduction (Repayment)	-	-	-	-
● Net change	-	-	-	-
Indebtedness at the end of the financial year (as on 31/03/2018)				
i) Principal amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

(Amount in Rs.)

S. No.	Particulars of Remuneration	Name of the Managing Director Kannan A Yadav
1.	Gross Salary (including Commission)	
	(a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	0
	(b) Value of perquisites under Section 17(2) of Income Tax Act, 1961	0
	(c) Profits in lieu of salary under Section 17(3) of Income Tax, 1961	0
2.	Stock option	0
3.	Sweat Equity	0
4.	Commission	
	- as % of profit	0
5.	Others – Employers contribution to provident and other funds	0
	<b>Total</b>	<b>0</b>

**B. Remuneration to other Directors**

**1. Independent Directors**

(Amount in Rs.)

Name of the Director	Fee for attending Board/Committee meetings	Commission	Others	Total
	0	0	0	0
S Krishnan	0	0	0	0
Sudhakar Mahabal Shetty	0	0	0	0

**2. Non-Executive / Promoter Directors**

Name of the Director	Fee for attending Board/Committee meetings	Commission	Others	Total
Rajen K Desai	0	0	0	0
Gregory Pereira	0	0	0	0
Krishnaveni Kannan Yadav	0	0	0	0
<b>Total (1+2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Amount in Rs.

S. No.	Particulars of Remuneration	Key Managerial Personnel
1.	Gross Salary (including Commission) (a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961 (b) Value of perquisites under Section 17(2) of Income Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of Income Tax, 1961	0
2.	Stock option	0
3.	Sweat Equity	0
4.	Commission - as % of profit	0
5.	Others – Employers contribution to provident and other funds	0
	Total	NIL

VII. PENALTIES/PUNISHMENT / COMPOUNDING OF OFFENCES (under the Companies Act, 2013)

No penalties/punishment/compounding of offences were levied under the Companies Act, 2013

For and on behalf of the Board

Place : MUMBAI  
Date : May 30, 2018

**Kannan A Yadav**  
Managing Director & CEO

## REPORT ON CORPORATE GOVERNANCE

### 01. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes that good corporate governance practices should be enshrined in all the activities of the Company which would ensure efficient conduct of the affairs of the Company and help the Company in achieving its goal of maximizing value for all its stakeholders.

The Company will continue to seek enhancement of shareholder value within the framework of business ethics, regulatory compliances and contribution to society.

### 02. BOARD OF DIRECTORS

#### Composition

The composition of the Board is in conformity with SEBI (LODR) Regulations, 2015 as well as the Companies Act, 2013. The Company has a Non-Executive Chairman and an optimum representation of independent Directors on the Board of Directors of the Company.

The composition of the Board of Directors of the Company as on 31<sup>st</sup> March 2018 is as follows.

Category	No. of Directors
Non-Executive/Independent Directors	2
Non-Executive/Promoter Directors	3
Executive Director (Managing Director & CEO)	1
Total	6

#### Independent Directors

Mr S Krishnan (DIN 00583985) and Mr Sudhakar Mahabal Shetty (DIN 00249448) were appointed as Independent Directors pursuant to the applicable provisions of the Companies Act, 2013 and the Listing Agreement for a period of 5 (Five) consecutive years for a term upto 31<sup>st</sup> March 2019.

The Independent Directors have submitted declarations that they meet the criteria of independence as per the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations; a statement in this regard forms part of the Board's Report. Further the Independent Directors have confirmed that they do not hold directorships in more than seven listed companies.

The details of nature of directorships, relationship inter-se, number of directorships and committee chairmanships / memberships held by them in other public companies are detailed below. Directorships of private limited companies, foreign companies, companies incorporated under Section 8 of the Companies Act, 2013 and alternate directorships have been excluded. For the purpose of considering the limit of committee memberships and chairmanships of a Director, Audit Committee and Shareholders/Investor Grievance Committees of public limited companies have been considered.

None of the Directors of the Company hold memberships in more than 10 (Ten) Committees or act as Chairman of more than 5 (Five) committees across all Companies in which he/she is a Director.

Name of the Director	Nature of Directorship	Relationship with each other	Directorship in other Companies as on 31/03/2018	Committee Memberships in other Companies as on 31/03/2018
Mr Rajen K Desai	Non-Executive Chairman/ Promoter	No inter-se relationship with any of the Directors of the Company	5	1
Mr Kannan A Yadav	Managing Director & CEO	-do-	2	Nil
Mr Gregory Pereira	Non-Executive/Promoter	-do-	Nil	Nil
Mr S Krishnan	Non-Executive/Independent	-do-	2	Nil
Mr Sudhakar Mahabal Shetty	Non-Executive/Independent	-do-	1	Nil
Mrs Krishnaveni Kannan Yadav	Non-Executive	Wife of the Managing Director	Nil	Nil

#### Number of Board Meetings

During the financial year ended 31<sup>st</sup> March 2018, 4 (Four) meetings of the Board of Directors were held and the maximum time gap between 2 (two) meetings did not exceed one hundred and twenty days. The dates of Board Meetings are 30<sup>th</sup> May 2017, 14<sup>th</sup> August 2017, 14<sup>th</sup> November 2017 and 14<sup>th</sup> February 2018.

Details of attendance at Board Meetings and at AGM held during the year is as follows:

Name of the Director	Board Meeting details		Attendance at last AGM
	Held	Attended	
Mr Rajen K Desai	4	4	No
Mr Kannan A Yadav	4	4	Yes
Mr Sudhakar Mahabal Shetty	4	4	No
Mr S Krishnan	4	2	Yes
Mr Gregory Pereira	4	4	No
Mrs Krishnaveni Kannan Yadav	4	4	No

The shareholding of the Non-Executive Directors of the Company as at 31<sup>st</sup> March 2018 are as follows:-

Name of the Director	Nature of Directorship	No. of shares held	% to the paid up share capital
Rajen K Desai	Non-Executive Chairman/Promoter	114900	0.85
Gregory Periera	Non-Executive Director/ Promoter	6500	0.05
Mr S Krishnan	Non-Executive Director/Independent	Nil	Nil
Mr Sudhakar Mahabal Shetty	Non-Executive Director/Independent	38200	0.28
Mrs Krishnaveni Kannan Yadav	Non-Executive Director	NIL	NIL

Mr Kannan A Yadav, Managing Director & CEO holds 2,20,000 equity shares constituting 1.63% of the paid up capital as on 31<sup>st</sup> March 2018.

**Board Procedures**

The Board meets at least once in a quarter to review the quarterly financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the business. The tentative annual calendar of Board Meetings for the ensuing year is decided well in advance by the Board and is published as part of the Annual Report.

