

DIRECTORS' REPORT

To,
The Members
HARI TEXTILE MILLS LIMITED

Your Directors have pleasure in presenting their 43rd Annual Report together with the Audited financial statements of your Company for the year ended 31st March, 2017.

KEY FINANCIAL HIGHLIGHTS

The highlights of the financial results of the Company are as follows:

(AMT. IN RUPEES)

PARTICULARS	<i>Year Ended March 31, 2017</i>	<i>Year Ended March 31, 2016</i>
<i>Revenue from Operations</i>	1,211,146.84	1,456,639.00
<i>Other Income</i>	4,450.00	85,402.00
<i>Total Revenue</i>	1,215,596.84	1,542,041.00
<i>Total Expenses</i>	1,504,681.13	1,376,401.68
<i>Profit for the year before tax</i>	(289,084.29)	(115.68)
<i>Less : Provision for Taxation</i>	-	-
<i>Current Tax</i>	-	33.00
<i>Mat Credit Entitlement</i>	-	5,899.00
<i>Less : Minority Interest</i>	-	-
Profit during the year	(289,084.29)	(6,047.68)
<i>Add : Profit B/F from previous Year</i>	(1,558,141.15)	(1,552,093.47)
<i>Sub Total</i>	(1,847,225.44)	(1,558,141.15)
<i>Less: P/L Appropriation</i>	-	-
<i>Less : Investment Allowance</i>	18,163.00	18,163.00
<i>Less: Capital Subsidy against generator</i>	33,026.00	33,026.00
Balance C/f to Balance Sheet	(1,796,036.44)	(1,506,952.15)

BUSINESS PERFORMANCE REVIEW

The main operations of the Company are that of Manufacturing & Trading of Fabrics. There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the Financial Year and the date of the report.

DIVIDEND

Your Director's regret for not recommending any Dividend on Equity Shares and has decided to retain the profits for future investments and to strengthen the business of the Company.

RESERVES

The Company proposes not to transfer any amount in any statutory reserves and is proposed to be retained in the P/L account during the Financial Year 2016-17.

CHANGE IN THE NATURE OF BUSINESS

During the year under review, there are no changes in the nature of the business of the Company.

SHARE CAPITAL

The Equity shares of the Company are listed on the CSE. The paid up Equity Share Capital as on March 31, 2017 was Rs. 63.00 Lacs. The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme.

PUBLIC DEPOSIT

Your Company has not accepted any deposit from the public during the financial year within the meaning of Section 73 of the Companies Act, 2013 or the Companies (Acceptance of Deposits) Rules, 2014 nor does it hold any public deposit.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") and applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, the Company has no subsidiaries or associate company.

LISTING

The shares of the Company continue to be listed on the CSE Limited (CSE). The scrip code number of the Equity Shares of the Company on CSE is 100118095 respectively.

The Annual Listing Fee for the Financial Year 2017-18 has been duly paid within the stipulated time to the Stock Exchange.

DIRECTOR AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sanjay Kumar Todi, Director of the Company retires by rotation and being eligible for reappointment and offer himself for re-appointment.

All the directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013.

Mr. Sanjay Kumar Todi (Managing Director), Mrs. Archana Todi, are the Key Managerial Personnel (KMP) of the Company, pursuant to the provisions of the Company Act, 2013 as on the date of this report.

All the Directors, Key Managerial Personnel and senior management of the company have affirmed compliance of with the code of conduct applicable to the Directors and employees of the Company and a declaration in this regard made by the Managing Director is attached which forms a part of this report of Directors. The Code of Conduct is available on the Company's website www.haritextilemillsLtd.com

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors that they meet the criteria as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations, 2015.

The Board confirms that the said Independent Directors meet the criteria as laid down under the Companies Act, 2013 as well as the SEBI Listing Regulations, 2015.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors had, in accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, met separately and discussed and reviewed, inter alia, the performance of Non Independent Directors and the Board as a whole after taking into consideration the views of Executive and Non- Executive Directors.

BOARD AND ITS COMMITTEES

BOARD MEETINGS

The Board met ten times during the financial year. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the SEBI Regulation, 2015. The details of dates of meetings held by the Board and its Committees, attendance of Directors, etc. is given separately in the Report of Corporate Governance which forms part of the report.

