



# ADHIRAJ DISTRIBUTORS LIMITED

(CIN No. L52190WB2011PLC158320)

105/5/1, Kshetra Banerjee Lane, Howrah - 711 102

Phone: +91 33 2211 0040 • Email: [info@adhirajdistributors.com](mailto:info@adhirajdistributors.com) • Website: [www.adhirajdistributors.com](http://www.adhirajdistributors.com)

September 30, 2016

To,  
The Department of Corporate Relationship,  
The Bombay Stock Exchange Limited,  
25<sup>th</sup> Floor, Phiroz Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001

Dear Sir/Madam

**Sub: Submission of Annual Report & Accounts for the year ended 31st March, 2016 and Notice of Annual General Meeting**

As per Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find a copy of Annual Report and Accounts of the Company for the year ended 31st March, 2016 containing *inter alia*, Notice of the Annual General Meeting held on 23<sup>rd</sup> September, 2016, Directors' Report, Auditor's Report, financial statements being Balance Sheet of the Company as at 31st March, 2016 and Statement of Profit and Loss and Cash Flow Statement for the year ended 31st March, 2016.

A line in acknowledgement shall be awaited.

Thanking you,

Yours Faithfully

Neha Goel  
Company Secretary



Encl. As Above



**ANNUAL REPORT  
OF  
ADHIRAJ DISTRIBUTORS LIMITED**



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**BOARD OF DIRECTORS**

- Srikrishan Churiwala (Managing Director)
- Sandip Kumar Agarwal
- Rohit Garodia
- Mahesh Kumar
- Priti Singh
- Sitesh Kanodia (CFO)

**COMPANY SECRETARY**

- Pooja Bhagat (Resigned w.e.f 30/06/2016)
- Neha Goel ( Appointed w.e.f 14/07/2016)

**AUDITORS**

- A Agarwal & Associates  
(Chartered Accountants)

**BANKERS**

- Punjab National Bank
- HDFC Bank

**REGISTERED OFFICE**

105/5/1 Kshetra Banerjee Lane  
Howrah-711102  
West Bengal  
Ph: 033 2211 0040  
Email: info@adhirajdistributors.com  
Website: www.adhirajdistributors.com  
CIN - L52190WB2011PLC158320

**REGISTRAR & TRANSFER AGENT**

Niche Technologies Pvt. Ltd.  
D-511, Bagree Market, 5<sup>th</sup> Floor  
71 B R B Basu Road  
Kolkata 700 001  
Ph: 033 2235 7270 / 7271 / 5236

**6<sup>TH</sup> ANNUAL GENERAL MEETING**

On 23<sup>rd</sup> September 2016 at 11 A.M.  
105/5/1 Kshetra Banerjee Lane  
Howrah-711102  
West Bengal

**NOTICE**

**NOTICE** is hereby given that the Sixth Annual General Meeting of the Members of Adhiraj Distributors Limited will be held on Friday, 23<sup>rd</sup> September, 2016 at 11:00 a.m. at 105/5/1 Kshetra Banerjee Lane Howrah-711102 West Bengal, to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2016, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Srikrishan Churiwala (Director Identification No. 02185991) who retires by rotation and being eligible, offers himself for re-appointment.
3. Ratification of Auditors

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

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, the appointment of M/s. A Agarwal & Associates, Chartered Accountants (Firm Registration No. 326873E), as auditors of the company approved in the Fifth Annual General Meeting (AGM) held on 21<sup>st</sup> September, 2015 till the conclusion of Tenth AGM be and is hereby ratified to hold the office from the conclusion of the Sixth AGM till the conclusion of Seventh AGM and that the Board of Directors of the Company be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with auditors and that such remuneration may be paid on progressive billing basis to be agreed upon between the Auditors and the Board of Directors."

By Order of the Board of Directors

Sd/-  
Neha Goel  
Company Secretary

Date: August 10<sup>th</sup>, 2016

**Registered Office:**

105/5/1 Kshetra Banerjee Lane  
Howrah-711102  
West Bengal  
Ph: 033 2211 0040  
Email: info@adhirajdistributors.com  
Website: www.adhirajdistributors.com  
CIN - L52190WB2011PLC158320

**NOTES:**

1. Relevant details as required under SEBI ( Listing Obligation and Disclosure Requirement) Regulation 2015, of person seeking appointment/ re-appointment as Director under Item No. 2 of the Notice, is annexed hereto.

2. **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 the proxy need not be a Member of the Company. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than forty-eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.**

**Members are requested to note that a person can act as proxy on behalf of not exceeding fifty (50) Members and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**

**3. E-voting**

*For the convenience of members and for proper conduct of the meeting, entry to the place of meeting will be regulated by attendance slip, which is a part of the Notice. Members are requested to sign at the place provided on the attendance slip and hand it over at the entrance to the venue.*

*Members / proxies should bring the duly filled Attendance Slip attached herewith to attend the meeting. Duplicate Attendance Slip and / or copies*

***of the Annual Report shall not be issued/ available at the venue of the Meeting.***

Members, who hold shares in dematerialized form, are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the meeting

4. The Register of Directors and Key Managerial Personnel and their shareholding will be available for inspection by the members at the AGM.
5. A member desirous of getting any information on the accounts of the Company is requested to send the queries to the Company at least 10 days in advance of the meeting.
6. The Register of Members and Share Transfer Books of the Company shall remain closed from **September 17, 2016 to September 23, 2016** (both days inclusive) for the purpose of Annual General Meeting.
7. The brief profile of the Directors proposed to be appointed / re-appointed, is given in the explanatory statement to the Notice.
8. Members holding shares in physical form are requested to intimate change in their registered address mentioning full address in block letters with Pin code of the Post Office and bank particulars to the Company's Registrar and Share Transfer Agent and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.
9. The Notice of the AGM along with the Annual Report for 2015-16 are being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the said documents. For Members who have not registered their e-mail addresses, physical copies of the above mentioned documents are being sent. All these above mentioned documents will also be available on the Company's website [www.adhirajdistributors.com](http://www.adhirajdistributors.com) for download by the Members. We, request the Members to update their email address with their depository participant to ensure that the annual reports and other documents reach them on their preferred email address.
10. As mandated by The Securities and Exchange Board of India (SEBI), every participant in the securities market has to submit Permanent Account Number (PAN). Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / RTA.
11. **Voting through electronic means**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements), Regulation ,2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
  - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on **20<sup>th</sup> September, 2016 (9:00 am)** and ends on **22<sup>nd</sup> September, 2016 (5:00 pm)**. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 16<sup>th</sup> September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

**V. The process and manner for remote e-voting are as under:**

- A.** In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
- (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>
  - (iii) Click on Shareholder - Login
  - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of "Adhiraj Distributors Limited".
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly

authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [gupta.rupa86@gmail.com](mailto:gupta.rupa86@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [info@adhirajdistributors.com](mailto:info@adhirajdistributors.com)

**B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :**

- (i) Initial password is provided in the Annexure or at the bottom of the Attendance Slip for this AGM (enclosed herewith).
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

**VI.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

**VII.** If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

**VIII.** You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s). The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 16th September 2016.

**IX.** A person who is not a member as on cut off date should treat this notice for information purpose only.

**X.** Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date of 16<sup>th</sup> September 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [Issuer/RTA](mailto:Issuer/RTA).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can



reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date of 16<sup>th</sup> September 2016, only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Ms. Rupa Gupta, Practicing Company Secretary, (Membership No. 29332 and CP No.11691) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.adhirajdistributors.com](http://www.adhirajdistributors.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, voting by show of hands are not allowed.

Regd. Office:  
105/5/1 Kshetra Banerjee  
Lane  
Howrah-711102  
West Bengal  
Dated : August 10<sup>th</sup>, 2016

By order of the Board of  
Directors  
  
Sd/  
(Neha Goel)  
Company Secretary

## ANNEXURE TO THE NOTICE

### DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING Item Nos. 2

Name of the Director	Srikrishan Churiwala
Director Identification Number	02185991
Date of Birth	02.01.1976
Date of appointment	30.03.2014
Qualification	Bachelor's Degree in Commerce
Expertise in specific functional areas	He has sound financial and commercial knowledge and experience of more than 5 years of related field.
Directorship held in other companies*	Nil
Memberships / Chairmanship of committees of other Companies	Nil
Number of shares held in the Company	Nil

\* Directorship means Directorship of other Indian Public Companies and Committee memberships includes only Audit Committee and Stakeholders Relationship Committee of Public Limited Companies (Whether Listed or Not).

Sd/-  
By Order of the Board of Directors  
Neha Goel  
Company Secretary  
Date: August 10<sup>th</sup>, 2016

12. Since e-voting facility (including Ballot Forms) is provided to the Members pursuant to the

## DIRECTORS' REPORT

The Members,  
Adhiraj Distributors Limited

Your Directors present the 6<sup>th</sup> Annual Report of your Company along with the Financial Statements for the year ended 31<sup>st</sup> March, 2016.

### Financial Highlights:

Particulars	Year Ending March, 2016	Year Ending March, 2015
	<u>Amt. in ₹</u>	<u>Amt. in ₹</u>
Sales	6,31,57,959.14	5,24,80,618.47
Other Income	56,24,510.00	28,34,680.00
<b>Total Income</b>	<b>6,87,82,469.14</b>	<b>5,53,15,298.47</b>
Less: Expenditure	6,68,09,416.39	5,40,80,661.24
<b>Profit/ (Loss) before Interest, depreciation and Tax</b>	<b>19,73,052.75</b>	<b>12,34,637.23</b>
Less: Interest	-	-
Less: Depreciation & Amortization Cost	96,071.00	91,702.00
<b>Profit/ (Loss) before Tax</b>	<b>18,76,981.75</b>	<b>11,42,935.23</b>
<u>Less: Tax Expense</u>		
Current Tax	5,94,139.00	4,43,542.00
Deferred Tax	(14,151.00)	10,501.00
<b>Profit/ (Loss) after Tax</b>	<b>12,96,993.75</b>	<b>6,88,892.23</b>
Add: Profit/ (Loss) Brought Forward	10,06,859.41	3,17,967.18
Less: Prior year Tax liability	-	-
Less: Prior year adjustments	-	-
<b>Amount available for Appropriation/ (Loss)</b>	<b>23,03,853.16</b>	<b>10,06,859.41</b>

### Appropriations:

The Company proposes to retain an amount of Rs. 12,96,993.75 in Profit and Loss Account. Your directors regret for not recommending dividend on equity shares. The Profit has been retained for future expansion of the company.