The Board Meetings are governed by a structured Agenda. The Agenda along with detailed explanatory notes and supporting material are circulated well in advance before each meeting to all the Directors for facilitating effective discussion and decision making.

The Minutes capturing the proceedings of the meetings of the Board of Directors/ Committees of the Board of Directors are maintained as per provisions of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014.

**Independent Directors meeting**

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013, a meeting of the Independent Directors of the Company was held without the attendance of the Non-Independent Directors and Members of the Management.

**Evaluation of Board effectiveness**

In terms of the provisions of the Companies Act, 2013 read with Rules issued thereunder and SEBI (LODR) Regulations, 2015 the Board of Directors, on recommendation of Nomination and Remuneration Committee, have evaluated the effectiveness of the Board. Accordingly, the performance evaluation of each Director was carried out for the financial year ended 31st March 2018. The evaluation of the Directors was based on various aspects which inter alia, include the level of participation in the Board Meetings, understanding of their roles and responsibilities, business of the Company along with the effectiveness of their contribution.

**03. AUDIT COMMITTEE**

The Audit Committee of the Company is constituted and functions in accordance with Section 177 of the Companies Act 2013 and other applicable provisions. The Members of the Audit Committee are financially literate and have requisite experience in financial management.

**a) Composition, Name of Members and Chairperson, Meetings and attendance during the year**

During the year under review, four meetings were held on 30<sup>th</sup> May 2017, 14<sup>th</sup> August 2017, 14<sup>th</sup> November 2017 and 14<sup>th</sup> February 2018.

Name of the Member	Nature of Membership	No. of meetings held	Attendance
Mr Sudhakar Mahabal Shetty	Chairman	4	4
Mr Kannan A Yadav	Member	4	4
Mr Gregory Pereiora	Member	4	4

**b) Terms of Reference of Audit Committee**

The Audit Committee is constituted and functions in accordance with Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and Regulation 18 of the SEBI Listing Regulations, 2015. The role and terms of reference for the functioning of the Audit Committee is in accordance with the above provisions, and in addition, any other matter that may be referred by the Board of Directors of the Company shall also be taken up.



#### **04. NOMINATION AND REMUNERATION COMMITTEE**

##### **a) Composition and terms of reference**

Nomination and Remuneration Committee comprises of Mr Sudhakar Mahabal Shetty, Non-Executive Independent Director as Chairman with Mr Gregory Pereiora, Non-Executive Director and Mr S Krishnan, Non Executive Independent Director as other Members.

b) The Company has not paid any remuneration to any of the Directors during the year 2017-18. Hence the committee did not meet during the year 2017-18.

c) The Company has not granted any Stock Option to any of its Directors.

d) Directors with materially significant, pecuniary or business relationship with the Company

There is no pecuniary or business relationship between the Non Executive Directors/Independent Directors and the Company.

e) Employees holding an office or place of profit in the Company

No employee is holding an office or place of profit in the Company pursuant to Section 188 of the Companies Act, 2013.

#### **05. STAKEHOLDERS RELATIONSHIP AND INVESTOR GRIEVANCE COMMITTEE**

The nomenclature and terms of reference of Share Transfer cum Investor Relations Committee was changed to Stakeholders Relationship and investors Grievance Committee pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Mr S Krishnan, Non-Executive Independent Director as Chairman with Mr Kannan A Yadav, Managing Director and CEO and Mr K Rajen Desai, Non-Executive Director as other Members.

The terms of reference includes enquiring into and redress complaints of shareholders and investors and to resolve the grievance of security holders of the Company.

During the year, the Company received 1 ( One ) complaint from the investor and the same was addressed.

#### **06. RISK MANAGEMENT COMMITTEE**

The Company has constituted a Risk Management Committee which has laid down the procedure for risk assessment and minimization procedures in accordance with the provisions of Clause 49 of the Listing Agreement. The Risk Management Committee meets at reasonable intervals to review the risk management framework and discuss on risk mitigation plans which are presented to the Audit Committee and the Board of Directors on a periodical basis.

#### **07. CORPORATE SOCIAL RESPONSIBILITY**

As mentioned elsewhere in the Board's Report, the provisions of Companies Act, 2013 on Corporate Social Responsibility are not applicable to your Company.

#### **08. SUBSIDIARY COMPANIES**

Your Company does not have a material non-listed Indian subsidiary company.

**09. RELATED PARTY TRANSACTIONS**

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS-18) has been made in the Notes to the Financial Statements.

**10. CEO/CFO CERTIFICATION**

The CEO Certificate for the financial year 2017-18 signed by Mr Kannan A Yadav, Managing Director & CEO is annexed to and forms part of this Report.

**11 .GENERAL BODY MEETINGS**

The venue and time of the last three Annual General Meetings of the Company are as follows:-

**Annual General Meetings**

Year	Location	Date	Time
2016	Khanna Mahal, Hotel Khanna, No. 16, Officers Line, Vellore 632 101	28/09/2017	10.00 a.m.
2015	Khanna Mahal, Hotel Khanna, No. 16, Officers Line, Vellore 632 101	30/09/2016	10.00 a.m.
2014	Khanna Mahal, Hotel Khanna, No. 16, Officers Line, Vellore 632 101	30/09/2015	10.00 a.m.

b) Postal Ballot

During the financial year 2017-18, no resolutions were passed through Postal Ballot.

**12. DISCLOSURES**

a) Disclosures on materially significant related party transactions

There are no materially related party transactions and pecuniary transactions between the Company and its Directors during the year under review.

b) Details of non-compliance by the Company

The Company has complied with all the requirements of the Stock Exchange(s) and the Securities and Exchange Board of India on matters relating to capital markets or any other matter as may be applicable from time to time. There were no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any authority on any matter related to capital markets during the last three years.

c) Disclosure of Accounting Treatment

The Company follows Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 and relevant provisions of Companies Act. In preparation of financial statements, the Company has not adopted a treatment different from what is prescribed in the Accounting Standards.

d) Details of compliance with mandatory and non-mandatory

Your Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement and SEBI (LODR) Regulations, 2015. Following is the status of the compliance with the non mandatory requirements:.

**a) Remuneration Committee**

The Board of Directors has constituted a Nomination and Remuneration Committee comprising of Non-Executive/ Independent Directors and the Chairman being an Independent Director (as elsewhere mentioned in this Report).

**b) Training of Board Members**

The Managing Director & CEO and other senior management personnel of the Company make presentations to the Board Members on a periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, etc. and seek their opinions and suggestions on the same. Also, the Directors are briefed on their specific responsibilities and duties that may arise from time to time. Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and Senior Management Personnel and the Code of Conduct for Prevention of Insider Trading.

**c) Mechanism for evaluating Non-Executive Board Members**

The Company is in the process of formalizing the mechanism for evaluating the performance of the Non-Executive Members of the Board.