COMMITTEES OF THE BOARD

The Board has formulated the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee

The details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report which forms a part of this report.

BOARD EVALUATION

The Board of Directors of the Company carried out annual evaluation of its own performance, of the Committees of the Board and individual Directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfillment of key responsibilities, board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes. The Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance/ support to the management outside Board/ Committee Meetings.

In addition, the Managing Director was evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Management. Areas on which the Committees of the Board were assessed included degree of fulfillment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors, who also reviewed the performance of the Board as a whole.

POLICY FOR APPOINTMENT AND REMUNERATION:

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 said policy is annexed and forms a part of this report.

INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls. This ensures that all transactions are authorised, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition.

We have documented policies and procedures covering all financial and operating functions and processes. The Company's internal control system is commensurate with its size, scale and complexities of its operations.

The Audit Committee oversees and reviews the functioning of the entire audit team and the effectiveness of internal control system at all levels and monitors the implementation of audit recommendations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

Your Directors confirm that during the year under review, there were no reportable material weaknesses in the present systems or operations of internal controls.

CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

Since your Company is a trading company and does not own any manufacturing facility, the requirement relating to providing the particulars relating to conservation of energy and technology absorption as per Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, are not applicable.

Accounting of Foreign Exchange Transactions:-

	2016-17	2015-16
C.I.F. Value of Imports	NIL	NIL
Expenditure in Foreign Currency	93,675.00	2,36,207.00
Earnings in Foreign Exchange	NIL	NIL

RELATED PARTY TRANSACTION

All Related Party Transactions entered into by your Company during the financial year were on arm's length basis and were in the ordinary course of business. The particulars of Contracts or Arrangements made with related parties referred to in subsection (1) of section 188 entered by the company during the financial year ended 31st March 2017 is annexed here to annexure II in prescribed Form AOC-2 and forms part of this report.

RISK MANAGEMENT POLICY

In terms of Section 134(3)(n) of the Act, your Directors wish to state that the Company has drawn and implemented a Risk Management Policy including identification of elements of risks, if any, which may threaten the existence of the Company. The above policy is being reviewed/re-visited once a year or at such other intervals as deemed necessary for modifications and revisions, if any.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013, in respect of Corporate Social Responsibility are not applicable to the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The employees are free to report violations of applicable laws and regulations and the Code of Conduct.

The policy provides for a formal mechanism for all the directors, employees to report to the Management their genuine concerns or grievances about unethical behavior, actual or suspected fraud and any violation of the Company's Code of Business Conduct and Ethics policy.

The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning Company. The Policy is available on the Company's Website **www.haritextilemillsltd.com**

During the year under review, no employee was denied access to the Audit Committee. The said policy is available on the website of the Company.

STATUTORY AUDITORS

The financial statements for the year under review have been audited by M/s. R S P M & Co. (FRN- 315091E), Chartered Accountants, Statutory auditors of the Company.

In terms of Section 139 of the Companies Act, 2013 and the rules framed thereunder, **M/s. RSPM & Co.**, Chartered Accountants were appointed as the Statutory Auditor of the Company at the 43rd AGM held on 25th September, 2017 for a period of 5 years upto the conclusion of the 49th AGM of the Company subject to the ratification of their appointment at every AGM held thereafter.

Your Directors recommend the appointment of **M/s. RSPM & Co.** Chartered Accountants as the Statutory Auditors. The resolutions seeking approval of the members for appointment of Statutory Auditors and fixation of their remuneration are included in the notice convening the ensuing Annual General Meeting. The above said appointment attracts the provisions of Section 139, 142, 143 and all other applicable provisions, if any, of the Companies Act, 2013 and rules thereunder. Your Company has obtained the consent and a certificate from the statutory auditors under section 139 of the Companies Act, 2013 to the effect that their appointment, if made, would be in accordance with the conditions as may be prescribed.

SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, 2013 and the rules framed thereunder, the Company had appointed Mr. Anil Kumar Dubey, Practicing Company Secretary (Membership No. 26398 & CP No – 12588) to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report for the financial year ended 31st March, 2017 is set out as an Annexure and forms a part of this report.