### Material changes and commitments after the end of financial year:

There have been no material changes and commitments, if any, affecting the financial position of the Company, which have occurred between the end of the financial year and date of the report.

### Issue of Shares

- The Company has not granted any Employees Stock Option.
- The Company has not issued any sweat Equity Shares.
- The Company has not issued any equity shares with differential rights.

### Particulars of loans, guarantees or investment:

The Particulars of Loan given, Investment made, Guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient are provided in the financial statement.

### Energy Conservation, Technology Absorption, Foreign Exchange Earnings & Outgo:

Details of energy conservation are not applicable to the company, no technology has been absorbed or imported by the company and Foreign Exchange earning & outgo is NIL.

### Deposits:

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

### Directors:

As per the provisions of the Companies Act, 2013, and the Articles of Association, Mr. Srikrishan Churiwala is liable to retire by rotation at the 6<sup>th</sup> Annual General Meeting. Mr. Srikrishan Churiwala has confirmed his eligibility and willingness to accept the office of Directorship of your Company, if appointed. In the opinion of your Directors, Mr. Srikrishan Churiwala has the requisite qualifications and experience which would be of value to your Company and would enable him to contribute to the Company in his capacity as the Director of the Company.

The Board recommends that the resolution relating to the re-appointment of Mr. Srikrishan Churiwala as Director of your Company be approved.



None of the Directors or Key Managerial Personnel has any pecuniary relationships or transactions with the Company, other than salaries, commission, sitting fees.

#### **Declaration given by Independent Directors:**

All Independent Directors have given declarations under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

#### **Familiarisation programme for Independent Directors:**

The Company's familiarisation program for Independent Directors provides training at the time of joining to enable them to understand the operations, business and other details of the Company. The Independent Directors are regularly briefed on the developments that are taking place in the Company and its operations, etc.

#### **Number of meetings of the Board:**

The Board meets at regular intervals to review the Company's businesses and discuss its strategy and plans. A tentative annual calendar of the meetings is circulated to the Directors in advance to enable them to plan their schedule and to ensure effective participation.

During the year, Seven board meetings were convened and held. The maximum interval between the meetings did not exceed the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

#### **Committees of the Board:**

The details of the composition of the Board and its Committees and of the meetings held and attendance of the Directors at such meetings are provided in the "Report on Corporate Governance".

Currently, the Board has the following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

#### **Directors' Responsibility Statement:**

To the best of their knowledge and belief and according to the information and explanations obtained, your Directors make the following statements in terms of Section 134(3)(C) of the Companies Act, 2013:

(i) That in the preparation of annual financial statements for the year ended 31<sup>st</sup> March, 2016, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

(ii) That such accounting policies have been selected and applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the Company as of 31<sup>st</sup> March, 2016 and of the profit of the Company for that year;

(iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) That the annual financial statements have been prepared on a 'going concern' basis.

(v) That proper internal financial controls are in place and that the financial controls are adequate and are operating effectively.

(vi) That systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and are operating effectively.

#### **Management Discussion & Analysis Report and Report on Corporate Governance:**

As per SEBI ( Listing Obligation and Disclosure Requirement) Regulation, 2015 with the Bombay Stock Exchange Limited, the Corporate Governance Report and the Management Discussion and Analysis Report are annexed and form part of the Directors' Report (Annexure '1' & '2' respectively).

Certificate dated 10<sup>th</sup> August, 2016 from our Auditors M/s. A Agarwal & Associates (FRN 326873E), regarding the compliance of conditions of Corporate Governance as stipulated in as per SEBI ( Listing Obligation and Disclosure Requirement) Regulation, 2015 with the Stock Exchange is annexed to this Report (Annexure '1')

**Director's Appointment and Remuneration Policy:**

The Board has, on recommendation of the Nomination and Remuneration Committee formulated a policy for selection and appointment of Directors, senior Managements and their remuneration. The details of the said policy are stated in the Corporate Governance Report. (Annexure 3)

**Annual Evaluation of Performance by the Board:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, the Board has carried out an evaluations of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee and Nomination and Remuneration Committee. The manner in which the evaluation has been carried out is mentioned in the Corporate Governance Report.

**Related Party Transaction:**

All Related Party Transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

**Corporate Social Responsibility:**

Pursuant to clause (o) of sub-section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

The Company has not developed and implemented any Corporate Social Responsibility initiative as the said provisions are not applicable.

**Prevention of Insider Trading:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Policy is hosted on Companies Website [www.adhirajdistributors.com](http://www.adhirajdistributors.com).

**Code of Conduct**

The Company has a Code of Conduct which is applicable to directors and management personnel of the Company. The Company believes in conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and management personnel in their business dealings and in particular on matters relating integrity in the work place, in business practices and complying with applicable laws etc. The Policy is hosted on Companies Website [www.adhirajdistributors.com](http://www.adhirajdistributors.com). A declaration regarding Code of Conduct is signed by the Managing Director of the Company and enclosed in Corporate Governance Report.

**Vigil Mechanism/Whistle Blower Policy**

As per Section 177(g) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Equity Listing Agreement, the Company has established an effective vigil mechanism named Whistle Blower Policy ("the Policy") which is also in conformity with the Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with a view to provide a mechanism for Directors and Employees of the Company inter alia to raise genuine concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The Company encourages its employees to use the mechanism and has made provision for direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. Adequate safeguards against victimization of the persons who use such mechanism are provided in the policy. The policy is posted on the website of the Company [www.adhirajdistributors.com](http://www.adhirajdistributors.com).

**Disclosure under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual,

temporary, trainees) are covered under this policy. The Company did not receive any complaint during the year 2015-16.

### Internal Financial Control

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

### Extract of Annual Return:

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure 4"

### Details pertaining to remuneration as required under section 197(12) of the companies act, 2013 read with rule 5(1) of the companies (appointment and remuneration of managerial personnel) rules, 2014.

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of the Director / KMP & Designation	Remuneration of Director / KMP for the FY 2015-16 (Rs.)	% increase in Remuneration in the FY 2015-16	Ratio of Remuneration of each Director / to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the company
1	Srikrishan Churiwala (M.D.)	2,40,000.00	NIL	1.33	PBT increase by 64.22 % & PAT increase by 88.27%
2	Rachana Kumari (Company Secretary)	1,98,630.00	NIL	1.10	
3	Sitesh Kanodia (CFO)	1,20,000.00	NIL	0.67	

- ii. The median remuneration of employees of the Company during the financial year was Rs. 1.80 Lakhs.
- iii. There were 7 permanent employees on the rolls of Company as on March 31, 2016

v. There is no change in remuneration of Managing Director and performance of the Company increases by 64.22 % to Rs. 18.77 Lacs in 2015-16 (11.43 Lacs in 2014-15). The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

- vi. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable.

- vii.
- viii. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

### Statutory Auditors:

Your Directors, on recommendation of the Audit Committee, seek approval of the Shareholders, for ratification of M/s. A Agarwal & Associates (Firm Registration No. 326873E), as the Statutory Auditors of the Company, from the conclusion of the forthcoming Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

### Secretarial Auditors:

In accordance with Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Rupa Gupta, Company Secretaries, (ACS No. 29332 and CP No. 11691) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2015-16 is set out in the Annexure '5' to this Report.

### Risk Management Policy

Pursuant to section 134(3) (n) of the Companies Act, 2013, the Board of directors of the Company has adopted a Risk management Policy of the Company. The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

**Acknowledgements:**

Your Directors wish to place on record their sincere appreciation for the continuous support and co-operation received from customers, dealers, suppliers, financial institutions and others in successfully conducting the Company's business operations. Your Directors also wish to place on record their deep sense of appreciation for the commitment and dedicated service of the Company's employees. Your Directors also acknowledge with gratitude the encouragement and support extended by our valued shareholders.

**On behalf of the Board of Directors,**

Sd/-

Mr. Srikrishan Churiwala

Sd/-

Mr. Sandip Kumar Agarwal

## Report on Corporate Governance

(As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015).

### 1 Company's Philosophy on Corporate Governance

Your Company continues to maintain its industry leadership, by pursuing excellence in everything it does including standards of business conduct. The Company's philosophy on Corporate Governance emanates from principles of ethical governance and is aimed at conduction of business in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders. This objective is achieved by adopting corporate practices based on principles of transparency, accountability, fairness and integrity to create long term sustainable value for all its stakeholders.

In doing so, Your Company strives to adhere the following Values viz: Customer Satisfaction,

Profitability, Responsibility, Integrity, Excellence, and Sincerity.

### 2 Board of Directors

The present strength of the Board is Five Directors. The Board comprises of one Executive Director and Four Non-Executive Directors. Out of the Four Non-Executive Directors, two are Independent Directors. The Chairman of the Board of Directors is a Non-Executive Director.