**d) Whistle Blower Policy**

The Company has adopted a Whistle Blower Policy with an objective to provide employees and Business Associates a framework and to establish a formal mechanism or process whereby concerns can be raised about unethical behavior.

**13. CODE OF CONDUCT**

Your Company has adopted a Code of Conduct for all members of the Board and the Senior Management of your Company. The Code of Conduct is available on your Company's website [www.nbfootwear.info](http://www.nbfootwear.info). All the Board Members and the Senior Management Personnel have affirmed their compliance with the said Code of Conduct for the financial year ended 31st March 2018. The declaration to this effect signed by Mr Kannan A Yadav, Managing Director & CEO of the Company forms part of the report.

**14. MEANS OF COMMUNICATION**

- a. Quarterly/ Half-yearly/ Nine-months and Annual Audited Financial Results of the Company are published in 'Trinity Mirror' issue in English and 'Makkal Kural' issue in Tamil;
- b. The annual report, Quarterly/ Half-yearly/ Nine-months and Annual Audited Financial Results of the Company are also put up on the Company's corporate website: [www.nbfootwear.info](http://www.nbfootwear.info)
- c. Your Company provides necessary information to the Stock Exchanges in terms of the Listing Agreement and other rules and regulations issued by the Securities and Exchange Board of India.

Pursuant to Section 20, 101 and 136 of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, Companies (Accounts) Rules, 2014 and Companies (Management and Administration) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, Companies can serve documents to its shareholders through electronic transmission. Accordingly, your Company has given an option to the shareholders to receive documents General Meeting Notices (including AGM), Annual Report and other documents in electronic form.

Your Company encourages its shareholders to participate in the cause of Green Initiative by opting to receive communications from the Company in electronic form, by registering their e-mail addresses:

- (a) in case the shares are held in electronic form (Demat) with the Depository Participant;
- (b) In case the shares are held in physical form with the Company or Share Transfer Agent M/s. Cameo Corporate Services Limited.

M/S. NB FOOTWEAR LIMITED,  
87/84A, Mosque Street,  
Seduvalai Village,  
VELLORE 632 104  
Email: nbfootwearltd@gmail.com

M/S. CAMEO CORPORATE SERVICES LIMITED,  
(Unit: NB Footwear Limited),  
'Subramanian Building'  
No.1, Club House Road,  
Chennai 600 002  
Email : cameo@cameoindia.com  
Phone No. 044-28460390 Fax No. 044-28460129

## GENERAL SHAREHOLDER INFORMATION

### THIRTIETH ANNUAL GENERAL MEETING OF THE COMPANY

Date and time	28 <sup>th</sup> September 2018 at 10.00 a.m.
Venue	Khanna Mahal, Hotel Khanna, 16, Officers Line, VELLORE 632 101

#### FINANCIAL CALENDAR

Financial year 2017-2018

For the year ended 31<sup>st</sup> March 2018, quarterly financial results were announced on

14 <sup>th</sup> August 2017	First Quarter
14 <sup>th</sup> November 2017	Second Quarter and Half Yearly
14 <sup>th</sup> February 2017	Third Quarter and Nine Months
30 <sup>th</sup> May 2018	Fourth Quarter and Annual

For the year ending 31st March, 2019, quarterly financial results will be announced as per the tentative schedule below:

First Quarterly results	By 10 <sup>th</sup> of August 2018
Second Quarterly results	By 8 <sup>th</sup> of November 2018
Third Quarterly results	By 6 <sup>th</sup> February 2019
Results for quarter/year ended Audited results	By 30 <sup>th</sup> May 2019

#### BOOK CLOSURE

The dates of book closure are from 22<sup>nd</sup> September 2018 to 27<sup>th</sup> September 2018, both days inclusive.

#### DIVIDEND PAYMENT DATE

Not Applicable

#### LISTING

The Company's shares are listed on

BSE Limited (BSE)  
 Floor 25, Phiroze Jeejeebhoy Towers,  
 Dalal Street, Fort, MUMBAI 400 001  
 Tel 91-22-22721233, 22721234 Fax 91-22-22722061/41/39/37

The Company has paid the listing fees for the financial year 2017-18 to the Stock Exchanges on which Company's shares are listed.

#### STOCK CODES AND CIN

BSE Limited	523242
Depository ISIN No.	INE0060F01018
Corporate Identification Number (CIN)	L19201TN1987PLC014902

**STOCK PRICE DATA**

The details of high and low market price of the shares on the BSE Limited (BSE) are as under:-

Month	Year	High (Rs.)	Low (Rs.)
April	2017	-	-
May	2017	6.32	6
June	2017	-	-
July	2017	-	-
August	2017	6.01	6.01
September	2017	-	-
October	2017	-	-
November	2017	-	-
December	2017	-	-
January	2018	6.31	5.70
February	2018	-	-
March	2018	-	-

**SHARE TRANSFER SYSTEM**

The Company has appointed M/s. Cameo Corporate Services Limited as the agency for share registry in respect of shares in electronic form. The power to approve transfer of shares has been delegated to Stakeholders Relationship and Investors Grievance Committee. The share transfer requests are processed within 15 (Fifteen) days from the date of receipt.

**DISTRIBUTION OF SHAREHOLDINGS**

The distribution of shareholding of the Company as on 31<sup>st</sup> March 2018 was as follows:

Range of Shares	Shareholders		Shareholding	
	Numbers	% of Total Nos	Number of Shares	% to Total
Upto 1000	1566	86.33	426693	3.16
1001 - 2000	104	5.73	158708	1.18
2001 - 3000	33	1.82	86456	0.64
3001 - 4000	14	0.77	50400	0.37
4001 - 5000	11	0.61	52000	0.39
5001 - 10000	24	1.32	171400	1.27
Above 10000	62	3.42	12554343	93.00
Total	1814	100.00	135000000	100.00

### CATEGORIES OF SHAREHOLDERS

The category of shareholders of the Company as on 31st March 2018 was as follows:

Category	No. of shares	Percentage
Promoters Holdings	10074100	74.62
Persons acting in concert	0	0.00
Mutual Funds	0	0.00
Financial Institutions & Banks	0	0.00
Central Government/State Government(s)	0	0.00
Venture Capital Funds	0	0.00
Insurance Companies	0	0.00
Foreign Institutional Investors/Foreign Venture Capital Investors	0	0.00
Corporate Bodies	757342	5.61
Directors and their relatives	0	0
NRI	200	0.00
Clearing Members	900	0.01
Indian Public	2667458	19.76
<b>Total</b>	<b>1,35,00,000</b>	<b>100.00</b>

### DETAILS OF SHARES HELD IN DEMATRIALIZATION

Details of the Company's dematerialized shares as on 31st March, 2018 :

No. of shares	% of total shares
1,11,85,696	82.86

### DETAILS OF SHARES HELD IN PHYSICAL MODE AND DEMAT

Break up shares held in physical and demat form as on 31st March 2018 is as follows:-

	No. of shares	% of shares
Physical Segment	23,14,304	17.14
Demat Segment		
CDSL	1,11,85,696	82.86
<b>TOTAL</b>	<b>1,35,00,000</b>	<b>100.00</b>

### OUTSTANDING GDRs / ADRs / WARRANTS OR CONVERTIBLE INSTRUMENTS

The Company does not have any outstanding GDRs/ADRs/Warrants or Convertible Instruments as on 31<sup>st</sup> March 2018.