AUDITORS' REPORT

STATUTORY AUDITOR'S REPORT

In terms of Section 134(2) and 134(3) of the Act, your Directors are pleased to inform that there are no qualification, reservation or adverse remark or disclaimer made by the statutory auditors of the Company in their audit report for the financial year FY16-17.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained, your Directors make the following statement in terms of Section 134 (3)(c) and 134 (5) of the Companies Act, 2013:

- (a) that in the preparation of Annual Accounts for the financial year ended March 31, 2017, the applicable Accounting Standard has been followed;
- (b) that the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the March 31, 2017 and the Statement of Profit and Loss for financial year ended March 31, 2017;
- (c) that proper and sufficient care have been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities;
- (d) that the Annual Accounts have been prepared on a 'going concern' basis;
- (e) that proper internal financial controls laid down by the Directors is being followed by the Company and that such internal financial controls are adequate and are operating effectively; and

- (f) that proper system to ensure compliance with the provisions of all applicable laws as devised by the Directors are in place and that such systems are adequate and operating effectively.

PARTICULARS OF EMPLOYEES

During FY16-17, your Company had not employed anyone for entire year or part of the year which needs disclosure as per the provisions of the Companies Act, 2013 read with relevant Rules. The ratio of remuneration of each Director to the median of employees remuneration and such other details as required under Sec 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is provided in the annexure and forms part of this report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of loans given, guarantees given and investments made along with the purpose for which they are proposed to be utilized by the recipient are provided in notes to the Financial Statements which are within the limits prescribed under Section 186 of the Companies Act, 2013.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading for its Designated Persons in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code lays down Guidelines, which advise the insiders on procedures to be followed and disclosures to be made, while dealing with the shares of the Company, and cautioning them of the consequences of violations. 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 code of conduct for Prevention of Insider Trading is posted on the website of the Company and can be accessed at: www.haritextilemills.com.

All the Board of Directors and designated employees have confirmed compliance with the Code.

EXTRACT OF ANNUAL RETURN

In terms of the provisions of Section 92 (3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return for the financial year March 31, 2017 in Form MGT-9 is given in annexure and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS

In terms of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report on the operations of the Company is provided as a separate section and forms part of the Annual Report.

CORPORATE GOVERNANCE

Although the mandatory provisions of the Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 read with para C,D and E of the Schedule V are not applicable to the Company in terms of Regulation 15(2) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. However, the Company has tried to ensure that all mandatory provisions

of Corporate Governance, in terms of Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with.

The Report on Corporate Governance as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

Your Directors confirm that there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's future operations.

INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes or events affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial Statements relates and the date of this report.

POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

The Company has not received any complaint of sexual harassment during the financial year 2016-17.

APPRECIATION

Your Directors would like to acknowledge the role of all its stakeholders' viz., shareholders, bankers, lenders, borrowers and all others for their continued support to your Company and the confidence and faith that they have always reposed in your Company.

Your Directors acknowledge and appreciate the guidance and support extended by all the Regulatory authorities including Securities Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Registrar of Companies, Kolkata, the Stock Exchanges and the NSDL. We may add a section on this aspect also).

We value the professionalism of all the employees who have proved themselves in a challenging environment and whose efforts have stood the Company in good stead and taken it to present level.

For and on behalf of the Board

Sd/-

Sanjay Kumar Todi
Managing Director
DIN – 00029270

Sd/-

Archana Todi
Director
DIN - 00047870

Place: Kolkata
Dated: 17th August, 2017

Registered Office:
19, Amratolla Street,
Kolkata – 700 001

Annexure - 1 to the Directors' Report - FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES

Part "A" - Subsidiaries

(Amount in Rs.)

Sl. No.	Particulars	1	2
1	Name of the Subsidiary	NA	NA
2	Reporting period for the subsidiary concerned	NA	NA
3	Share capital	NA	NA
4	Reserves & Surplus	NA	NA
5	Total Assets	NA	NA
6	Total Liabilities	NA	NA
7	Investments	NA	NA
9	Turnover	NA	NA
10	Profit before taxation	NA	NA
11	Provision for Taxation (Tax Expenses)	NA	NA
12	Profit after taxation	NA	NA
13	Proposed Dividend (Inclusive of DDT)	NA	NA
14	% of shareholding	NA	NA

- Names of subsidiaries which are yet to commence operations: **NOT APPLICABLE.**
- Names of subsidiaries which have been liquidated or sold during the year :
NOTAPPLICABLE
- No Company has become a Joint venture or associate during the financial year 2016-17, hence Part – B of form AOC- 1 is not reported.