During the year 2015-2016, Seven Board meetings were held. The dates on which the said meetings were held were as follows: 15<sup>th</sup> May 2015, 30<sup>th</sup> May 2015, 12<sup>th</sup> August 2015, 13<sup>th</sup> November 2015, 17<sup>th</sup> December 2015, 01<sup>st</sup> February 2016, 02<sup>nd</sup> March 2016,

Details of attendance of each Director at the Board Meetings, the last AGM, and Directorships held by them in other Indian Companies and committee memberships are as follows:

Name of the Director	Category of Directorship	No. of Board Meetings Held (During their tenure of Directorship)	No. of Board Meetings Attended	Attendance at the last AGM held on 21st September 2015	No. of Directorships held as on 31st March, 2016 (including ADL)*	No. of other Board Committees of which he / she is a Member / Chairperson
Mr. Srikrishan Churiwala	Managing Director	7	7	Yes	1	NIL
Mr. Sandip Kumar Agarwal	Non-Executive Non-Independent Director	7	7	Yes	1	3
Mr. Mahesh Kumar	Independent Director	7	7	Yes	1	3
Mr. Rohit Garodia	Independent Director	7	7	Yes	1	3
Ms. Priti Singh	Non-Executive Woman Director	7	7	Yes	1	NIL

\* Directorship means Directorship of other Indian Public Companies and Committee memberships includes only Audit Committee and Stakeholders Relationship Committee of Public Limited Companies (Whether Listed or Not).

None of the Directors of the Company were members of more than 10 Committees nor acted as the Chairman of more than five Committees across all companies in India, in which he/she is a Director.

### Training to Board Members:

The Board is equipped to perform its role through inputs from various sources from time to time. Directors are fully briefed on all matters concerning the business and operation of the Company, risk assessment and minimization

procedures and new initiatives proposed by the Company. The Board members regularly interact with the management in order to obtain any information that they may require.

### Evaluation of Board's performance

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, attendance of the meetings, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and independent judgment.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

### Board Meeting of Independent Director:

Meeting of the Independent Directors was held during the year on 29.02.2016. All the independent Directors have attended the meeting.

Name of the Independent Director	No. of Meetings Held	No. of Meetings Attended
Mr. Rohit Garodia	1	1
Mr. Mahesh Kumar	1	1

Mr. Rohit Garodia was the chairman of the meeting.

### Declaration by Independent Director:

Mr. Rohit Garodia (DIN : 06976161) and Mr. Mahesh Kumar (DIN:06975163), Independent directors of the Company have given declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013.

### Declaration by Managing Director:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the code of business conduct and ethics for directors and senior management in respect of the Financial Year 2015-16.

Sd/-  
Managing Director  
Srikrishan Churiwala

### 3. Audit Committee

The Audit Committee of Directors was constituted on 25<sup>th</sup> day of September, 2014, in terms of the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013.

The present composition of the Audit Committee is as follows:



- Mr. Mahesh Kumar – Independent Director- Chairman
- Mr. Rohit Garodia - Independent Director
- Mr. Sandip Kumar Agarwal – Non-Executive Non-Independent Director

The Audit Committee provides an overview on the reporting process of the Company's financial and accounting mechanism and ensures that disclosures in its financial statements are correct, sufficient and credible.

The Committee also reviews the efficacy of the internal control mechanism and monitors the risk management policies adopted by the company. The committee also reviews the report furnished by the statutory auditors and ensures that suitable follow up actions were taken. The Committee also examines accounting, taxation and disclosure aspects of all significant transactions.

Four Audit committee meeting was held during the year on 30/05/2015, on 21/09/2015, on 21/12/2015 and on 16/03/2016.

### Audit Committee Meetings

Name of the Audit Committee Members	Meetings Held	Meetings Attended
Mr. Mahesh Kumar	4	4
Mr. Rohit Garodia	4	4
Mr. Sandip Kumar Agarwal	4	4

The terms of reference of the Audit Committee are in consonance with the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Section 177 of the Companies Act, 2013 and are as under:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub section (3) of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public

issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
13. Discussion with internal auditors any significant findings and follow up there on.
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
17. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
20. Mandatorily reviews the following information:
  - a. Management discussion and analysis of financial condition and results of operations;
  - b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d. Internal audit reports relating to internal control weaknesses; and
  - e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
21. Reviewing the Financial Statements of its subsidiary company, if any.
22. Reviewing the composition of the Board of Directors of its Subsidiary Company, if any.
23. Reviewing the Vigil mechanism (whistle blowing) policy.
24. Reviewing the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.

#### 4. Nomination & Remuneration Committee

The Board of Directors of the company at their meeting held on 25<sup>th</sup> day of September, 2014 constituted a Nomination & Remuneration Committee of Directors mainly for the purposes of recommending the Company's policy on remuneration package for the Managing/Executive Directors, reviewing the structure, design and implementation of remuneration policy in respect of key management personnel. The Remuneration policy of the Company is performance driven and is designed to motivate employees for achievement and to promote excellence in performance. The present the composition of the Remuneration Committee is as follows:-

- Mr. Mahesh Kumar – Independent Director- Chairman
- Mr. Rohit Garodia - Independent Director
- Mr. Sandip Kumar Agarwal – Non-Executive Non-Independent Director
- The Secretary of the company will act as the Secretary of the committee as well.

### Nomination and Remuneration Committee Meetings

During the financial year ended 31 st March, 2016, four Nomination and Remuneration Committee Meetings were held on 25<sup>th</sup> May, 2015, 14<sup>th</sup> August, 2015, 2<sup>nd</sup> November, 2015 and 2<sup>nd</sup> March,2016and the attendance of the Nomination and Remuneration Committee Members was as under:-

Name of the Nomination and Remuneration Committee Members	Meetings Held	Meetings Attended
Mr. Mahesh Kumar	4	4
Mr. Rohit Garodia	4	4
Mr. Sandip Kumar Agarwal	4	4

The terms of reference of the remuneration committee are as follows:

- The remuneration committee recommends to the board the compensation terms of the executive directors.
- The committee to carry out evolution of every director's performance and recommend to the board his/her appointment and removal based on the performance.
- The committee to identify persons who may be appointed in senior management in accordance with the criteria laid down.
- Framing and implementing on behalf of the Board and on behalf of the shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment.
- Considering approving and recommending to the Board the changes in designation and increase in salary of the executive directors.
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors.
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of the Company and the shareholders.

#### Remuneration paid to Directors – Executive Directors

Mr. Srikrishan Churiwala – Rs. 2, 40,000(@ Rs. 20000/- per month)

### 5. Stakeholder's Relationship Committee

The Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading. The Stakeholders Relationship Committee's composition and the terms of reference meet with the requirements of SEBI ( Listing Obligation and Disclosure Requirement ) Regulation 2015, and provisions of the Companies Act, 2013.

#### Role of Stakeholders Relationship committee

The Stakeholders Relationship Committee of our Board look into:

- The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.

#### Composition of the Stakeholders Relationship Committee:

- Mr. Mahesh Kumar – Independent Director- Chairman
- Mr. Rohit Garodia - Independent Director
- Mr. Sandip Kumar Agarwal – Non-Executive Non-Independent Director

Ms Rachana Kumari, Company Secretary and also designated as the Compliance Officer resigned with effect from 1.04.2016

Ms. Pooja Bhagat has been appointed as the Secretary and the Compliance Officer of the Company with effect from 18.04.2016 and resigned with effect from 30.06.2016

Ms. Neha Goel has been appointed as the Secretary and the Compliance Officer of the Company with effect from 14.07.2016

The Committee oversees the performance of M/s Niche Technologies Private Limited, Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of Investor related services. Though the powers to approve share transfer/share transmission are delegated to the Registrars and Share Transfer Agents, all the share transfer/share transmission cases approved by the Registrars are reported to the Committee. The committee also keeps a close watch on disposal status of all complaints/ grievances of shareholders.

During the financial year ended 31<sup>st</sup> March, 2016, one Stakeholders Relationship Committee Meetings were held on 14<sup>th</sup> August, 2015 and the attendance of the Nomination and Remuneration Committee Members was as under:-

Name of the Nomination and Remuneration Committee Members	Meetings Held	Meetings Attended
Mr. Mahesh Kumar	1	1
Mr. Rohit Garodia	1	1
Mr. Sandip Kumar Agarwal	1	1

Details of Shareholders Complaints:

The details of complaints received /solved/pending during the year are as under:

No. of Shareholders' Complaints received during the year	NIL
No. of Complaints not solved to the satisfaction of shareholder	NIL
No. of pending complaints	NIL

## 6. General Body meetings

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

Nature of the General Meetings	Date	Venue	If Sp. Res Passed
Annual General Meeting	27.09.2013	26, WC Bannerjee Street Kolkata Pin700006	NO
Annual General Meeting	29.09.2014	Central Plaza, 41 B. B. Ganguly Street,2nd Floor, Room No. 13B, Kolkata, PIN 700012	NO
Annual General Meeting	21.09.2015	Central Plaza, 41 B. B. Ganguly Street,2nd Floor, Room No. 13B, Kolkata, PIN 700012	YES

The Company has not put any resolution for postal ballot in previous Annual General Meeting. In ensuing Annual General Meeting there is no business requiring postal ballot.

## 1. DISCLOSURES

### RELATED PARTY TRANSACTION

The Company has no material significant transactions with its related parties which may have a potential conflict with the interest of the Company at large.

### STATUTORY COMPLIANCE, PENALTIES AND STRICTURES:

Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges, SEBI or any statutory authority, on any matter related to capital markets, during the last three years – Nil

No person has been denied access to the Chairman of the Audit Committee.

The Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the Listing Agreement. The Non-Mandatory requirements have not been adopted by the company.

## 2. MEANS OF COMMUNICATION

### Half Yearly Report

Whether Half-yearly report sent to each household of Shareholders – No.

The results of the Company are displayed / posted on the company's website.