**DETAILS OF PUBLIC FUNDING OBTAINED IN THE LAST THREE YEARS**

The Company has not obtained any public funding in the last three years.

**RECONCILIATION OF SHARE CAPITAL AUDIT**

As stipulated by the Securities and Exchange Board of India, a qualified Practising Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit, inter alia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

**SHARE TRANSFER AGENT**

M/s. Cameo Corporate Services Limited,  
'Subramanian Building'  
No.1, Club House Road,  
Chennai 600 002  
Phone No. 044-28460390  
Fax No. 044-28460129  
Email [cameo@cameoindia.com](mailto:cameo@cameoindia.com)



**ANNEXURE TO REPORT ON CORPORATE GOVERNANCE FOR THE  
FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2018**

**DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT**

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board/Members and Senior Management Personnel in respect of the financial year ended 31<sup>st</sup> March 2018.

Place : Mumbai

Date : May 30, 2018

**(KANNAN A YADAV)**

Managing Director & CEO

**CEO/CFO CERTIFICATION**

The Board of Directors

NB FOOTWEAR LIMITED

We hereby certify that for the financial year ended 31<sup>st</sup> March 2018, on the basis of the review of financial statements and the cash flow statement and to the best of our knowledge and belief that :

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
3. these are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2017-18 which are fraudulent, illegal or violative of the Company's Code of Conduct;
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies, if any.

We further certify that

- a) there have been no significant changes in internal control over financial reporting during the year 2017-18;
- b) there have been no significant changes in accounting policies during the year 2017-18; and
- c) there have been no materially significant fraud of which we have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai

Date : May 30, 2018

**(KANNAN A YADAV)**

Managing Director & CEO

**CERTIFICATE BY THE STATUTORY AUDITORS AS TO THE COMPLIANCE  
OF THE CONDITIONS OF CORPORATE GOVERNANCE**

The certificate by the Statutory Auditors of the Company as to the compliance of the conditions of Corporate Governance pursuant to SEBI (LODR) Regulations, 2015 is given below:

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF NB FOOTWEAR LIMITED**

We have examined the compliance of conditions of Corporate Governance by NB Footwear Limited ('the Company'), for the year ended 31st March 2018, as stipulated in Clause 49 of the Listing Agreement of the said Company entered into with the stock exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to 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 expression of opinion on the financial statements of the Company.

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 the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended March 31, 2018 no investor grievances are unattended/ pending for a period exceeding one month against the Company as certified by the Registrars of the Company and details presented to the Share Transfer cum Investor Relations Committee of the Company.

We 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 **J V RAMANUJAM & CO**  
Chartered Accountants  
FRN No. 02947S

**J VEDANTHA RAMANUJAM**  
Partner  
Membership No. 22188

Place : Chennai  
Date : May 30, 2018

**J V RAMANUJAM & CO**  
**CHARTERED ACCOUNTANTS**  
**INDEPENDENT AUDITOR'S REPORT**

To  
the Members of  
NB Footwear Limited

**Report on the Standalone Financial Statements**

We have audited the accompanying Standalone financial statements of N B Footwear Limited which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and for the year then ended, & the statement of Changes in Equity for the year ended & 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 Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters 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 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 of 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 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.

In conducting 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 thereunder and the order issued under section 143(11) of the Act.

We conducted my 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 the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

- (1) As required by Section 143 (3) of the Act, based on our audit, We report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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 A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has no pending litigations on its financial position in its financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. The Company was not required to transfer any amount to the Investor Education and Protection Fund during the year .
2. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in 'Annexure B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **J V RAMANUJAM & CO**  
Chartered Accountants  
FRN: 002947S

**(J VEDANTHA RAMANUJAM)**  
Partner  
Membership No. 022188

Place : Chennai  
Date : 30<sup>th</sup> May, 2018

**“ANNEXURE A” TO INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of NB footwear Limited of even date)**

Report on the Internal Financial Controls Over Financial Reporting 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 NB FOOTWEAR LIMITED (‘the Company’) as of March 31, 2018 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 Board of Directors of the Company 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. 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, 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.

**Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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’) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 the 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.

**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, to the best of our information and according to the explanations given to us, 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 March 31, 2018, 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 J V RAMANUJAM & CO**  
Chartered Accountants  
FRN : 02947S

**(J VEDANTHA RAMANUJAM)**  
Partner  
Membership No. 022188

Place : Chennai  
Date : 30<sup>th</sup> May, 2018

**“ANNEXURE B” TO THE INDEPENDENT AUDITOR'S REPORT**

**Referred to in paragraph 2 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report to the members of NB footwear Limited of even date**

- i. In respect of the Company's fixed assets:
  - a. On the basis of our examination and as per the information and explanation provided to us, the Company does not have any fixed assets; hence the requirement of maintaining details does not arise.
  - b. As per the Information and the explanations given, the Company does not have Fixed Assets; hence requirement of physical verification is not applicable.
  - c. Based on the Information and the explanations given to us, there are no such instances where title deeds of immovable properties are not held in the name of the company.
- ii. As per the Information and the explanations given, the Company does not have Inventories; hence requirement of maintenance of records and/or physical verification are not applicable.
- iii. According to the information given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore clauses (iii) (a), (iii) (b) and (iii)(c) of Paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- v. According to the information and explanations given to us, the Company has complied with the provisions of Section 73 to 76, other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 with regard to deposits accepted from public. The Company has not accepted any deposits from public during the year within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014.
- vi. Since the Company is not involved in any manufacturing activity during the financial year, maintenance of cost records under Section 148 (1) (d) of the Companies Act, 2013 does not arise.
- vii.
  - a. According to the information and explanations given to us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues as applicable to it.
  - b. According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues were outstanding as at March 31, 2018 for a period of more than six months from the date they became payable.
  - c. According to the information and explanations given to us, there are no dues of Income Tax Act, Customs Duty, VAT and Service Tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of duty of Excise, and Sales Tax have not been deposited by the Company on account of disputes.