For and on behalf of the Board

Sd/-

Sd/-

Place: Kolkata

Date: 17th August, 2017

Sanjay Kumar Todi

Managing Director

DIN – 00029270

Archana Todi

Director

Din - 00047870

Annexure - 3 to the Directors' Report

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

To

**The Members,
Hari Textile Mills Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s Hari Textile Mills Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit and subject to my separate letter attached as "ANNEXURE – A", I hereby report that in my opinion, the Company has, during the financial year ended on March 31, 2017 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **[All the shares are held in physical form]**
- 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 Borrowing. (Not applicable on the Company during the Audit Period) **[Not applicable during the period under review]**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 w.e.f. October 28, 2014; **(Not Applicable to the Company during the Audit Period)**;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period)**;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client. **[Company maintaining the share transfer facility in house and therefore did not have any Registrar and Share Transfer Agent]**
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); **[Not applicable during the period under review]**.
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period); **[Not applicable during the period under review]**

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

- i) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015; and
- ii) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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

Based on such checks as considered appropriate and documents provided by the Company, I observed that the specific laws, as applicable to the Company are being duly complied with.

I further report that during the audit period the Company has not passed any Special Resolution and that there were no specific event/ action having a major on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. This report is to be read out with our letter of even date which is annexed as "ANNEXURE - A" and forms an integral part of this report.

Sd/-

Anil Kumar Dubey
Practicing Company Secretary

26398 CP No.12588

Place: Kolkata
Dated: May 30, 2017

ANNEXURE “A”

To

The Members,
Hari Textile Mills Limited
19, Amratolla Street,
Kolkata – 700 001

My Secretarial Audit Report for the financial year March 31, 2017 of even date is to be read along with this annexure.

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 my 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 earnestly believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening 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.
7. All Disclosures were made to the Stock Exchange however there were some delays in some disclosures.
8. Company has not appointed Chief Financial Officer and Company Secretary in terms of Section 203 of the Companies Act, 2013 and Regulation 6 of the SEBI (LODR) Regulation, 2015.

Sd/-

Anil Kumar Dubey
Practicing Company Secretary
26398 CP No.12588

Place: Kolkata
Date: May 30, 2017

Annexure -4 to the Directors' Report

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 AND COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES, 2016

I.

The Non-Executive Directors of the Company are entitled for sitting fees as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Non-executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase in remuneration for Non-executive Directors is therefore not considered for the above purpose.

A. The percentage increase in remuneration of each Director, during the financial Year 2016-17:

Sl.No.	Name of Director / KMP	Designation	% increase in Remuneration
1.	Sanjay Todi	Director	NIL
2.	Archana Todi	Director	NIL
3.	Krishna Kumar Todi	Director	NIL
4.	Om Prakash Todi	Director	NIL
5.	Abhishek Modi	Director	Nil
6	Laxmi Kant Shah	Director	NIL

B. The percentage increase in the median remuneration of the employees in the FY 2016 - 2017:-

There has been an increase of 7.00 % in the median remuneration of the employees of the Company in FY 2016 - 2017 as compared to FY 2015 - 2016.

C. The number of permanent employees on the rolls of the Company as on 31st March, 2017:-

There were 4 employees on the rolls of the Company.

- D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:-**There is around 20% increase in the salaries of employees other than managerial personnel.

Justification for increase: The increase is in line with the increase in the Company's performance, anticipation of future growth of the Company and the Industrial standards.

- E. Affirmation that the remuneration is as per Remuneration Policy of the Company:** It is hereby affirmed that the remuneration paid to KMPs and other employees are as per the Nomination & Remuneration Policy of the Company.

- II.** During the year the Company had not engaged any employee drawing remuneration in exceeding the limit specified under Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014.

For and on behalf of the Board

Sd/-

Sd/-

**Sanjay Kumar Todi
Managing Director
DIN – 00029270**

**Archana Todi
Director
DIN -00047870**

Place: Kolkata

Date: 17th August, 2017