Website : [www.adhirajdistributors.com](http://www.adhirajdistributors.com)

## 3. GENERAL SHAREHOLDER INFORMATION

AGM	:	6 <sup>th</sup> Annual General Meeting
Date	:	23 <sup>rd</sup> September 2016
Time	:	11 A.M.
Venue	:	105/5/1 Kshetra Banerjee LaneHowrah-711102
Financial Year	:	1 <sup>st</sup> April 2015 to 31 <sup>st</sup> March 2016
Date of Book Closure	:	<b>September 17, 2016 to September 23, 2016</b> (both days inclusive)
Dividend Payment Date	:	Not Applicable
Listing on Stock Exchange	:	Bombay Stock Exchange Limited
Stock Code	:	780018
ISIN No for NSDL & CDSL	:	INE067R01015
Market Price Data: High, Low During each month in the last Financial year	:	As per Annexure "6"
Performance in comparison to BSE Sensex, (broad based index)	:	As per Annexure "6"

Registrars and Transfer Agents	:	Niche Technologies Pvt. Ltd. D-511, Bagree Market, 5th Floor 71 B R B Basu Road Kolkata 700 001 Ph: 033 2235 7270 / 7271 / 5236
Share Transfer System	:	All transfers are processed by R & T Agents: Niche Technologies Pvt. Ltd.
Distribution of Shareholding and Shareholding Pattern as on 31st March, 2016.	:	Please see Annexure '7'
Dematerialisation of Shares and liquidity	:	100.00 % of the Paid-up capital has been dematerialised as on 31st March, 2016.
Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity	:	None
Plant Locations	:	N.A.
Address for Correspondence	:	105/5/1 Kshetra Banerjee Lane Howrah-711102

Annexure "6"

Market Price Data – ADL& Sensex: High-Low

Period	High (Rs.)	Low (Rs.)	Sensex High (Rs.)	Sensex Low (Rs.)
April 2015	208.00	194.00	29,094.61	26,897.54
May 2015	207.00	200.00	28,071.16	26,423.99
June 2015	228.00	200.00	27,968.75	26,307.07
July 2015	227.00	212.00	28,578.33	27,416.39
August 2015	233.00	220.00	28,417.59	25,298.42
September 2015	230.00	218.00	26,471.82	24,833.54
October 2015	226.00	217.00	27,618.14	26,168.71
November 2015	229.00	223.00	26,824.30	25,451.42
December 2015	234.00	221.00	26,256.42	24,867.73
January 2016	237.00	215.00	26,197.27	23,839.76
February 2016	245.00	227.00	25,002.32	22,494.61
March 2016	262.00	231.00	25,479.62	23,133.18



## Annexure "7"

## The Distribution of Shareholding as on 31.03.2016

No. of Equity Shares held	No. of Holders	% of Total Holders	No. of Shares	% of Total Shares
1-500	7	1.00	3500	0.02
501-1000	2	0.29	2000	0.01
1001-2000	NIL	NIL	NIL	NIL
2001-3000	NIL	NIL	NIL	NIL
3001-4000	NIL	NIL	NIL	NIL
4001-5000	209	29.94	1044900	6.66
5001-10000	266	38.11	2459050	15.68
10001 and above	214	30.66	12175550	77.63
Grand Total	698	100.00	15685000	100.00
No. of Shareholders in Physical Mode	NIL	NIL	NIL	NIL
No. of Shareholders in Electronic Mode	698	100.00	15685000	100.00

**ANNEXURE '1' TO THE DIRECTORS' REPORT, FOR  
THE YEAR ENDED 31ST MARCH, 2016.**

**AUDITORS' CERTIFICATE ON CORPORATE  
GOVERNANCE  
TO THE MEMBERS OF ADHIRAJ DISTRIBUTORS  
LIMITED**

We have examined the compliance of conditions of Corporate Governance by Adhiraj Distributors Limited (the Company) for the year ended on March 31, 2015 as stipulated in SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 of the Company with the Bombay Stock Exchange Limited.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. 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 A Agarwal & Associates  
Chartered Accountants  
(FRN 326873E)

Sd/-  
Amit Agarwal  
Partner  
(M. No. 064726)

Date: 30/05/2016  
Place: Kolkata

**ANNEXURE '2' TO THE DIRECTORS' REPORT FOR  
THE YEAR ENDED 31ST MARCH, 2016:  
Management Discussion and Analysis Report**

**1. Industry Structure and developments:**

Indian Textile Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textile industry also plays a pivotal role through its contribution to industrial output, employment generation and the export earnings of the country. It contributes about 14% to the industrial production, 4% to the GDP and 11% to the country's export earnings. The textile sector is the second largest provider of employment after agriculture.

The Indian textiles industry is extremely varied, with the hand-spun and hand woven sector at one end of the spectrum, and the capital intensive, sophisticated mill sector at the other. The decentralized power looms/ hosiery and knitting sectors form the largest section of the Textiles (Source: Annual Report 2012 – 2013, Ministry of Textiles, GOI)

The current textile industry structure in India is with maximum players in the Fibres and Yarns and very few players in the Garmenting and retailing sector. But now Indian players have realized the need to be a vertically integrated player and more and more companies are moving up the value chain both organically as well as through consolidations.

The major sub-sectors that comprise the textiles sector include the organized Cotton / Man-Made Fibre Textiles Mill Industry, the Man-made Fibre / Filament Yarn Industry, the Wool and Woollen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports.

**2. Opportunities , Threats, Risk & Concerns**

We believe our comprehensive range of products in the textile industry enables ourselves to capitalize on such growth opportunities in the textile industry.

We operate in an industry, which faces intense competition from established as well as unorganized players. Our competition depends on several factors, which include quality, price and most importantly our pace in keeping up with the changing trends in fashion industry. Competition emerges from both organized as well as unorganized sector.

Appropriate changes are done to face these challenges. Company is trying to grab all the opportunities on its way which would enhance the company's performance overall.

### 3. Outlook

The focus for the forthcoming financial year for the Company will be continued delivery in progressing mode and grabbing the opportunities and trying to overcome challenges.

### 4. Internal Control System

Internal Control and Audit is an important procedure and the Audit Committee of your Company reviews all the control measures on a periodic basis and recommends improvements, wherever appropriate. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

### 5. Human Resources

Human resources play a key role in helping the Company deal with the fast-changing competitive environment. So, the company endeavours to provide

individual development and growth to the employees that motivate them to give high performance helping the Company to achieve its goals.

### 6. Cautionary Statement :

Statements made in the Management Discussion and analysis describing the Company's objectives, projections, estimates, predictions and expectations may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results might differ materially from those either expressed or implied.

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic and political conditions in which the Company operates interest rate fluctuations, changes in Government / RBI regulations, Tax laws, other statutes and incidental factors.

## Annexure '3' TO THE DIRECTORS' REPORT

**Policy for appointment of Director, Key Managerial Personnel (KMP) and Senior Management****Appointment Criteria, Qualification Evaluation and Removal:**

The Director, KMP and Senior Management shall possess adequate qualification, experience and expertise with following attributes/skills:

- (a) Cultural fit and personal values
- (b) Vision and strategic management
- (c) Change management and the ability to influence change.

An Independent Director shall have impeccable reputation of integrity, deep expertise and insights and complementary skills and shall meet the requirements prescribed under Companies Act and the SEBI (Listing Obligation and Disclosure Requirements)2015 .

The Nomination and Remuneration Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel on yearly basis based on their effectiveness and fulfillment of their responsibilities.

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, the removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**Remuneration Policy for Directors, Key Managerial Personnel and other employees****A. Independent Director–**

Independent Directors shall be paid sitting fees of Rs. 2,000/- for every meeting of the Board or committee thereof attended by them as member.

**B. MANAGING DIRECTOR & KEY MANAGERIAL PERSONNEL & OTHER EMPLOYEES**

The Remuneration Policy of the Company recognizes and is based on position and performance. It is aimed at attracting and retaining high calibre talent. The quantum of a employee's remuneration and its components varies across grades and are is determined by industry practices and comparisons, qualifications, experience, responsibilities and performance. The remuneration system maintains a balance between fixed and variable pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The above criteria and policy are subject to review by the Nomination & Remuneration committee and the Board of Directors of the Company.

**ANNEXURE '4' TO THE DIRECTORS' REPORT****Extract of Annual Return**

As on the financial year ended 31.03.2016

[Pursuant to Section 92(3) of Companies Act, 2013, and Rule 12(1) of Companies (Management and Administration) Rule, 2014.]

**Form MGT-9**

<b>I.</b>	<b>Registration and other details:</b>					
	CIN		L52190WB2011PLC158320			
	Registration Date		01/02/2011			
	Name of the Company		Adhiraj Distributors Limited			
	Category/Sub-Category of the Company		Company having Share Capital			
	Address of the Registered Office and Contact Details		105/5/1 Kshetra Banerjee Lane Howrah West Bengal 711102			
	Whether Listed Company		Yes			
	Name, Address and Contact Details of Registrar and Transfer Agent, if any		Niche Technologies Pvt. Ltd. D-511, Bagree Market, 5 <sup>th</sup> Floor 71 B R B Basu Road Kolkata 700 001			
<b>II.</b>	<b>Principal Business Activities of the Company:</b>					
	All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:					
	<b>Name and Description of main Products/Services</b>	<b>NIC Code of the Product/ Services</b>	<b>% to total turnover of the Company</b>			
Wholesale of Textiles, Fabrics, etc		464115	100%			
<b>III.</b>	<b>Particulars of Holding, Subsidiary and Associate Companies:</b>					
	<b>Sr. No.</b>	<b>Name and Address of the Company</b>	<b>CIN/GLN No.</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>% of Shares Held</b>	<b>Applicable Section</b>
	1.	NIL	N.A.	N.A.	N.A.	N.A.

**VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
(1) Indian									
a) Individual / HUF									
b) Central Government									
c) State Government									
d) Bodies Corporate	3200000	0	3200000	20.402	3200000	0	3200000	20.402	0.000
e) Banks / Financial Institutions									
f) Any Other									
Sub-total (A)(1)	3200000	0	3200000	20.402	3200000	0	3200000	20.402	0.000
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks / Financial Institutions									
e) Any Other									
Sub-total (A)(2)	0	0	0	0.000	0	0	0	0.000	0.000
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	3200000	0	3200000	20.402	3200000	0	3200000	20.402	0.000
<b>B. PUBLIC SHAREHOLDING</b>									
(1) Institutions									
a) Mutual Funds									
b) Banks / Financial Institutions									
c) Central Governments									
d) State Governments									
e) Venture Capital Funds									
f) Insurance Companies									
g) Foreign Institutional Investors (FII)									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
Sub-total (B)(1)	0	0	0	0.000	0	0	0	0.000	0.000
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	2135600	0	2135600	13.616	2363040	0	2363040	15.066	1.450
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	3456900	0	3456900	22.040	5853005	0	5853005	37.316	15.276
ii) Individual shareholders holding nominal share capital in excess of Rs 1 l	6882445	0	6882445	43.879	3814700	0	3814700	24.321	-19.558
c) Others Specify									
1. NRI									
2. Overseas Corporate Bodies									
3. Foreign Nationals									
4. Clearing Members	10055	0	10055	0.064	454255	0	454255	2.896	2.832
5. Trusts									
6. Foreign Bodies - D.R.									
Sub-total (B)(2)	12485000	0	12485000	79.598	12485000	0	12485000	79.598	0.000
Total Public Shareholding (B) = (B)(1)+(B)(2)	12485000	0	12485000	79.598	12485000	0	12485000	79.598	0.000
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>GRAND TOTAL (A+B+C)</b>	<b>15685000</b>	<b>0</b>	<b>15685000</b>	<b>100.000</b>	<b>15685000</b>	<b>0</b>	<b>15685000</b>	<b>100.000</b>	<b>0.000</b>



**D. Shareholding of Promoters**

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to total shares	% of Change in share Holding during the year
Pranidhi Sales Pvt. Ltd.	32,00,000	20.40	NIL	32,00,000	20.40	NIL	NIL
<b>Total</b>	<b>32,00,000</b>	<b>20.40</b>	<b>NIL</b>	<b>32,00,000</b>	<b>20.40</b>	<b>NIL</b>	<b>NIL</b>

**E. Change in Promoters' Shareholding (Please specify if there is no change)**

There is no change in the % of Shareholding of Promoters during the current year.

**F. Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)**

For each of Top Ten Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
K. Loganathan	950000	6.06	950000	6.06
Confitech Developers Private Limited	1443300	9.20	796000	5.08
Next Orbit Ventures Fund	500000	3.19	500000	3.19
K. Loganathan	450000	2.87	450000	2.87
Lyrebirds Holidays Private Limited	-	-	349355	2.23
BMA Wealth Creators Ltd.	-	-	279910	1.79
Nirmaan Infra Developers Private Limited	-	-	260260	1.66
Bhavya Commercial Private Limited	-	-	122600	0.78
Anay Infotech Private Limited	-	-	119150	0.76
Vesta Dealers Private Limited	-	-	117775	0.75
Anil Agarwal	100000	0.638	100000	0.638
Anil Oberoi	100000	0.638	100000	0.638
Neeraj Prakash	100000	0.638	100000	0.638
Vijay Kumar Mittal	100000	0.638	100000	0.638
Shradha Dealcom Private Limited	87000	0.555	87000	0.555
Jayant Bhojwani	80000	0.510	80000	0.510

*The above information is based on the weekly beneficiary position received from Depositories.*

**G. SHAREHOLDING OF DIRECTOR AND KEY MANAGERIAL PERSONNEL**

None of the Directors/KMP hold shares in the Company.

**H. INDEBTEDNESS**

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

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

**I. Remuneration of Directors and Key Managerial Personnel****A. Remuneration of Managing Director, Whole-time Director and/or Manager:**

Particulars of Remuneration	Mr. Srikrishan Churiwala (MD)*
Gross Salary	
(a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	2,40,000
(b) Value of Perquisites under Section 17(2) Income Tax Act, 1961	NIL
(c) Profits in lieu of Salary under Section 17 (3) Income Tax, 1961	NIL
Stock Option	NIL
Sweat Equity	NIL
Commission	NIL
– as % of profit.	NIL
others specify	NIL
<b>Total (A)</b>	<b>2,40,000</b>
<i>* Period of Service –01.04.2015 to 31.03.2016</i>	

**B. Remuneration to Key Managerial Person other than MD, Manager or WTD**

Particulars of Remuneration	Key Managerial Personnel Ms. Rachana Kumari *	Key Managerial Personnel Mr. Sitesh Kanodia *
Gross Salary		
(a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	1,98,630	1,20,000
(b) Value of Perquisites under Section 17(2) Income Tax Act, 1961	—	—
(c) Profits in lieu of Salary under Section 17 (3) Income Tax, 1961	—	—
Stock Option	—	—
Sweat Equity	—	—
Commission	—	—
– as % of profit.	—	—
others specify	—	—
Others, please specify	—	—
<b>Total (A)</b>	1,98,630	1,20,000
<i>Period of Service</i>	01.04.2015 to 31.03.2016	01.04.2015 to 31.03.2016

**J. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

There were no penalties/punishment/compounding of offences for breach of any Section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

**FORM NO- MR<sub>3</sub>**  
**ANNEXURE '5' TO THE DIRECTORS' REPORT**  
**SECRETARIAL AUDIT REPORT FOR THE**  
**FINANCIAL YEAR ENDED 31st MARCH, 2015**  
**[Pursuant to Section 204(1) of the Companies Act,**  
**2013 and Rule No. 9 of the Companies**  
**(Appointment and Remuneration Personnel) Rules,**  
**2014.]**

To  
 The Members,  
 Adhiraj Distributors Limited  
 105/5/1 Kshetra Banerjee Lane  
 Howrah-711102  
 West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Adhiraj Distributors Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Adhiraj Distributors Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) 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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We 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 Bombay Stock Exchange in respect of Listing of Securities;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. However, it is observed that the provisions of the FEMA and rules and regulations made there under to the extent of ODI and ECBs; and provisions of Regulations and Guidelines mentioned in (d),(e),(g) and (h) under item no.(v) of Para 3 above, were not

applicable to the Company during the period under review.

We 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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 applicable laws, rules, regulations and guidelines.

For Rupa Gupta  
Sd/-  
ACS No.29332  
CP No.11691

Place : Kolkata

Date : May 30<sup>th</sup>, 2016

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

### 'Annexure A'

To,  
The Members,  
Adhiraj Distributors Limited  
105/5/1 Kshetra Banerjee Lane  
Howrah-711102  
West Bengal

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Kolkata

Date: May 30<sup>th</sup>, 2016

Sd-/  
Rupa Gupta  
ACS No. 29332  
CP No. 11691

**CEO / CFO Certification to the Board**

To  
The Board of Directors  
Adhiraj Distributors Limited  
105/5/1 Kshetra Banerjee Lane  
Howrah West Bengal 711102

Sub: CEO/CFO Certification as required by Regulation 17(8) of the Listing Regulations

Ref: Financial Statement for the period ended 31<sup>st</sup> March, 2016

We hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-  
**Srikrishan Churiwala**  
Managing Director  
DIN – 02185991







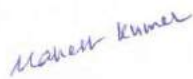

Sd/-  
**Sitesh Kanodia**  
C.F.O

Date: May 30<sup>th</sup>, 2016

Place: Howrah

## FORM A

Pursuant to regulation 33(3)(d) of the SEBI (listing obligations and disclosure requirements) Regulations, 2015

1.	Name of the company	Adhiraj Distributors Limited
2.	Annual financial statements for the year ended	Annual Standalone Financial Statement for the year ended 31 <sup>st</sup> March, 2016
3.	Type of audit observation	Un Modified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	<div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="display: flex; align-items: center; margin-bottom: 20px;"> <div style="margin-right: 20px;">• CEO/Managing Director</div> <div style="text-align: center;">               (Mr. Srikrishan Churiwala)         </div> </div> <div style="display: flex; align-items: center; margin-bottom: 20px;"> <div style="margin-right: 20px;">• CFO</div> <div style="text-align: center;">               (Mr. Sitesh Kanodia)         </div> </div> <div style="display: flex; align-items: center; margin-bottom: 20px;"> <div style="margin-right: 20px;">• Auditor of the company</div> <div style="text-align: center;">               (Mr. Amit Agarwal)         </div> </div> <div style="display: flex; align-items: center;"> <div style="margin-right: 20px;">• Audit Committee Chairman</div> <div style="text-align: center;">               (Mr. Mahesh Kumar)         </div> </div> </div>



## **INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF ADHIRAJ DISTRIBUTORS LTD.**

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

We have audited the accompanying standalone financial statements of Adhiraj Distributors Limited ('the Company') which comprises the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss, 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting of frauds and other irregularities; the 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 standalone 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the 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 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 financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2016, and its profit and its Cash Flows for the period ended on that date.