Name of the Statute	Nature of demand	Period of dispute	Amount in Lakhs	Forum where dispute is pending
Central Excise Act, 1944	Customs Duty	1999-2000	57,429	Commissioner of Central Excise (Appeals)
Sales Tax Law	Sales Tax	1995-1996	1,71,533	Appellate Assistant

- viii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, government or debenture holders.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our Audit.
- xi. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xii. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence, reporting under Clause 3 (xiv) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For J V RAMANUJAM & CO**  
Chartered Accountants  
FRN : 02947S

**(J VEDANTHA RAMANUJAM)**  
Partner  
Membership No. 022188

Place : Chennai  
Date : 30<sup>th</sup> May, 2018



## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017
<b>I. ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment		-	-
Capital Work In Progress		-	-
Goodwill		-	-
Other Tangible assets		-	-
Financial Assets			
Investments		-	-
Loans		-	-
Other Financial assets	6	1,050,171	1,050,171
Deferred Tax Assets (net)			
Income Tax Assets (net)			
Other Non-Current assets			
<b>TOTAL NON CURRENT ASSETS</b>		<u>1,050,171</u>	<u>1,050,171</u>
<b>CURRENT ASSETS</b>			
Financial Assets			
Investments			
Trade receivables			
Cash and Cash Equivalents	7	33,923	85,446
Loans		-	-
Other Financial Assets		-	-
Other Current Assets		-	-
		33,923	85,446
Assets held for sale		-	-
<b>TOTAL CURRENT ASSETS</b>		<u>33,923</u>	<u>85,446</u>
<b>TOTAL ASSETS</b>		<u>1,084,094</u>	<u>1,135,617</u>
<b>II. EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	2	145,000,000	145,000,000
Other Equity	3	(146,022,674)	(145,193,375)
<b>TOTAL EQUITY</b>			
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial Liabilities			
Other Financial Liabilities			
Deferred Tax Liabilities (Net)			
Other Non-Current Liabilities			
<b>TOTAL NON-CURRENT LIABILITIES</b>		<u>(1,022,674)</u>	<u>(193,375)</u>
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Trade payables			
Other Financial liabilities			
Other Current Liabilities	4	2,076,768	1,298,992
Provisions	5	30,000	30,000
Income Tax liabilities (net)			
<b>TOTAL CURRENT LIABILITIES</b>		<u>2,106,768</u>	<u>1,328,992</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,084,094</u>	<u>1,135,617</u>

The accompanying notes form an integral part of the standalone financial statements.

As per report of even date attached.

**FOR J.V.RAMANUJAM & CO.**

Chartered Accountants, FRN : 02947S

**J. VEDANTHA RAMANUJAM**

Partner, M. No.22188

Place : Chennai

Date : 30.05.2018

For & on Behalf of the Board of Directors of  
**NB Footwear Limited**

**(KANNAN A YADAV)**

Managing Director & CEO

DIN : 00249225

**(RAJEN K. DESAI)**

Director

DIN : 00382740

Place : Mumbai  
Date : 30.05.2018

**STATEMENT OF PROFIT AND LOSS**  
**PROFIT AND LOSS ACCOUNT**

Particulars	Note No.	For the year ended 31st March 2018	For the year ended 31st March 2017
Revenue from operations		-	-
Other Income		-	-
<b>Total Income</b>		-	-
Expenses:			
Employee benefit expense	8	133,740	133,922
Other Expenses	9	695,559	682,243
<b>Total Expenses</b>		<u>829,299</u>	<u>816,165</u>
<b>Profit before tax</b>		<u>-829,299</u>	<u>-816,165</u>
Tax expense:			
(1) Current tax		0	0
(2) Deferred tax		0	0
<b>PROFIT FOR THE YEAR</b>		<u>-829,299</u>	<u>-816,165</u>
Other Comprehensive income		0	0
Items that will not be reclassified subsequently to profit or loss		0	0
Remeasurement of the net defined benefit liability / asset, net		0	0
Equity instruments through other comprehensive income, net		0	0
Items that will be reclassified subsequently to profit or loss			
Fair value changes on derivatives designated as cash flow hedge, net		0	0
Fair value changes on investments, net			
Total other comprehensive income / (loss), net of tax		0	0
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>-829,299</u>	<u>-816,165</u>
Earnings per equity share			
Equity shares of par value 10 each			
Basic		-0.06	-0.06
Diluted		<u>-0.06</u>	<u>-0.06</u>
Weighted average equity shares used in computing earnings per equity share			
Basic		-0.06	-0.06
Diluted		-0.06	-0.06

The accompanying notes form an integral part of the standalone financial statements.

As per report of even date attached

**FOR J.V.RAMANUJAM & CO.**

Chartered Accountants

FRN : 02947S

**J. VEDANTHA RAMANUJAM**

Partner

Membership No.22188

Place : Chennai

Date : 30.05.2018

For & on Behalf of the Board of Directors of  
**NB Footwear Limited**

**(KANNAN A YADAV)**

Managing Director & CEO

DIN : 00249225

**(RAJEN K. DESAI)**

Director

DIN : 00382740

Place : Mumbai

Date : 30.05.2018

## STATEMENT OF CHANGES IN EQUITY

All amounts in INR

Particulars	Equity Share Capital	Other Equity						Total Equity	
	Equity Share Capital Subscribed	Reserves and Surplus					Items of Other Comprehensive Income		Other Equity
		Capital Reserve	Securities Premium Account	General Reserves	Other Reserves	Retained Earnings	Equity Instruments through other comprehensive income		
Balance as at April 1, 2016 (As reported earlier)	135000000	2000000	30000000			-176377209		-9377209	
Profit for the year						-816165		-816165	
Other Comprehensive income								0	
Total Comprehensive income for the year	135000000	2000000	30000000	0	0	-177193375	0	-10193375	
Transactions with owners in their capacity as owners								0	
Issue of Equity Shares								0	
Dividends paid								0	
Employee stock option expense								0	
<b>Balance at 31 March, 2017</b>	<b>135000000</b>	<b>2000000</b>	<b>30000000</b>	<b>0</b>	<b>0</b>	<b>-177193375</b>	<b>0</b>	<b>-10193375</b>	
Balance as at April 1, 2017 (As reported earlier)	135000000	2000000	30000000	0	0	-177193375	0	-10193375	
Profit for the year						-829299		-829299	
Other Comprehensive income								0	
Total Comprehensive income for the year	135000000	2000000	30000000	0	0	-178022674	0	-11022674	
Transactions with owners in their capacity as owners								0	
Issue of Equity Shares								0	
Dividends paid								0	
Employee stock option expense								0	
<b>Balance at 31 March, 2018</b>	<b>135000000</b>	<b>2000000</b>	<b>30000000</b>	<b>0</b>	<b>0</b>	<b>-178022674</b>	<b>0</b>	<b>-11022674</b>	

The accompanying notes form an integral part of the standalone financial statements.  
As per report of even date attached

**FOR J.V.RAMANUJAM & CO.**

Chartered Accountants

FRN : 02947S

**J. VEDANTHA RAMANUJAM**

Partner

Membership No.22188

Place : Chennai

Date : 30.05.2018

For & on Behalf of the Board of Directors of  
**NB Footwear Limited**

**(KANNAN A YADAV)**  
Managing Director & CEO  
DIN : 00249225

**(RAJEN K. DESAI)**  
Director  
DIN : 00382740

Place : Mumbai

Date : 30.05.2018

## STATEMENT OF CASH FLOW

### Accounting policy

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

### Amendment to Ind AS 7

Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements.

	All amounts in INR	
	As at 31st March 2018	As at 31st March 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>Rs. P.</b>	<b>Rs. P.</b>
Profit before income Tax from		
Continuing Operations	-829299	-816165
Discontinued Operations		
Profit before Income Tax including Discontinued Operations	-829299	-816165
Adjustment for -		
Depreciation and amortisation expense		
Impairment of Goodwill and other non-current assets		
Adjustment for Interest Expenses		
Provision for disputed claims		
Extraordinary items/Adjustment for Govt Subsidy		
Exchange gain/loss on restatement of forex	-829299.47	-816165.25
Operating profit before working capital changes		
Movements in working capital		
(Decrease) / Increase in trade Payables		
(Increase) / Decrease in Receivables		
(Increase) / Decrease in Other Current Assets		
(Increase) / Decrease in Long term loans & Advances		
(Increase) / Decrease in Short term loans & Advances		
(Increase) / Decrease in Inventories		
(Decrease) / Increase in current liabilities	777776	830000
(Decrease) / Increase in Long term Provisions		
(Decrease) / Increase in Short term Provisions		

	As at 31st March 2018	As at 31st March 2017
(Increase) / Decrease in other Non-Current Assets		
Cash generated from operations	777776	830000
Less:- Income tax paid	0	0
Net cash from operating activities (A)	(51523)	13835
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets including CWIP		
Increase / (Decrease) in Non-current Investments		
Increase /( Decrease) in Receivables		
Investment (Increased)/Decreased		
Increase in Advances		
Increase / (decrease ) in Deposits		
Increase in Statutory Receivables		
Interest Received		
Decrease / Increase in Misc Expenditure		
Net cash from in Investing activities (B)	0	0
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from short term loans		
Proceeds from /(repayments of) Short Term loans		
Interest Paid		
Increase/Decrease in Cash Credit		
Net Cash from Financing Activities ( C )	0	0
Net Increase / (decrease) in Cash & Cash Equivalents (A+B+C)	<b>(51523)</b>	<b>13835</b>
Opening Cash and Cash Equivalent	85446	71612
Closing Cash and Cash Equivalent ( Note 7 )	33923	85446

The accompanying notes form an integral part of the standalone financial statements.  
As per our report of even date attached

**FOR J.V.RAMANUJAM & CO.**

Chartered Accountants  
FRN : 02947S

**J. VEDANTHA RAMANUJAM**

Partner  
Membership No.22188

Place : Chennai  
Date : 30.05.2018

For & on Behalf of the Board of Directors of  
**NB Footwear Limited**

**(KANNAN A YADAV)**  
Managing Director & CEO  
DIN : 00249225

**(RAJEN K. DESAI)**  
Director  
DIN : 00382740

Place : Mumbai  
Date : 30.05.2018

## NOTES TO FINANCIAL STATEMENTS

### Note 1 Corporate Information

NB Footwear Limited is a Public Limited company incorporated in India and has its registered office at Chennai, Tamilnadu. As per our report of even date attached, the company is engaged in the business as tanners, processors, manufacturers, importers, exporters, agents, representatives, dealers and consultants in wides, skins of all animal leather, leather goods and footwear of all kinds.

### Note 1.2 Basis of Preparation

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Effective April 1, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards, with April 1, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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.

Amounts for the year ended March 31, 2017 and as at March 31, 2017 were audited by previous auditors J V Ramanujam & Co. As the year-end figures are taken from the source, the figures reported for the previous quarters might not always add up to the year-end figures reported in this statement.

### Note 1.3 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### Note 1.4 Critical Accounting Estimates

#### a. Non Current Assets

For the purposes of current/non-current classification of assets and liabilities the company has ascertained its normal operating cycle as twelve months. This is based on nature of service and the time between the acquiring of assets or inventories for processing and their realization in cash and cash equivalents.

#### b. Cash and Cash Equivalents

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments and deposits with the banks that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

#### c. Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued on conversion of all dilutive potential equity shares are adjusted for the proceeds receivables had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**Note 2 Disclosure regarding Share Capital**

Note (i) Disclosure pursuant to Note no. 6(A)(a,b & c) of Part I of Schedule III to the Companies Act, 2013

Share Capital	As at 31st March 2018		As at 31st March 2017	
	Number	INR	Number	INR
Authorised				
1,90,00,000 No. of equity shares of Rs. 10/- each (Previous Year 19,00,000 equity shares of Rs.100/- each)	19,000,000	19,000,000	19,000,000	19,000,000
10,00,000 Redeemable Preference Shares of Rs.10/- each (Previous Year 1,00,000 Redeemable Preference shares of Rs.100/- each)	1,000,000	1,000,000	1,000,000	1,000,000
	<b>20,000,000</b>	<b>20,000,000</b>	<b>20,000,000</b>	<b>20,000,000</b>
Issued, Subscribed and paid -up 13500000 Equity shares of Rs.10/- each	13,500,000	13,500,000	13,500,000	13,500,000
100000 Cumulative Non Convertible Redeemable Preference Shares of Rs.10/- each	1,000,000	1,000,000	1,000,000	1,000,000
	<b>14,500,000</b>	<b>14,500,000</b>	<b>14,500,000</b>	<b>14,500,000</b>
<b>Total</b>	<b>14,500,000</b>	<b>14,500,000</b>	<b>14,500,000</b>	<b>14,500,000</b>

Note (ii) Disclosure pursuant to Note no. 6(A)(d) of Part I of Schedule III to the Companies Act, 2013  
(Figures in INR and Numbers)

	Equity Shares	
	Number	INR
Shares outstanding at the beginning of the year	14,500,000	145,000,000.00
Shares Issued during the year	-	
Shares bought back during the year	-	-
Shares outstanding at the end of the year	14,500,000	145,000,000.00

Note (iii) Disclosure to Note no.6(A)(e) of Part I of Schedule III to the Companies Act, 2013.