**Report on Other Legal and Regulatory Requirements:**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, 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 Profit and Loss Statement and the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of the written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate reports in "Annexure B" and
  - g) with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014. In our opinion and to the best of our information and according to the explanations given to us, we report as under
    - (i) The Company does not have any pending litigations which would impact its financial position.
    - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
    - (iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

**For A Agarwal & Associates**  
**Chartered Accountants**  
**FRN – 326873E**

Sd/-

**Amit Agarwal**  
**Partner**  
**M. No. 064726**

Place: Kolkata  
 Date: May 30<sup>th</sup>, 2016

**Annexure A referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March, 2016**

The Annexure referred to in independent Auditor's report to the Members of the Company on the standalone financial statements for the year ended on March 31, 2016. We report that

1. (i) The Company is maintaining proper records showing full, particulars including quantitative details and the situation of its fixed assets;
- (ii) The fixed assets have been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the company and nature of its assets. The discrepancies noticed have been properly dealt with in the books of account;
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
2. The inventory has been physically verified by the management at reasonable intervals during the year. The discrepancies noticed during the physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of accounts.
3. The Company has not granted any loans, secured or unsecured to Companies, firms Limited Liabilities Partnerships, or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, clause 3 ( iii ) of the Order is not applicable.
4. In our opinion and according to the information and the explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to loans and investments made.
5. The Company has not accepted any deposit from the public within the meaning of section 73 to 76 of the Act, Accordingly, clause 3 ( v ) of the Order is not applicable.
6. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act.
7. (i) According to the information and explanations given to us and on the basis of our examination of the books of accounts and records of the Company, the Company is regular in depositing undisputed Statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value added Tax, Service Tax, Duty of Customs, Duty of Excise, cess and any other statutory dues with the appropriate authorities.
- (ii) According to the information and explanations given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2016 for a period exceeding six months from the date they become payable.
- (iii) According to the information and explanations given to us, there are no disputed dues of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Value added Tax, Service Tax, Duty of Customs, Duty of Excise, cess and any other statutory dues.
8. Based on our audit procedure and the information and explanations given by the management, we are of the opinion that the Company had not defaulted in the repayment of dues to any financial institution, bank or debenture holders;
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt

instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10. In our opinion and according to the information and explanations given to us by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company has not entered transaction with related parties in compliance with the provisions of section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. In our opinion and according to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. In our opinion and according to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
16. In our opinion and according to the information and explanations given by the management, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**For A Agarwal & Associates**  
**Chartered Accountant**  
**FRN – 326873E**

**Sd/-**  
**Amit Agarwal,**  
**Partner**  
**(M. No. 064726)**

Date: May 30<sup>th</sup>, 2016  
Place: Kolkata

**Annexure B referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March, 2016**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' of our report 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 **ADHIRAJ DISTRIBUTORS LIMITED** ("the Company") as of **March 31, 2016** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

#### **Opinion**

In our opinion, 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, 2016**, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India" (ICAI).

**For A Agarwal & Associates**

**Chartered Accountant**

**FRN – 326873E**

Sd/-

**Amit Agarwal,**

**Partner**

**(M. No. 064726)**

Date: May 30<sup>th</sup>, 2016

Place: Kolkata

**ADHIRAJ DISTRIBUTORS LIMITED**  
**AUDITED BALANCE SHEET AS ON 31ST MARCH 2016**

<b>A EQUITY AND LIABILITIES</b>	<b>NOTE</b>	<b>CURRENT YEAR 31.03.2016</b>	<b>PREVIOUS YEAR 31.03.2015</b>
<b>1 Shareholder's Funds</b>			
(a) Share Capital	2	15,68,50,000.00	15,68,50,000.00
(b) Reserve & Surplus	3	23,03,853.16	10,06,859.41
		15,91,53,853.16	15,78,56,859.41
<b>2 Non Current Liabilities</b>			
(a) Deferred Tax Liabilities		(3,650.00)	10,501.00
<b>3 Current Liabilities</b>			
(a) Trade Payables	4	1,70,57,097.00	1,78,595.00
(b) Other Current Liabilities	5	99,428.00	50,854.00
(c) Short Term Provisions	6	5,94,139.00	-
<b>TOTAL</b>		<b>17,69,00,867.16</b>	<b>15,80,96,809.41</b>
<b>B ASSETS</b>			
<b>1 Non Current Assets</b>			
(a) Fixed Assets			
- Tangible Assets	7A	1,02,295.00	1,98,366.00
- Intangible Assets	7B	-	-
(b) Non Current Investment	8	4,50,14,400.00	4,75,14,400.00
(c) Other Non Current Assets	9	-	-
		4,51,16,695.00	4,77,12,766.00
<b>2 Current Assets</b>			
(a) Current Investment	10	2,37,42,016.61	2,09,92,016.61
(b) Inventories		25,45,006.95	41,42,534.61
(c) Trade Receivable	11	3,31,19,982.57	1,53,72,081.77
(d) Cash & cash equivalents	12	59,70,654.03	1,35,98,003.42
(e) Short Term Loans & Advances	13	6,64,06,512.00	5,62,79,407.00
<b>TOTAL</b>		<b>17,69,00,867.16</b>	<b>15,80,96,809.41</b>

Significant Accounting Policies 1

Accompanying Notes forming part of the financial statements 2 to 20

As per our Report of even date  
For A Agarwal & Associates  
Chartered Accountants  
Firm Reg No : 326873E

Sd/-  
CA Amit Agarwal  
Partner  
Membership No: 064726

Place: Howrah  
Date : 30th May 2016

For and on Behalf of Board of Directors

Sd/-  
Srikrishan Churiwala  
DIN No - 02185991  
Managing Director

Sd/-  
Sitesh Kanodia  
C.F.O

Sd/-  
Sandip Kumar Agarwal  
DIN No - 05166153  
Director

Sd/-  
Pooja Bhagat  
Company Secretary



**ADHIRAJ DISTRIBUTORS LIMITED**  
**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016**

<u>INCOME FROM THE CONTINUING OPERATION</u>	<u>NOTE</u>	<u>CURRENT YEAR</u> <u>31.03.2016</u>	<u>PREVIOUS YEAR</u> <u>31.03.2015</u>
Sales of Products	14	6,31,57,959.14	5,24,80,618.47
Other Income	15	56,24,510.00	28,34,680.00
<b>Total Revenue</b>		<b>6,87,82,469.14</b>	<b>5,53,15,298.47</b>
 <b>EXPENDITURES</b>			
Purchase of Stock in Trade		6,06,46,039.30	5,43,34,474.55
Changes in Inventory of Stock in Trade		15,97,527.66	(41,42,534.61)
Employee Benefit Expenses	16	15,59,312.00	11,35,836.00
Depreciation and Amortization Expenses	7	96,071.00	91,702.00
Other Expenses	17	30,06,537.43	27,52,885.30
<b>Total Expenses</b>		<b>6,69,05,487.39</b>	<b>5,41,72,363.24</b>
 Profit Before Tax		 18,76,981.75	 11,42,935.23
<b>Tax Expenses</b>			
Current Tax		5,94,139.00	4,43,542.00
Deferred Tax		(14,151.00)	10,501.00
<b>Profit for the year from continuing operation</b>		<b>12,96,993.75</b>	<b>6,88,892.23</b>
 <b>Earning per equity share of face value of Rs. 10 each</b>			
Basic (In Rs.)		0.08	0.04
Diluted (In Rs.)	18	0.08	0.04
 Significant Accounting Policies	 1		
 Accompanying Notes forming part of the Financial Statements	 2 to 20		
 For A Agarwal & Associates Chartered Accountants Firm Reg No : 326873E		 Sd/- Srikrishan Churiwala DIN No - 02185991 Managing Director	 Sd/- Sandip Kumar Agarwal DIN No - 05166153 Director
 Sd/- CA Amit Agarwal Partner Membership No: 064726		 Sd/- Sitesh Kanodia C.F.O	 Sd/- Pooja Bhagat Company Secretary
 Place: Howrah Date : 30th May 2016			

**ADHIRAJ DISTRIBUTORS LIMITED****CASH FLOW STATEMENT FOR THE PERIOD FROM 01.04.2015 TO 31.03.2016**

Particulars	Figures as at 31.03.2016 (₹)	Figures as at 31.03.2015 (₹)
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax	<b>18,76,981.75</b>	<b>11,42,935.23</b>
<b>Adjustments</b>		
Add : Depreciation	96,071.00	91,702.00
Less: Interest Income	56,24,510.00	28,34,680.00
<b>Operating cash Flow before working capital changes</b>	<b>(36,51,457.25)</b>	<b>(16,00,042.77)</b>
<b>Adjustment for :</b>		
Less: Increase / (Decrease) in Trade Receivable	1,77,47,900.80	59,17,421.77
Increase / (Decrease) in Inventories	(15,97,527.66)	41,42,534.61
Increase / (Decrease) in Short Term Loans & Advance	1,01,27,105.00	4,56,08,265.00
(Increase) / Decrease in Trade Payable	(1,68,78,502.00)	75,06,411.75
(Increase) / Decrease in Other Current Liabilities	(48,574.00)	3,38,646.00
(Increase) / Decrease in Short Term Provision	5,94,139.00	-
<b>Operating cash flow after working capital changes</b>	<b>(1,35,95,998.39)</b>	<b>(6,51,13,321.90)</b>
<b>Less: Tax Paid</b>		
Income Tax	(5,94,139.00)	(5,16,618.00)
<b>Net Cash Flow from Operating Activities</b>	<b>(1,30,01,859.39)</b>	<b>(6,56,29,939.90)</b>
<b>B. Cash Flow from Investing Activities</b>		
Interest Income	56,24,510.00	28,34,680.00
Purchase of Fixed Assets	-	-
(Purchase) / Sale of Non-Current Investments	25,00,000.00	-
(Purchase) / Sale of Current Investments	(27,50,000.00)	6,46,93,983.39
<b>Net Cash Flow from Investing Activities</b>	<b>53,74,510.00</b>	<b>6,75,28,663.39</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase in Share Capital	-	50,00,000.00
Increase in Unamortised ROC Expenditure	-	3,07,934.00
<b>Net Cash flow from Financing Activities</b>	<b>-</b>	<b>53,07,934.00</b>
<b>Net Cash Inflow/ (Outflow) during the period</b>	<b>(76,27,349.39)</b>	<b>72,06,657.49</b>
<b>Cash and Cash eq. at the beginning of the Period</b>	<b>1,35,98,003.42</b>	<b>63,91,345.93</b>
<b>Cash and Cash eq. at the end of the Period</b>	<b>59,70,654.03</b>	<b>1,35,98,003.42</b>

As per our Report of even date  
For A Agarwal & Associates  
Chartered Accountants  
Firm Reg No : 326873E

Sd/-  
CA Amit Agarwal  
Partner  
Membership No: 064726

Place: Howrah  
Date : 30th May 2016

For & on Behalf of the Board

Sd/- Sd/-  
Srikrishan Churiwala Sandip Kumar Agarwal  
DIN No - 02185991 DIN No - 05166153  
Managing Director Director

Sd/- Sd/-  
Sitesh Kanodia Pooja Bhagat  
C.F.O Company Secretary

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT FOR THE YEAR ENDING 31<sup>ST</sup> MARCH 2016

### COMPANY OVERVIEW

The Company was incorporated under the Companies Act 1956 as Adhiraj Distributors Private Limited on 1st day of February 2011. Later on the Company was converted into Public Limited Company on 28<sup>th</sup> May 2014. Its CIN is L52190WB2011PLC158320 and presently has the authorized capital of Sixteen Crores Rupees. The company is actively engaged in trading of all types of textile goods. It has its registered office in 105/5/1 Kshetra Banerjee Lane, Howrah 711 102, West Bengal, India.