The Company has one class of equity shares having a face value of 10 each and One class of Cumulative Non Convertible Preference Shares having face value of Rs.10 each. Each holder of equity share is entitled to one vote per share held and carry a right to dividend.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution all preferential amounts, in proportion to their share holding.

Note (iv) Disclosure pursuant to Note no. 6(A)(g) of Part I of Schedule III to the Companies Act, 2013

(Figures in INR and Numbers)

Name of Shareholder	As at 31st March 2018		As at 31st March 2017	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
<b>Par value of Equity Shares</b>				
Chemeleon Commodities Private Limited	642,490	6,424,900	64,249	6,424,900
Aditya Investments and Communication Limited	226,090	2,260,900	22,609	2,260,900
	<b>868,580</b>	<b>8,685,800</b>	<b>86,858</b>	<b>8,685,800</b>
<b>Par value of Preference Shares</b>				
Chemeleon Commodities Private Limited	73,000	730,00	7,300	730,000
Aditya Investments and Communication Limited	17,000	170,000	1,700	170,000
Grandeur Corporation Private Limited	10,000	100,000	1,000	100,000
	<b>100,000</b>	<b>1,000,000</b>	<b>10,000</b>	<b>1,000,000</b>

**Note 3 Disclosure regarding Other Equity**

Note (i) Disclosure pursuant to Note no. 6(B) of Part I of Schedule III to the Companies Act, 2013

Other Equity	As at 31st March 2018	As at 31st March 2017
a. Capital Reserves		
Opening Balance	2,000,000	2,000,000
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	2,000,000	2,000,000
b. Securities Premium Reserve		
Opening Balance	30,000,000	30,000,000
(+) Securities premium credited on Share issue	-	-
(-) Premium Utilised for various reasons	-	-
Premium on Redemption of Debentures	-	-
For Issuing Bonus Shares	-	-
Closing Balance	30,000,000	30,000,000
c. Retained Earnings		
Opening Balance	(177,193,375)	(176,377,209)
(+) Net Profit/(Net Loss) For the current year	(829,299)	(816,165)
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
(-) Transfer to Reserves	-	-
Closing Balance	(178,022,674)	(177,193,375)
<b>Total</b>	<b>(146,022,674)</b>	<b>(145,193,375)</b>



**Nature of Reserves**

**a. Capital Reserve**

The Company recognises profit or loss on purchase, sale, issue or cancellation of the Company's own equity instruments is transferred to capital reserve.

**b. Securities Premium Reserve**

The amount received in excess of face value of the equity shares is recognised in securities premium reserve. The reserve is utilised in accordance with the provision of the Companies Act, 2013

**c. Retained Earnings**

Retained earnings comprise of the undistributed earnings after taxes.

**Note 4 Disclosures regarding Other Current Liabilities**

Note (i) Disclosure pursuant to Note no. 6(G) of Part I of Schedule III to the Companies Act, 2013

Other Current Liabilities	As at 31st March 2018 ₹	As at 31st March 2017 ₹
Other Payables		
Other Payables	2,076,768.00	1,298,992.00
<b>Total</b>	<b>2,076,768.00</b>	<b>1,298,992.00</b>

**Note 5 Disclosures regarding Short Term Provisions**

Note (i) Disclosure pursuant to Note no. 6 (H) of Part I of Schedule III to the Companies Act, 2013

Short Term Provisions	As at 31st March 2018 ₹	As at 31st March 2017 ₹
Others		
Audit Fee payable	30,000.00	30,000.00
<b>Total</b>	<b>30,000.00</b>	<b>30,000.00</b>

**Note 6 Disclosures regarding Other Financial Assets**

Note (i) Disclosure pursuant to Note no. 6(L) (i),(ii) and (iii) of Part I of Schedule III to the Companies Act, 2013

Long Term Loans and Advances	As at 31st March 2018 ₹	As at 31st March 2017 ₹
Unsecured and considered good		
Other Loans and Advances	1,050,171.00	1,050,171.00
<b>Total</b>	<b>1,050,171.00</b>	<b>1,050,171.00</b>

Note (ii) Disclosure pursuant to Note no. L (iv) of Part I of Schedule III to the Companies Act, 2013

Long Term Loans & Advances to Related Parties	As at 31st March 2018 ₹	As at 31st March 2017 ₹
Directors *		
Other officers of the Company*	-	-
Firm in which director is a partner *	-	-
Private Company in which director is a member	-	-

\*Either severally or jointly

**Note 7 Disclosures regarding Cash balance, Bank balance, Cash equivalents & other Bank deposits**

Note (i) Disclosure pursuant to Note no. Q (i), (ii), (iii), (iv) and (v) of Part I of Schedule III to the Companies Act, 2013

Cash & Cash Equivalents	As at 31st March 2018 ₹	As at 31st March 2017 ₹
Cash & Cash Equivalents		
Balances with banks	33,547	75,882
Cash on hand	376	9,564
<b>Total</b>	<b>33,927</b>	<b>85,446</b>

**Note 8 Disclosure regarding additional information required pursuant to Note no. 5 of Part II**

Note (i) Disclosure pursuant to Note no. 5(i)(a) of Part II of Schedule III to the Companies Act, 2013

Cash & Cash Equivalents	For the year ended 31 March 2018 ₹	For the year ended 31 March 2017 ₹
(i) Salaries and Wages	105,892	107,578
(ii) Contribution to Provident & Other Fund	22,920	17,635
(iv) Staff Welfare Expenses	4,928	8,709
<b>Total</b>	<b>1,33,740</b>	<b>1,33,922</b>

**Note 9 Disclosures regarding Other expenses, not covered under any other disclosures**

Note (i) Disclosure pursuant to Part II of Schedule III to the Companies Act, 2013

Other Expenses	For the year ended 31 March 2018 ₹	For the year ended 31 March 2017 ₹
Advertisement	53,280	41,344
Audit Fee	30,000	30,000
Postage, Telephone and Telex	55,319	86,954
Professional and Consultancy charges	493,431	451,397
Rent, Rates and Taxes	50,820	51,870
Office General Expenses	9,858	10,819
Travelling and Conveyance	2,851	9,859
<b>Total</b>	<b>695,559</b>	<b>682,243</b>

**ADDITIONAL DISCLOSURES TO FINANCIAL STATEMENTS**

1. Disclosure pursuant to Note no. 5(i)(c) of Part II of Schedule III to the Companies Act, 2013

Item of Income and Expenditure which exceeds 1% of revenue from operations or Rs.1,00,000 whichever is higher	For the year ended 31 March 2018 ₹	For the year ended 31 March 2017 ₹
Professional and Consultancy charges	493,431	451,397
Salaries and Wages	105,892	107,578
<b>Total</b>	<b>599,323</b>	<b>558,975</b>

**2 Key Management Personnel**

(i) The list of related parties as identified by the Management are as under :

Enterprises owned by/over which Key Management Personnel (KMP) is able to exercise significant influence:-

- a. Chameleon Commodities Private Limited
- b. Grandeur Corporation Private Limited
- c. Aditya Investments and Communication Limited

(ii) There were no transactions with the related parties.

As per our report of even date attached

**FOR J.V.RAMANUJAM & CO.**

Chartered Accountants, FRN : 02947S

**J. VEDANTHA RAMANUJAM**

Partner , Membership No.22188

Place : Chennai

Date : 30.05.2018

For & on Behalf of the Board of Directors of  
**NB Footwear Limited**

**(KANNAN A YADAV)**  
Managing Director & CEO  
DIN : 00249225

**(RAJEN K. DESAI)**  
Director  
DIN : 00382740

Place : Mumbai  
Date : 30.05.2018

### ELECTRONIC VOTING (e-voting)

Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (LODR) Regulation, 2015 the Company is pleased to provide remote e-voting facility to the Members to cast their votes electronically on all resolutions set forth in the Notice convening Thirtieth Annual General Meeting of the Company to be held on Friday, the 28<sup>th</sup> September 2018 at 10.00 a.m. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the remote e-voting facility.

The Annual Report of the Company for the year ended 31/03/2018 together with the Notice, Proxy Form and Attendance slip is being sent through Speed Post/Registered Post to all the shareholders.

The remote e-voting period begins on 25<sup>th</sup> September 2018 at 10.00 a.m. and ends on 27<sup>th</sup> September 2018 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21<sup>st</sup> September 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

EVSN (Electronic Voting Sequence Number) - 180907063

Please read the instructions printed below before exercising your vote.

The instructions for Members for voting electronically are as under:-

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- (ii) Click on "Shareholders"
- (iii) Now enter your User ID

For CDSL: 16 Digits beneficiary ID

Members holding shares in Physical Form should enter Folio Number registered with the Company, then enter the Captcha Code as displayed and Click on Login.

- (iv) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (v) Now fill up the following details in the appropriate boxes:

#### For Members holding shares in Demat Form and Physical Form

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  *Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name followed by 8 digit serial number (printed on the first line of address label affixed on envelope carrying the Annual Report) in the PAN field.
	For example Your Name : RAJESH KUMAR 8 digits Serial No. : 00003800 Then Type in the PAN field : RA00003800
DOB#	Enter the Date of Birth/Date of incorporation as recorded in your demat account or in the Company records for the said demat account or folio in dd/mm/yyyy format.
Bank Details#	Enter the Bank details as recorded in your Demat account or in the Company records for the said demat account or folio.

#Please enter any one of the details in order to login. In case both the details are not recorded with the Depository or Company, please enter the member ID/Folio Number in the Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares In physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for NB FOOTWEAR LIMITED on which you choose to vote.
- (x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent the Resolution and Option NO implies that you dissent to the Resolution.
- (xi) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm you vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" you vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvi) Non individual shareholders, (i.e other than individuals, HUF, NRI etc.) and Corporate /Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates. After receiving the login details, they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.

The voting period begins on 25<sup>th</sup> September 2018 at 10.00 a.m. and ends on 27<sup>th</sup> September 2018 at 5.00 p.m. During this period the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21<sup>st</sup> September 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at <https://www.evotingindia.com> under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**General Instructions.**

- a) M/s. LB& Co., Company Secretaries (Firm Registration No.5363) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- b) The Scrutinizer shall, within a period of not exceeding three working days from the conclusion of the meeting, unblock the votes in the presence of at least two witnesses, not in the employment of the Company and submit a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company and Chairman or a person authorized by him in writing will disclose the result forthwith.
- c) The results declared along with the Scrutinizer's Report will be communicated to BSE Limited.
- d) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 21<sup>st</sup> September 2018.
- e) Members who did not cast their vote through e-voting during the e-voting period shall be allowed to cast their vote at the Annual General Meeting through ballot paper. Members who have voted through e-voting can attend the meeting but cannot vote again through ballot paper at the Annual General Meeting.

## NB FOOTWEAR LIMITED

(CIN NO. L19201TN1987PLC014902)

REGISTERED OFFICE : 87/84A, Mosque Street, Seduvalai, VELLORE 632 104

### ATTENDANCE SLIP

To be presented at the entrance

DP ID .....

Folio No./Client ID .....

I hereby record my presence at the THIRTIETH ANNUAL GENERAL MEETING of NB FOOTWEAR LIMITED on Friday, the 28<sup>th</sup> September 2018 at 10.00 a.m. at Khanna Mahal, Hotel Khanna, 16, Officers Line, Vellore - 632 101.



## NB FOOTWEAR LIMITED

(CIN NO. L19201TN1987PLC014902)

REGISTERED OFFICE : 87/84A, Mosque Street, Seduvalai, VELLORE 632 104

### PROXY FORM

Name of the Member
Registered Address
Email ID
Folio/DP ID - Client ID No.

I/We being the member(s) holding \_\_\_\_\_ shares of the above named Company, hereby appoint

- (1) Name ..... Address .....  
 Email id ..... Signature ..... or failing him/her
- (2) Name ..... Address .....  
 Email id ..... Signature ..... or failing him/her
- (3) Name ..... Address .....  
 Email id ..... Signature ..... or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirtieth Annual General Meeting of the Company to be held on Friday, the 28<sup>th</sup> September 2018 at 10.00 a.m. at Khanna Mahal, Hotel Khanna, 16, Officers Line, Vellore 632 101 in respect of the resolutions as indicated below

Resolution No.	Resolutions	Optional*	
Ordinary Business		For	Against
1.	Adoption of Financial Statements for the year ended 31/03/2018		
2.	Re-appointment of Mr Rajan K Desai who retires by rotation		
3.	Appointment of Auditors and fixing up of their remuneration		
4.	Re-appointment of Mr Kannan A Yadav as Managing Director		
5.	Re-appointment of Mr S Krishnan as an Independent Director		
6.	Re-appointment of Mr Sudhakar Shetty as an Independent Director		

Signed this ..... day of ..... 2018

Member's Folio/DP ID Client ID No. .... Signature of shareholder .....

Signature of the Proxy holder(s) .....

Affix  
 Re.1/-  
 Revenue  
 Stamp

REGISTERED BOOK POST

TO :

*If undelivered, please return to :*



**NB FOOTWEAR LIMITED**

6E, GEE GEE Emerald, 6<sup>th</sup> Floor,  
No.151, Village Road, Nungambakkam  
CHENNAI – 600 034, TAMIL NADU