### (1) SIGNIFICANT ACCOUNTING POLICIES

#### **(A) Basis of accounting and preparation of financial statement**

The financial statements are prepared under the historical cost convention on an accrual basis of accounting in accordance with the generally accepted accounting principles, Accounting Standards notified under section 133 of the Companies Act 2013 and the relevant provisions thereof.

#### **(B) Use of Estimates**

In preparation of the financial statements, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods affected.

#### **(C) Tangible Assets and Intangible Assets**

Tangible Assets are stated at cost less accumulated depreciation and impairment loss, if any. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure incurred upto the date when the assets are ready to use. Assets are stated at cost less accumulated depreciation and impairment loss, if any.

Intangible Assets are stated at cost less accumulated amortisation and impairment loss, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortised on a straight-line basis over their estimated useful lives.

#### **(D) Depreciation / Amortisation**

Depreciation on fixed assets is provided in accordance with the useful lives of assets, which is as stated in the Schedule II of Companies Act, 2013. However assets costing up to Rs. 5000/- are depreciated fully in the year of purchase / capitalization.

**(E) Investment**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investment. All other investments are classified as long term investment.

All investments are measured at cost.

**(F) Stock in Trade**

Stock in trade is valued at lower of cost and net realizable value.

**(G) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on dispatch of goods.

**(H) Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rates. Interest income is included under the head other income in the statement of Profit and Loss.

**(I) Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the provision of the Income Tax Act, 1961.

Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originates in one year and capable of reversal in one or more subsequent years. The company has Taxable profit during the year. Deferred tax assets were not recognized because there is no "virtual certainty" that deferred tax assets can be realised against future taxable profits.

**(J) Earnings Per share**

Basic earnings per equity shares are calculated by dividing the net profit or loss for the period attributable to equity share holders by weighted average no of equity shares outstanding during the year. The weighted average no of equity shares outstanding during the period is adjusted for events such as bonus issue and others that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders by weighted average no of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**ADHIRAJ DISTRIBUTORS LIMITED****NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	<u>CURRENT YEAR</u> <u>31.03.2016</u> ₹	<u>PREVIOUS YEAR</u> <u>31.03.2015</u> ₹
<b>(2) SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
1,60,00,000 Equity Shares of Rs. 10/- each (Previous Year -1,60,00,000 Equity Share Of Rs.10/- Each)	<u>16,00,00,000.00</u>	<u>16,00,00,000.00</u>
<b>Issued, Subscribed &amp; Paid up Share Capital</b>		
1,56,85,000 Equity Shares of Rs. 10/- each fully paid up in cash (Previous Year - 1,56,85,000 Equity Share of Rs.10/- Each)	15,68,50,000.00	15,68,50,000.00
<b>TOTAL</b>	<u>15,68,50,000.00</u>	<u>15,68,50,000.00</u>

**(2.1) The details of Shareholders holding more than 5 % shares**

Name of the Shareholder	No. of shares	% age	No. of Shares	% age
Pranidhi Sales Pvt. Ltd.	32,00,000	20.40%	32,00,000	20.40%
K. Loganathan	9,50,000	6.06%	9,50,000	6.06%
Confitech Developers Pvt. Ltd.	7,96,000	5.07%	14,43,300	9.20%

**(2.2) The reconciliation of the number of shares outstanding is set out below:**

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	1,56,85,000	1,51,85,000
<b>Add:</b> Shares issued during the year		
Fresh Allotment	-	5,00,000
Equity shares at the end of the year	<u>1,56,85,000</u>	<u>1,56,85,000</u>

**(2.3) Rights, preferences and restrictions attached to equity shares**

The Company has only one class of issued, subscribed and paid up equity shares having a par value of Rs. 10/- each per share. Each holder of equity shares is entitled to one vote per share. The dividend, if proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to number of equity shares held by the shareholders.

**ADHIRAJ DISTRIBUTORS LIMITED****NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****(3) RESERVES AND SURPLUS****Profit & Loss Account**

As per last Balance Sheet	10,06,859.41	3,17,967.18
<b>Add:</b> Profit for the year	12,96,993.75	6,88,892.23
Closing Balance	23,03,853.16	10,06,859.41
<b>TOTAL</b>	<b>23,03,853.16</b>	<b>10,06,859.41</b>

**(4) TRADE PAYABLE**

Trade Payable (Including Acceptance)	1,70,57,097.00	1,78,595.00
	<b>1,70,57,097.00</b>	<b>1,78,595.00</b>

**(5) OTHER CURRENT LIABILITIES**

Liabilities for Expenses	92,150.00	50,854.00
TDS Payable	7,278.00	-
<b>TOTAL</b>	<b>99,428.00</b>	<b>50,854.00</b>

**(6) SHORT TERM PROVISION**

Provision for Income Tax (Net of TDS)	5,94,139.00	-
	<b>5,94,139.00</b>	<b>-</b>

**ADHIRAJ DISTRIBUTORS LIMITED****SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT.****NOTE - 7**

<b>FIXED ASSETS</b>	<b>Gross Block</b>			<b>Provision for Depreciation</b>			<b>Net Block</b>	
	<b>As on 01.04.2015</b>	<b>Addition/ Deduction</b>	<b>As on 31.03.2016</b>	<b>As on 01.04.2015</b>	<b>For the Year</b>	<b>Closing Depreciation as on 31/03/2016</b>	<b>As on 31.03.2016</b>	<b>As on 31.03.2015</b>
<b>Tangible Assets</b>								
Computer & accessories	2,99,250.00		2,99,250.00	1,00,884.00	96,071.00	1,96,955.00	1,02,295.00	1,98,366.00
<b>Total (7A)</b>	<b>2,99,250.00</b>		<b>2,99,250.00</b>	<b>9,182.00</b>	<b>96,071.00</b>	<b>1,96,955.00</b>	<b>1,02,295.00</b>	<b>1,98,366.00</b>
<b>Intangible Assets</b>	-		-	-	-	-	-	-
<b>Total (7B)</b>	-		-	-	-	-	-	-
<b>Grand Total (7A) + (7B)</b>	<b>2,99,250.00</b>		<b>2,99,250.00</b>	<b>9,182.00</b>	<b>96,071.00</b>	<b>1,96,955.00</b>	<b>1,02,295.00</b>	<b>1,98,366.00</b>
<b>Previous Year</b>	<b>2,99,250.00</b>		<b>2,99,250.00</b>	<b>9,182.00</b>	<b>91,702.00</b>	<b>1,00,884.00</b>	<b>1,98,366.00</b>	<b>2,90,068.00</b>



## ADHIRAJ DISTRIBUTORS LIMITED

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	<u>CURRENT YEAR</u>		<u>PREVIOUS YEAR</u>	
	<u>31.03.2016</u>		<u>31.03.2015</u>	
	₹		₹	
<b>(8) NON -CURRENT INVESTMENTS- At Cost</b>				
<b>(Long Term, Other Investments)</b>				
<b>In Equity Shares of Rs. 10 each</b>				
<b>Unquoted, fully paid up</b>	<b>No of Shares</b>		<b>No of Shares</b>	
Dhyanesh Marketing Pvt. Ltd.	14,545	74,99,750.00	14,545	74,99,750.00
Divjot Realities Pvt. Ltd.	12,700	59,69,000.00	12,700	59,69,000.00
ORFE Securities Pvt. Ltd.	57,965	2,37,65,650.00	57,965	2,37,65,650.00
Jagat Sales Pvt. Ltd.	-	-	2,500	25,00,000.00
Altona Mercantile Pvt. Ltd.	8,000	40,00,000.00	8,000	40,00,000.00
Sri Srinadha Steels Pvt. Ltd.	37,800	37,80,000.00	37,800	37,80,000.00
<b>TOTAL</b>		<b><u>4,50,14,400.00</u></b>		<b><u>4,75,14,400.00</u></b>
<b>(9) OTHER NON CURRENT ASSETS</b>				
Unamortized Expenses				
(to the extent not written off or adjusted)		-		-
<b>TOTAL</b>		<u>-</u>		<u>-</u>

## ADHIRAJ DISTRIBUTORS LIMITED

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	CURRENT YEAR		PREVIOUS YEAR	
	31.03.2016		31.03.2015	
	₹		₹	
<b>(10) CURRENT INVESTMENTS</b>				
<b>(At Cost, Non Trade)</b>				
<b>Investments in Equity Instruments</b>				
	<b>No of Shares</b>		<b>No of Shares</b>	
<u>A. Equity Shares (Quoted) - Valued at COST</u>				
Kailash Auto Finance Limited	2,28,939	73,93,127.42	2,28,939	73,93,127.42
Surabhi Chemicals & Investments Limited	96,000	87,28,889.19	96,000	87,28,889.19
		<u>1,61,22,016.61</u>		<u>1,61,22,016.61</u>
<u>B. Equity Shares (Unquoted) - Valued at COST</u>				
Mauryan Properties Pvt. Ltd.	1,000	10,00,000.00	1,000	10,00,000.00
Wevex Devcon Pvt. Ltd.	1,00,000	10,00,000.00	1,00,000	10,00,000.00
Shakti Bulk Carriers Pvt. Ltd.	40,000	10,00,000.00	-	-
Sonali Traders Pvt. Ltd.	20,000	10,00,000.00	-	-
Suasion Sarees Pvt. Ltd.	25,000	7,50,000.00	-	-
Suntreck Niketan Pvt. Ltd.	55,000	5,50,000.00	-	-
Others		<u>23,00,000.00</u>		<u>28,50,000.00</u>
		<u>76,00,000.00</u>		<u>48,50,000.00</u>
TOTAL C = (A + B)		<u>2,37,22,016.61</u>		<u>2,09,72,016.61</u>
<u>D. Investment in Mutual Funds</u>				
UTI Floating Rate Fund		<u>20,000.00</u>		<u>20,000.00</u>
		<u>20,000.00</u>		<u>20,000.00</u>
<b>TOTAL E = (C + D)</b>		<b><u>2,37,42,016.61</u></b>		<b><u>2,09,92,016.61</u></b>
<i>Aggregate Value of Quoted Investments (Rs.)</i>		<i>1,61,22,016.61</i>		<i>1,61,22,016.61</i>
<i>Market Value of Quoted Investments (Rs.)</i>		<i>98,65,203.99</i>		<i>1,06,29,860.25</i>
<i>Aggregate Value of Unquoted Investments (Rs.)</i>		<i>76,00,000.00</i>		<i>48,50,000.00</i>
<i>Aggregate Provision for dimunition in value of investments (₹)</i>		<i>-</i>		<i>-</i>
<b>(11) TRADE RECEIVABLES</b>				
<b>(Unsecured and Considered Good)</b>				
Over Six Month		54,95,759.25		28,29,000.00
Others		2,76,24,223.32		1,25,43,081.77
		<u>3,31,19,982.57</u>		<u>1,53,72,081.77</u>

## ADHIRAJ DISTRIBUTORS LIMITED

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
	<u>31.03.2016</u>	<u>31.03.2015</u>
	<u>₹</u>	<u>₹</u>
<b>(12) CASH AND CASH EQUIVALENTS</b>		
Cash in hand (As certified by the Management)	1,40,580.00	1,34,039.00
Balances with Banks		
- With Scheduled Bank In Current Accounts	30,19,668.03	51,09,315.42
- Fixed Deposit with Banks	28,10,406.00	26,05,657.00
- Cheque in Hand	-	57,48,992.00
<b>TOTAL</b>	<b><u>59,70,654.03</u></b>	<b><u>1,35,98,003.42</u></b>
<b>(13) SHORT TERM LOANS &amp; ADVANCES</b> <b>(Unsecured , Considered Good)</b>		
Advance recoverable in cash or in kind or for the value to be received	6,58,06,822.00	5,62,39,991.00
<u>Balances with government authorities</u>		
TDS (Net of Provision of Income Tax)	5,49,690.00	39,416.00
Advance Tax	50,000.00	-
<b>TOTAL</b>	<b><u>6,64,06,512.00</u></b>	<b><u>5,62,79,407.00</u></b>

## ADHIRAJ DISTRIBUTORS LIMITED

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016**

	<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
	<u>31.03.2016</u>	<u>31.03.2015</u>
	<u>₹</u>	<u>₹</u>
<b>(14) SALE OF PRODUCTS</b>		
Sales	6,31,57,959.14	5,24,80,618.47
<b>TOTAL</b>	<b>6,31,57,959.14</b>	<b>5,24,80,618.47</b>
<b>(15) OTHER INCOME</b>		
Interest Income	56,24,510.00	28,34,680.00
(TDS C/Y- 5,49,690/-, P/Y - 2,82,958/-)		
<b>TOTAL</b>	<b>56,24,510.00</b>	<b>28,34,680.00</b>
<b>(16) EMPLOYEE BENEFIT EXPENSES</b>		
Salaries	11,76,630.00	9,11,000.00
Staff Welfare Expenses	3,82,682.00	2,24,836.00
	<b>15,59,312.00</b>	<b>11,35,836.00</b>
<b>(17) OTHER EXPENSES</b>		
Accounting Charges	30,000.00	60,000.00
<u>Audit Fees</u>		
- As Statutory Auditors	11,450.00	15,842.00
- As Tax Auditors	5,725.00	5,618.00
- Certifications	1,500.00	6,742.00
Bank Charges	2,350.39	5,538.59
Conveyance Expenses	3,57,990.00	3,20,928.00
Demat Expenses	1,140.00	1,407.31
Filing Fee	5,400.00	34,205.00
Fooding Expenses	32,421.00	-
General Expenses	3,71,670.04	2,30,846.40
Interest Expenses	357.00	350.00
ISIN Charges	1,03,050.00	92,248.00
Listing Fees	3,52,473.00	1,40,450.00
Office Maintenance expenses	3,38,927.00	3,45,150.00
Office Refreshment expenses	2,17,085.00	-
Postage	27,339.00	9,210.00
Printing and stationery	2,88,927.00	2,68,165.00
Professional Fees	11,500.00	1,85,394.00
Professional tax	-	2,500.00
Rates & Taxes	3,250.00	16,250.00
Registrar & Transfer Agent Fees	19,901.00	21,349.00
Rent	84,000.00	1,27,000.00
Share Issue Expenses w/off	-	3,07,934.00
Sitting Fees (Directors)	-	22,472.00
Telephone Expenses	1,19,441.00	83,259.00
Transportation Expenses	2,55,093.00	1,64,650.00
Travelling Expenses	3,63,548.00	2,72,407.00
Website Maintenance Expenses	2,000.00	1,000.00
Income Tax for Earlier Years	-	11,970.00
<b>TOTAL</b>	<b>30,06,537.43</b>	<b>27,52,885.30</b>

## ADHIRAJ DISTRIBUTORS LIMITED

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016****(18) Earning per Share**

Calculation of Basic and Diluted Earning per share for the years ended 31st March, 2016 & 31st March 2015:

	<b>Current Year</b>	<b>Previous Year</b>
<b>Basic and Diluted</b>		
(a) Profit attributable to equity shareholders	<u>12,96,993.75</u>	<u>6,88,892.23</u>
	12,96,993.75	6,88,892.23
Number of equity shares at the beginning of the year	1,56,85,000	1,51,85,000
Number of equity shares at the end of the year	1,56,85,000	1,56,85,000
Weighted average number of equity shares outstanding during the year	1,56,85,000	1,54,41,164
Basic Earning Per Share	0.08	0.04
Diluted Earning Per Share	0.08	0.04

**(19) Segment Information**

Considering the nature of the Company's business and operations, there are no separate reportable segments (business/ geographical) in accordance with the requirements of Accounting Standard 17 'Segment Reporting', issued by ICAI.

**(20) Previous Year Figures :**

The previous year figures, have been regrouped / reclassified, wherever necessary to conform to the current years presentation.

For A Agarwal & Associates  
Chartered Accountants  
Firm Reg No : 326873E

For and on Behalf of Board of Directors

Sd/-  
Srikrishan Churiwala  
DIN No - 02185991  
Managing Director

Sd/-  
Sandip Kumar Agarwal  
DIN No - 05166153  
Director

Sd/-  
CA Amit Agarwal  
(Partner)  
Membership No: 064726

Sd/-  
Sitesh Kanodia  
C.F.O

Sd/-  
Pooja Bhagat  
Company Secretary

Place: Howrah  
Date : 30th May 2016

**ADHIRAJ DISTRIBUTORS LIMITED**  
CIN: L52190WB2011PLC158320  
Regd Office: 105/5/1 Kshetra Banerjee Lane  
Howrah-711102, West Bengal  
Phone No. 033-2211 0040, E-mail: info@adhirajdistributors.com

**ATTENDANCE SLIP**  
(To be handed over at the entrance of the Meeting Hall)

Folio No.: \_\_\_\_\_

DP-ID No.: \_\_\_\_\_

Client-ID No. \_\_\_\_\_

Name of Member(s): \_\_\_\_\_

Name of the Proxy Holder: \_\_\_\_\_

Registered Address: \_\_\_\_\_

Number of Shares Held: \_\_\_\_\_

I hereby record my presence of the **6<sup>th</sup> ANNUAL GENERAL MEETING** of the Company held on Friday the **23<sup>rd</sup> day of September, 2016** at **11 A.M.** at "105/5/1 Kshetra Banerjee Lane Howrah-711102, West Bengal.

\_\_\_\_\_  
Signature of the Member/ Representative/ Proxy Holder\*

\* Strike out whichever is not applicable

**ADHIRAJ DISTRIBUTORS LIMITED**

CIN: L52190WB2011PLC158320

Regd Office: 105/5/1 Kshetra Banerjee Lane  
Howrah-711102, West Bengal

Phone No. 033-2211 0040, E-mail: info@adhirajdistributors.com

*(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)***FORM OF PROXY**

Folio No.: \_\_\_\_\_

DPID No.: \_\_\_\_\_

Client ID No.: \_\_\_\_\_

Name of the Member(s): \_\_\_\_\_ Email Id: \_\_\_\_\_

Registered Address: \_\_\_\_\_

I/We, being a member / members of ADHIRAJ DISTRIBUTORS LIMITED hereby appoint:

1. Name: \_\_\_\_\_  
E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him/her2. Name: \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_ or failing him/her3. Name: \_\_\_\_\_ E-mail Id \_\_\_\_\_  
Address: \_\_\_\_\_as my / our Proxy to vote for me / us, on my / our behalf at the **6<sup>th</sup> ANNUAL GENERAL MEETING** of the Company held on Friday the **23<sup>rd</sup> day of September, 2016** and at any adjournment thereof in respect of the following resolutions:

1. Adoption of Balance Sheet, Statement of Profit & Loss, Report of Auditors and Board of Directors for the year ended 31<sup>st</sup> March, 2016.
2. Re-Appointment of Mr. Srikrishan Churiwala as Director who is retiring by rotation.
3. Ratification of appointment of Auditors.

Signed this \_\_\_\_ day of \_\_\_\_\_ 2016. Signature of Member \_\_\_\_\_

Revenue  
Stamp

Signature of Proxy holder(s): 1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

**NOTE:** The Form of Proxy duly completed must be deposited at the Registered Office of the Company at 105/5/1 Kshetra Banerjee Lane Howrah-711102, West Bengal not later than 48 hours before the time for holding the meeting.